



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

**GOVERNANCE RULES AND OPERATIONAL
MANUAL**

**PREPARED IN ACCORDANCE WITH THE ADAMAWA STATE
PUBLIC-PRIVATE PARTNERSHIP FRAMEWORK**

DECEMBER, 2025

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LIST OF ACRONYMS / ABBREVIATIONS

ADIPA	Adamawa State Investment and Public-Private Partnership Agency
CA	Contracting Authority
DP	Development Partner
IPSAS	International Public Sector Accounting Standards
MDA	Ministry, Department, or Agency
MDB	Multilateral Development Bank
MIS	Management Information System
MTEF	Medium-Term Expenditure Framework
OAF	Officer Administering the Fund
OAG	Office of the Auditor-General
PPF	Project Facilitation Fund
PPF-SC	Project Facilitation Fund Steering Committee
PPP	Public-Private Partnership
SPV	Special Purpose Vehicle
TA	Transaction Advisor
TOR	Terms of Reference
VfM	Value for Money
VGf	Viability Gap Funding

1. INTRODUCTION

The Adamawa State Government, recognizing the strategic necessity of bridging infrastructure deficits and enhancing service delivery, has formally established the Project Facilitation Fund (PFF). This Fund operates as a dedicated financial instrument authorized under the enabling provisions of the Adamawa State Public-Private Partnership (PPP) legal and policy framework, specifically administered through the Adamawa State Investment Promotion Agency (ADIPA). **The Executive Order No..... issued by the Executive Governor of Adamawa State dated..... Provides** for the set up of the Fund and domiciles its operations under the Adamawa State Investment Promotion Agency.

Persistent constraints in public capital budgets necessitate innovative financing solutions. The PFF addresses this imperative by mitigating critical financial obstacles that frequently derail otherwise viable Public-Private Partnership projects. These obstacles include prohibitive upfront costs for project preparation, feasibility studies, and transaction advisory services, as well as structural financial viability gaps that deter private investment. Systematically alleviating these barriers, the Fund serves a catalytic function: it accelerates the development of a robust pipeline of bankable projects, thereby stimulating increased private capital inflows into priority sectors such as transportation, energy, healthcare, education, and water infrastructure.

This Governance and Operations Manual constitutes the principal regulatory and procedural document for the PFF. Its formulation is not merely an administrative exercise but a foundational commitment to operational excellence, fiscal transparency, and rigorous accountability. The Manual translates broad legislative intent and policy objectives into a concrete, actionable framework. It defines the 'rules of the road' for all entities interacting with the Fund, ensuring that every process from resource mobilization to fund disbursement and post-project evaluation is conducted with consistency, integrity, and strategic alignment with the State's developmental goals.

1.1 PURPOSE AND SCOPE OF THE MANUAL

The core purpose of this Manual is to institute a definitive, comprehensive, and legally sound operational regime for the Adamawa State Project Facilitation Fund. It exists to ensure that the Fund's management is characterized by clarity, control, and compliance, thereby safeguarding public resources while maximizing their developmental impact.

The Manual is designed to achieve several specific aims:

1. **To Provide Authoritative Procedural Guidance:** It serves as the single, master reference document that details every standard operating procedure. This eliminates ambiguity and ensures uniform application of rules by all personnel and stakeholders involved in Fund administration.
2. **To Establish a Clear Governance Hierarchy:** It meticulously defines the institutional architecture of the PFF. This includes charting the relationships, mandates, and delegated authorities among the ADIPA Governing Council, the specialized PFF Steering Committee, the ADIPA Secretariat (which houses the Fund's day-to-day management), and external oversight bodies.
3. **To Standardize End-to-End Operational Workflows:** The Manual breaks down complex processes into sequential, manageable steps. It provides explicit instructions for each critical function, including application intake, eligibility verification, technical and financial appraisal, committee approvals, legal contracting, fund release, and ongoing monitoring.
4. **To Enforce Financial Integrity and Discipline:** It outlines a stringent financial management framework. This framework encompasses approved accounting standards (aligned with IPSAS), budget preparation and control mechanisms, treasury operations, safeguards for bank accounts, and protocols for the investment of idle funds, all in compliance with the Adamawa State Public Finance Management Law.
5. **To Ensure Adherence to All Regulatory Mandates:** The Manual explicitly embeds compliance requirements into every procedure. It ensures that Fund activities consistently adhere to the ADIPA Establishment Law, the State's PPP Policy, public procurement regulations, and any specific conditions stipulated in agreements with Development Partners providing co-financing.

The jurisdiction of this Manual is extensive and compulsory for all parties engaging with the PFF. Its provisions are binding on:

- **All Governing and Oversight Bodies:** This includes the ADIPA Governing Council, the PFF Steering Committee and any sub-committees formed, and the State's executive and legislative arms in their oversight capacities.
- **The Fund's Administrative Engine:** The ADIPA Secretariat, particularly the staff units specifically tasked with PFF management, operation, and financial control.
- **Recipients of Fund Support:** All State Ministries, Departments, Agencies (MDAs), and Local Government Councils when they assume the role of Contracting Authority for a PPP project.
- **Financial Contributors:** Bilateral and multilateral Development Partners who enter into formal agreements to provide grant, loan, or other financial support to the Fund's corpus.
- **Audit and Assurance Institutions:** The State's Office of the Accountant-General, the Office of the Auditor-General, and any independently appointed external auditors.

Table 1.1: Detailed Scope and Application of the Manual

FUNCTIONAL AREA	SPECIFIC SCOPE OF APPLICATION
Governance and Oversight	Rules for the composition, meeting frequency, quorum, decision-making (including voting procedures), declaration of conflicts of interest, and the specific reserved powers of the PFF Steering Committee.
Funding Windows and Eligibility	Comprehensive definitions, detailed eligibility criteria, and explicit conditions governing access to all four designated support windows: Project Preparation, PPP Unit Support, Viability Gap Funding, and Contingent Liability Liquidity.
Application and Approval Lifecycle	Complete, step-by-step workflows covering initial application submission, administrative screening for completeness, substantive technical and financial appraisal, approval authority matrices, and the process for issuing formal approval letters.
Financial Management and Control	Detailed policies on revenue recognition, expenditure authorization thresholds, bank account operations and reconciliations, budgeting cycles, cash flow forecasting, investment guidelines for surplus funds, and the preparation of periodic financial statements.
Procurement of Services	Approved procedures for using Fund resources to procure Transaction Advisors, technical consultants, and other service providers, ensuring strict adherence to the Adamawa State Public Procurement Law.
Monitoring, Evaluation and Reporting	Mandated requirements for Contracting Authorities to report on project progress, frameworks for the Secretariat to monitor Fund performance, and standardized schedules for reporting to the Steering Committee and Development Partners.
Risk Mitigation, Audit and Ethical Conduct	Established systems for fraud prevention and detection, a protected whistleblowing mechanism, schedules and scopes for internal and external audits, and a binding code of conduct for all individuals involved in Fund operations.

1.2 OBJECTIVES OF THE MANUAL

The development and implementation of this Manual are driven by a set of fundamental objectives, both strategic and operational, that are critical for the PFF to fulfill its intended role as a credible and effective development finance tool.

1. **To Institute a Transparent and Accountable Governance Model:** The primary objective is to create a governance structure that is clear in its delegation of authority. This structure must balance the need for high-level strategic oversight by the Steering Committee with the requirement for efficient, day-to-day operational management by the Secretariat. The model must facilitate timely decision-making to keep pace with project timelines while maintaining an unbroken chain of accountability to the State Government and the public.
2. **To Demystify and Accelerate Access to Financial Support:** A key aim is to make the process of obtaining PFF support straightforward and predictable for Contracting Authorities. By providing clear eligibility checklists, standardized application forms, and published timelines, the Manual seeks to reduce bureaucratic delays. This enables MDAs to confidently prepare and submit requests, ultimately shortening the critical period between project identification and the commencement of preparatory activities or financial close.
3. **To Maximize Developmental Impact Through Prudent Resource Allocation:** The Manual establishes frameworks to ensure that financial resources are allocated to the most promising and strategically aligned

projects. Through defined appraisal criteria, it aims to optimize the use of every disbursement, ensuring it delivers demonstrable value for money and directly contributes to the successful implementation of sustainable, public-benefiting PPP projects.

4. **To Foster Stakeholder Confidence and Catalyze Further Investment:** By mandating transparency in operations, rigorous financial controls, and independent audits, the Manual is designed to build unwavering confidence in the Fund's management. This credibility is essential to attract additional concessional funding from Development Partners and to signal to the private sector that Adamawa State is a serious and professionally managed destination for PPP investment.
5. **To Create a Learning Institution Through Systematic Knowledge Management:** The Manual mandates structured monitoring and evaluation. This is not merely for accountability but to systematically capture data, document outcomes, and analyze lessons learned from both successful and challenged projects. This generated knowledge becomes a vital institutional asset, informing continuous improvements in the State's broader PPP policy, project structuring, and risk management approaches.
6. **To Ensure Unassailable Legal and Fiduciary Compliance:** A foundational objective is to 'hardwire' compliance into the Fund's DNA. Every procedure outlined is designed to meet or exceed the requirements of the relevant State laws and regulations. This proactive approach minimizes legal, financial, and reputational risks for the State, ensuring the Fund's operations are beyond reproach.

1.3 USAGE OF THE MANUAL

This Manual is conceived as a practical, working instrument, not a static policy document. It is intended for active and regular consultation by the diverse range of stakeholders who participate in the PFF ecosystem. Its prescribed usage varies according to the role of the stakeholder:

- **For the ADIPA Governing Council and PFF Steering Committee:** This document is their primary source for understanding the extent and limits of their fiduciary and oversight responsibilities. It guides their review of major funding proposals, annual work plans and budgets, performance reports, and audit findings. It is the reference against which they ensure the Secretariat's management is aligned with established policy.
- **For the ADIPA Secretariat and Designated Fund Management Staff:** For these operational entities, the Manual is the indispensable procedural handbook. Staff are required to strictly adhere to its stipulated processes in all their duties, including application processing, financial transactions, contract administration, report compilation, and record-keeping. Deviation from these procedures would require formal, documented approval as per the amendment process outlined in the Manual itself.
- **For Contracting Authorities (State MDAs and LGs):** For these beneficiary entities, the Manual functions as both a guide and a compliance document. Officials responsible for PPP projects will use it to determine if their project qualifies for support, to understand how to prepare a complete and compelling application, to comprehend their binding obligations under a Funding Agreement, and to know exactly what monitoring and financial reports they must submit and when.
- **For Development Partners (DPs):** For current or prospective financial contributors, the Manual provides critical assurance. It allows them to assess the soundness of the Fund's governance, the robustness of its financial controls, and the transparency of its reporting systems. It often forms an integral part of the foundation for trust in negotiations and can be explicitly referenced in legal agreements governing DP contributions.
- **For Internal and External Auditors:** For assurance providers, the Manual establishes the formal 'control environment' and stated policies of the Fund. Auditors will use it as the benchmark to plan their audits, design testing procedures, and evaluate whether the Fund's operations are being conducted in accordance with its own rules and relevant statutory requirements.

Table 1.2: Practical User Guide for Key Stakeholders

STAKEHOLDER CATEGORY	RELEVANT MANUAL SECTIONS	PRIMARY PRACTICAL USE
PFF Steering Committee Members	<ul style="list-style-type: none"> - Section 3.1: Fund Management Committee - Section 5.4: Management of Funding Applications - Section 5.5: Funding Agreement - Section 10.3: Monitoring and Reporting Cycle - Section 7.3: External Audit Review 	<ul style="list-style-type: none"> - Prepare and conduct committee meetings - Approve large funding requests and budgets - Provide strategic direction using performance data - Fulfill oversight duties through audit reviews
ADIPA Secretariat / Fund Manager	<ul style="list-style-type: none"> - Section 5: Operations of the Fund (entire) - Section 6: Procurement and Contract Management - Section 7.2: Internal Audit - Section 10.3: Monitoring and Reporting Cycle - Annexure 1: Terms of Reference for the Secretariat 	<ul style="list-style-type: none"> - Execute daily administrative and financial tasks - Process applications and manage project pipeline - Ensure authorized financial transactions - Compile mandatory reports and maintain audit trails
MDA Project Team (Contracting Authority)	<ul style="list-style-type: none"> - Section 2.4: Eligible Projects and Activities - Section 2.5: Eligible Entities for Funding - Section 5.4: Management of Funding Applications - Section 5.5: Funding Agreement - Section 10.3: Monitoring and Reporting Cycle - Appendix 3: Sample Application Form Template 	<ul style="list-style-type: none"> - Assess project eligibility - Prepare and submit compliant applications - Understand and negotiate funding agreements - Fulfill reporting obligations to the Secretariat
Development Partner Representative	<ul style="list-style-type: none"> - Section 3.1: Fund Management Committee - Section 5.6: Fund Disbursement Tracking and Documentation - Section 7.4: Fraud, Misuse, and Financial Irregularity Response - Section 8.1: Anti-Fraud and Anti-Corruption Policy - Section 8.4: Institutional Responsibilities 	<ul style="list-style-type: none"> - Conduct due diligence on fund governance - Structure contribution agreements with safeguards - Understand disbursement and reporting procedures - Monitor compliance with anti-fraud frameworks
Auditor (Internal or External)	<ul style="list-style-type: none"> - Section 7: Audit and Internal Control (entire) - Section 5: Financial Management Policies - Section 6: Procurement and Contract Management - Section 10.4: Independent Evaluation - Appendix 5: Sample Annual Report Template 	<ul style="list-style-type: none"> - Develop risk-based audit plans - Test operational and financial controls - Verify compliance with laws and manual provisions - Recommend improvements based on audit findings

1.4 STRUCTURE OF THE MANUAL

This Manual is systematically organized to facilitate a logical journey from overarching principles to granular procedures. The structure is designed to be intuitive, allowing new users to understand the Fund holistically while enabling experienced practitioners to quickly locate specific, detailed information.

- **Section 1: Introduction** – Establishes the rationale, scope, objectives, and intended usage of the Manual.
- **Section 2: Fund Overview** – Defines the strategic purpose of the Fund, its operational functions, funding sources, and eligibility parameters.
- **Section 3: Fund Governance Arrangements** – Details the institutional structure, roles, and responsibilities of the Fund’s governing bodies and administrative units.
- **Section 4: Flow of Funds** – Outlines the mechanisms for managing the Fund’s financial inflows and outflows, including bank account operations.
- **Section 5: Operations of the Fund** – Provides step-by-step guidance on planning, financing, application processing, disbursement, and documentation.
- **Section 6: Procurement and Contract Management** – Specifies procurement principles, consultant engagement, contract oversight, and reporting standards.

- **Section 7: Audit and Internal Control** – Establishes the internal control environment, audit procedures, and mechanisms for addressing financial irregularities.
- **Section 8: Anti-Fraud, Corruption, and Safeguard Measures** – Embeds ethical standards, environmental and social safeguards, and institutional accountability protocols.
- **Section 9: Duration and Winding Up of the Fund** – Defines the conditions and procedures for Fund review, restructuring, or closure.
- **Section 10: Fund Performance Management Framework** – Introduces performance indicators, monitoring cycles, evaluation protocols, and feedback mechanisms.
- **Annexure 1: Terms of Reference for the PFF Secretariat**
- **Appendix 2: Sample Project Facilitation Funding Agreement**
- **Appendix 3: Sample PFF Application Form Template**
- **Appendix 4: Sample Project Evaluation and Scoring Template**
- **Appendix 5: Sample Annual Report Template**

2. FUND OVERVIEW

The Adamawa State Project Facilitation Fund (PFF) represents a deliberate and structured financial intervention mechanism established by the State Government. Its creation is a direct response to identified systemic constraints within the infrastructure development landscape. The Fund operates not as a general treasury account but as a specialized, ring-fenced instrument with a clear mandate. It is designed to interact with the broader Public-Private Partnership (PPP) project lifecycle at specific, critical junctures where the absence of targeted financial support often leads to project delays, increased costs, or outright failure.

2.1 OBJECTIVE OF THE FUND

The principal objective of the Adamawa State Project Facilitation Fund is to accelerate the preparation, procurement, and financial closure of commercially viable and socially beneficial Public-Private Partnership projects across the State. It aims to achieve this by acting as a de-risking and enabling financial tool that addresses persistent market failures and capital gaps inherent in complex infrastructure financing.

The Fund pursues this overarching goal through three interconnected strategic sub-objectives:

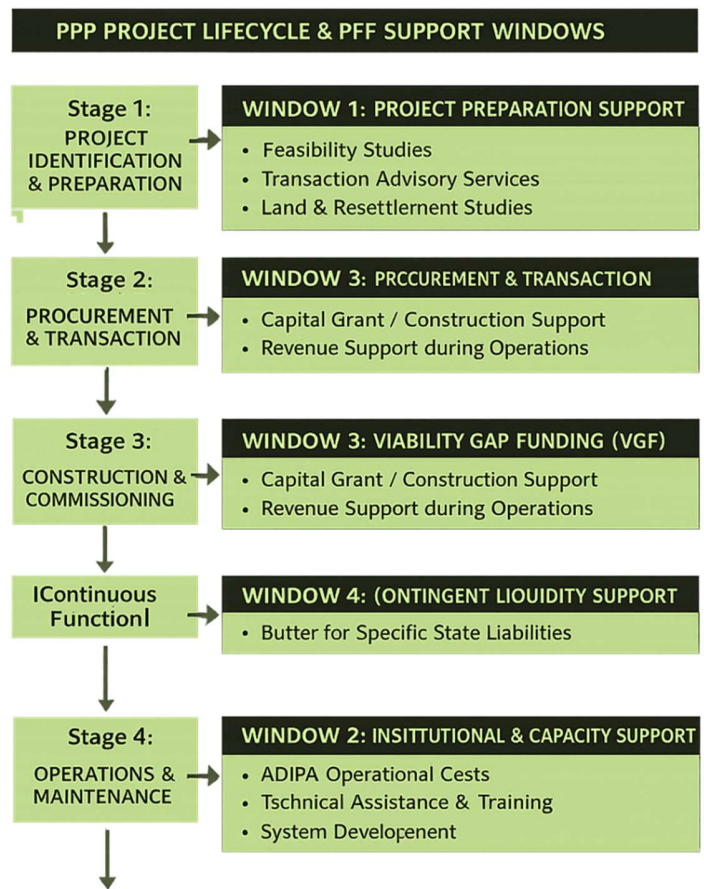
- 1. To Mitigate Early-Stage Project Preparation Risks:** A significant number of potential PPP projects fail to progress beyond conceptualization due to the high upfront costs and perceived risks associated with feasibility studies, detailed design, and transaction structuring. The Fund seeks to absorb a portion of these initial costs for priority projects, thereby enabling Contracting Authorities to develop robust, bankable project proposals that can attract competitive private sector bids. This transforms promising ideas into tangible investment opportunities.
- 2. To Enhance Project Bankability and Financial Viability:** Certain infrastructure projects, while economically and socially essential, may not generate sufficient commercial returns to attract private financing on a standalone basis. The Fund's second sub-objective is to provide carefully structured financial support such as Viability Gap Funding to make such projects commercially attractive. This support bridges the gap between the project's cost and its revenue potential, unlocking private investment for projects that deliver critical public services.
- 3. To Strengthen Institutional Capacity and Fiscal Management:** The effective management of a PPP program and the associated fiscal commitments requires specialized skills and robust systems. The Fund allocates resources to build the long-term capacity of the Adamawa State Investment and Public-Private Partnership Agency (ADIPA) and other MDAs. Furthermore, by establishing a dedicated reserve for specific contingent liabilities, the Fund aims to improve the State's fiscal management of PPP-related risks, enhancing its credibility with investors and credit rating agencies.

The Fund's objective is catalytic. It uses limited public or donor capital to leverage significantly larger volumes of private investment, thereby multiplying the impact of every Naira allocated to it and enabling the delivery of more and better infrastructure for the citizens of Adamawa State.

2.2 FUNCTES OF THE FUND

To translate its objectives into tangible outcomes, the PFF will execute its mandate through four distinct, predefined "Windows" of financial support. Each Window corresponds to a specific stage or need within the PPP project cycle and has its own eligibility criteria and terms. This multi-window approach ensures targeted and appropriate intervention.

Figure 2.1: The Four Support Windows of the Adamawa State PFF



Description of Each Function (Support Window):

Window 1: Project Preparation and Development Support

This function addresses the earliest and most critical financing gap. It provides grants or recoverable advances to Contracting Authorities (MDAs) to cover third-party costs essential for developing a project to a point where it can be offered to the market.

- **Key Activities Funded:** Comprehensive feasibility studies (technical, financial, legal, environmental, and social); detailed engineering design; development of land acquisition and resettlement action plans; procurement of Transaction Advisors to manage the bidding process; preparation of all tender documentation (Request for Qualifications, Request for Proposals); and project marketing.

Window 2: Institutional Capacity and Operational Support

This function focuses on strengthening the ecosystem within which PPPs are developed. It funds the operational costs and capacity-building initiatives necessary for ADIPA to effectively execute its mandate of regulating, promoting, and facilitating PPPs.

- **Key Activities Funded:** Core operational expenses of the ADIPA PPP Unit; salaries for specialized technical staff (on a justified basis); procurement of necessary office equipment and specialized software (e.g., financial modeling, project management); training programs for MDA and ADIPA staff on PPPs; development of standardized guidelines, templates, and manuals; and research on sector-specific PPP models.

Window 3: Viability Gap Funding (VGF) and Construction Support

This is a core function aimed at making economically essential but financially marginal projects attractive to private

investors. VGF is a conditional grant or subsidized financing provided to a project to improve its financial rate of return.

- **Key Activities Funded:** A one-time capital grant during the construction phase to reduce the project's total capital cost; periodic subsidy payments during operations to supplement user fee revenues (where affordable tariffs are policy); and other forms of output-based aid linked to the availability or usage of the asset.

Window 4: Contingent Liability Liquidity Support

This function serves as a prudential fiscal management tool. It establishes a dedicated reserve to provide immediate liquidity in the unlikely event a specific, pre-defined contingent liability materializes, ensuring the State can meet its obligations without disrupting its annual budget.

- **Key Application:** This window is not for general budget support or for liabilities arising from MDA contractual failures. It is strictly reserved for covering crystallized liabilities that are directly attributable to a State Government default under a PPP contract, which cannot be recovered from the responsible MDA and for which no budget allocation exists.

2.3 SOURCES OF FUNDS

The sustainability and effectiveness of the PFF are contingent upon a diversified and reliable funding base. The Fund will not rely on a single source but will be capitalized through a blend of statutory allocations, partner contributions, and internally generated revenues, as permitted by the ADIPA Law and State financial regulations.

Table 2.1: Detailed Sources of Funds for the Adamawa State PFF

SOURCE CATEGORY	SPECIFIC SOURCE	DESCRIPTION and MECHANISM	PRIMARY WINDOW ALIGNMENT
State Government Allocations	Annual Budget Appropriation	The State Government will make annual earmarked transfers to the PFF as part of the State budget, as approved by the State House of Assembly. This demonstrates core government commitment.	Windows 1, 2, and core capital for Windows 3 and 4.
Development Partner Contributions	Grants and Concessional Loans	Bilateral and multilateral development partners (e.g., World Bank, AfDB, bilateral aid agencies) may provide grants or highly concessional loans to capitalize the Fund or specific windows, often tied to technical assistance programs.	Can be earmarked for any window, often Windows 1, 2, and 3.
Project-Specific Levies and Returns	Success Fees / Cost Recovery	Upon the successful financial close of a PPP project that received preparatory support from Window 1, the Fund will recover all or an agreed percentage of the costs incurred from the winning private bidder or the Contracting Authority. This creates a revolving element.	Replenishes Window 1 specifically.
	PPP Project Levies	A small, pre-agreed levy on the revenue or capital cost of a supported PPP project may be applied, with proceeds flowing back into the Fund to support future projects.	General replenishment across windows.
Repayments and Recoveries	Recoverable Advance Repayments	Where Window 1 support was provided as a recoverable advance (loan) to an MDA, the scheduled repayments from the MDA's budget will return to the Fund.	Replenishes Window 1.
	Contingent Liability Recoveries	If funds from Window 4 are used, the State Government will undertake to replenish the amount from subsequent budget cycles. Any recovery from a defaulting party after the Fund's payout would also be returned.	Replenishes Window 4.
Other Approved Sources	Investment Income	Surplus funds held in the PFF accounts that are not required for immediate disbursement may be placed in safe, liquid investments (e.g., government treasury bills) as per State treasury rules. The interest earned constitutes income for the Fund.	General replenishment across windows.
	Donations and Grants	Philanthropic foundations or corporate social responsibility contributions may be accepted with the approval of the PFF Steering Committee and in compliance with State law.	As specified by the donor.

The flow and segregation of these funds will be meticulously managed. The Fund's accounting system will track resources by source and any associated restrictions (e.g., a Development Partner grant earmarked only for renewable energy project preparation). This ensures strict adherence to all contribution agreements and enables transparent reporting to all financiers.

2.4 ELIGIBLE PROJECTS AND ACTIVITIES

Eligibility is strictly circumscribed to ensure the PFF supports initiatives that align with State priorities and possess a high likelihood of achieving financial close and successful implementation. A project or activity must satisfy criteria across multiple dimensions to qualify for support.

Overarching Project Eligibility Criteria:

1. **Strategic Alignment:** The project must be aligned with the Adamawa State Development Plan, the State's PPP Policy, and relevant sector master plans (e.g., transport, health, education).
2. **Inclusion in Official Pipeline:** The project must be formally screened and admitted into the ADIPA-managed State PPP Project Pipeline. Ad-hoc or unsolicited proposals that have not undergone this formal screening process are ineligible.
3. **PPP Suitability:** The project must demonstrate clear characteristics suitable for the PPP model, such as the ability to define clear outputs, allocate risks to the party best able to manage them, and provide a long-term service to the public.
4. **Value for Money (VfM):** A preliminary assessment must indicate that delivering the project via a PPP is likely to provide better VfM over its lifecycle compared to traditional public procurement. This is a mandatory justification for using the model and accessing the Fund.
5. **Affordability and Fiscal Sustainability:** The project's potential fiscal commitments on the State (including any requested VGF) must be deemed affordable within the State's medium-term fiscal framework. An assessment of the project's impact on State debt and contingent liabilities is required.

Table 2.2: Eligible Activities by Support Window

SUPPORT WINDOW	SPECIFIC ELIGIBLE ACTIVITIES	KEY CONDITIONS and NOTES
Window 1: Project Preparation	<ul style="list-style-type: none"> • Pre-feasibility and Detailed Feasibility Studies. • Environmental and Social Impact Assessments (ESIAs). • Land acquisition studies, valuation, and Resettlement Action Plans (RAPs). • Architectural and detailed engineering design. • Procurement of Transaction Advisors (legal, financial, technical). • Development of all tender and contract documents. • Project marketing and stakeholder communication. 	<ul style="list-style-type: none"> • Support is typically provided as a recoverable advance. • Full cost is recovered from the successful private bidder at financial close. • If the project fails, the advance may be converted to a grant upon PFF Steering Committee approval.
Window 2: Institutional Support	<ul style="list-style-type: none"> • Operational costs of the ADIPA PPP Unit (utilities, communications, rentals). • Salaries for critical, specialized ADIPA staff (subject to civil service rules). • Capacity building workshops and training for MDA/ADIPA staff. • Development of PPP guidelines, standard contracts, and manuals. • Procurement of essential IT systems and project management software. • Research and development of new PPP models for priority sectors. 	<ul style="list-style-type: none"> • Funding is provided as a non-recoverable grant to ADIPA. • Activities must be outlined in ADIPA's annual work plan and budget, approved by the PFF Steering Committee.
Window 3: VGF Support	<ul style="list-style-type: none"> • Capital grant paid during construction to reduce the project's financing need. • Subsidy to cover operating costs during the initial years until demand/revenue ramps up. • Annuity or availability payments (only in exceptional cases for social infrastructure with no user fees). • Output-based payments linked to verified service delivery. 	<ul style="list-style-type: none"> • VGF is a grant to the project company (SPV), not the MDA. • Amount is capped at a maximum percentage (e.g., 20-40%) of the total project cost. • Disbursement is strictly contingent on achieving pre-agreed construction or performance milestones.
Window 4: Contingent Liquidity	<ul style="list-style-type: none"> • Provision of immediate, short-term liquidity to cover a payment obligation arising from a State Government default under a PPP contract. • Covers liabilities that are unexpected, unbudgeted, and not caused by MDA failure. 	<ul style="list-style-type: none"> • This is a loan of last resort to the State, to be repaid from the next fiscal year's budget. • Activation requires rigorous verification that all conditions are met and must be approved by the State Executive Council.

2.5. ELIGIBLE ENTITIES FOR FUNDING

The PFF will disburse funds only to legally recognized and authorized entities capable of entering into binding agreements and fulfilling associated obligations. Eligibility is tiered according to the support window.

Primary Eligible Entities:

1. **Adamawa State Ministries, Departments, and Agencies (MDAs):** Any MDA of the Adamawa State Government that has been formally designated as the Contracting Authority for a specific PPP project is eligible to apply for and receive support under Window 1 (Project Preparation). The MDA acts as the recipient and manager of the funds for preparatory activities. For Window 4, the State Government itself is the beneficiary entity.
2. **Adamawa State Investment and Public-Private Partnership Agency (ADIPA):** ADIPA is the sole eligible entity for Window 2 (Institutional Support). Funding under this window is intended to strengthen ADIPA's capacity to regulate, evaluate, and facilitate PPPs across the State.
3. **Special Purpose Vehicles (SPVs) / Project Companies:** For Window 3 (Viability Gap Funding), funds are not disbursed to the MDA. Instead, they are paid directly to the legally incorporated private Special Purpose Vehicle (SPV) that has been awarded the PPP contract and is responsible for financing, building, and operating the asset. The SPV must be in good legal standing and have signed the Project Agreement with the Contracting Authority.

Conditions for Entity Eligibility:

- **Formal Authorization:** The MDA must provide evidence of its mandate to undertake the specific project (e.g., a letter from the Commissioner or the State Executive Council).
- **Financial and Management Capacity:** The entity must demonstrate, or commit to putting in place, adequate financial management and project management systems to properly utilize and account for the funds received. This may be a condition precedent for disbursement.
- **Good Standing:** The entity must not be in default of any previous obligations to the State Government or the PFF.

2.6. EXCLUSIONS FROM FUNDING

To prevent misuse of resources and protect the Fund's strategic focus, the following are explicitly excluded from receiving any form of support from the Adamawa State PFF:

1. **Projects Outside the State PPP Pipeline:** Any project that has not been formally proposed, screened, and admitted into the official PPP project pipeline managed by ADIPA is ineligible. This ensures all supported projects undergo initial viability and strategic alignment checks.
2. **Retrospective Financing:** The Fund will not provide support for costs already incurred or activities already completed (*ex-post* financing). All applications must be for future activities.
3. **Core Government Recurrent Expenditures:** The Fund cannot be used to finance regular government operational costs such as permanent civil service salaries, overheads of MDAs unrelated to a specific PPP project, or general administrative expenses. Window 2 support for ADIPA is a specific, narrow exception for the PPP unit's direct operational costs.
4. **Projects with Prohibited Risk Allocation:** Projects that propose to transfer inappropriate or excessive risks to the State (e.g., demand risk for a purely commercial venture, or risks the State cannot control) may be excluded if they do not demonstrate a reasonable and balanced risk-sharing arrangement.
5. **Social or Political Projects without Commercial Element:** Purely social welfare or political projects that have no plausible revenue stream or cost-saving element and are unsuitable for a PPP structure are not eligible. The Fund is not a substitute for the social services budget.

6. **Liabilities from MDA Default or Negligence: Window 4 (Contingent Liquidity) specifically excludes** any liabilities that arise due to the failure of a Contracting Authority (MDA) to meet its contractual obligations under the Project Agreement. Such liabilities remain the full responsibility of the originating MDA to resolve from its own budget.
7. **VGF for Unsolicited Proposals (at inception):** As a matter of policy to ensure competitive and transparent procurement, the Fund will not provide Viability Gap Funding (Window 3) for projects originating from unsolicited proposals, unless such a proposal has been successfully converted into a competitively bid project following ADIPA's guidelines for unsolicited proposals.
8. **Activities Violating Law or Policy:** Any activity that contravenes Adamawa State law, national legislation, or international environmental and social safeguard policies is strictly ineligible.

3. FUND GOVERNANCE ARRANGEMENTS

A robust governance structure forms the cornerstone of any successful financial institution. For the Adamawa State Project Facilitation Fund, establishing clear lines of authority, accountability, and operational independence is paramount. This structure ensures that strategic oversight is exercised effectively, day-to-day management is conducted with competence and integrity, and all activities remain transparently aligned with the Fund's statutory mandate. The governance model is deliberately designed to balance strategic direction with administrative efficiency, insulating the Fund from undue political interference while ensuring it remains accountable to the State Government and its citizens.

This section details the three-tiered governance architecture. It begins with the Fund Management Committee (FMC), which provides high-level strategic oversight and approval. Below this sits the Officer Administering the Fund (OAF), who bears the ultimate executive responsibility for the Fund's performance. Supporting the OAF is the PFF Secretariat, the dedicated operational unit that executes all administrative, financial, and monitoring functions. Together, these three bodies create a cohesive system where strategic vision is translated into concrete action through well-defined roles and responsibilities.

3.1 FUND MANAGEMENT COMMITTEE

The PFF Steering Committee serves as the principal governing and oversight body for the PFF. It operates under the broader authority of the Adamawa State Investment Promotion Agency (ADIPA) Council, to which it reports regularly. The Committee's primary function is not day-to-day management but rather to provide strategic guidance, approve major decisions, and ensure the Fund adheres to its established policies and legal framework.

3.1.1 Composition and Appointment

The Committee shall comprise individuals with diverse expertise relevant to infrastructure finance, project development, law, and public administration. Members are appointed by the ADIPA Council, based on recommendations from relevant state authorities, to serve for a fixed term.

Table 3.1: Proposed Fund Management Committee Composition

POSITION	REPRESENTING / EXPERTISE	ROLE IN COMMITTEE
Chairperson	Appointed by the ADIPA Governing Board; preferably a person of high repute with finance/development background.	Presides over meetings, provides leadership, represents the Committee externally.
Representative	State Ministry of Finance (Director Level or above).	Provides fiscal oversight, ensures alignment with state budget and debt management.
Representative	Adamawa State Investment and Public-Private Partnership Agency (ADIPA) – Director General or Nominee.	Provides PPP policy and technical expertise, ensures pipeline alignment.
Representative	State Ministry of Justice (Director of Legal Drafting or Commercial Law).	Provides legal oversight on contracts, compliance, and risk.
Representative	State Ministry of Economic Planning/Budget.	Ensures projects align with state development plans and medium-term expenditure framework.
Independent Member	Private Sector Finance/Investment Banking Expert.	Brings market perspective, commercial viability assessment.
Independent Member	Infrastructure/Engineering Specialist.	Provides technical due diligence on project feasibility.
Secretary (Non-Voting)	Officer Administering the Fund (OAF) or Senior PFF Secretariat Staff.	Prepares agenda, circulates papers, records minutes, implements decisions.

3.1.2 Core Functions and Responsibilities

The Committee exercises the following key powers and duties:

1. **Strategic Oversight and Policy Approval:**
 - a. Approve the Fund's overarching operational policies, including updates to this Manual.
 - b. Review and endorse the Fund's multi-year strategic business plan and annual work plans.
 - c. Set the Fund's strategic priorities and funding allocation criteria across sectors and windows.
2. **Financial Oversight and Approval:**
 - a. Approve the Fund's annual budget and any significant supplementary budgets.
 - b. Approve the annual audited financial statements before submission to the ADIPA Council and State authorities.
 - c. Set and review financial parameters, such as maximum VGF percentages and fee structures.
 - d. Approve investment policies for the Fund's idle cash balances.
3. **Project and Transaction Approval:**
 - a. Review and provide final approval for all funding applications above a pre-defined threshold (e.g., all VGF requests, large preparation advances).
 - b. Approve the conversion of recoverable advances to grants in cases of project failure.
 - c. Authorize any material deviations from standard terms in Funding Agreements.
4. **Performance Monitoring and Accountability:**
 - a. Receive and review quarterly and annual performance reports from the OAF.
 - b. Monitor the overall health of the Fund's portfolio, including disbursement rates, recovery performance, and project success metrics.
 - c. Commission and review findings from special audits or performance evaluations.
5. **Risk and Compliance Governance:**
 - a. Oversee the Fund's risk management framework.
 - b. Receive and act upon reports from internal and external auditors.
 - c. Ensure the Fund's operations comply with all applicable State laws, regulations, and donor agreements.

3.1.3 Committee Procedures

- **Meetings:** The Committee shall meet at least **quarterly**. The Chairperson may call extraordinary meetings as needed.
- **Quorum:** A minimum of **two-thirds (2/3)** of the appointed voting members must be present to constitute a quorum.
- **Decision-Making:** Decisions shall be made by consensus where possible. Where a vote is required, a simple majority of members present and voting shall suffice. The Chairperson shall have a casting vote in the event of a tie.
- **Conflict of Interest:** Members must declare any direct or indirect interest in any matter under discussion and recuse themselves from deliberations and voting on that matter.
- **Reporting:** The Committee shall submit a bi-annual report on the Fund's status and its own activities to the ADIPA Council.

3.2 OFFICER ADMINISTERING THE FUND

The Officer Administering the Fund is the single point of executive accountability for the Fund's management. This role is typically held by the Director-General of ADIPA or a very senior official specifically designated by the ADIPA Council and the State Government. The OAF acts as the chief executive and accounting officer for the PFF, bridging the strategic oversight of the Committee with the operational work of the Secretariat.

3.2.1 Key Roles and Responsibilities

The OAF's responsibilities are comprehensive, spanning leadership, fiduciary duty, and external relations:

1. Executive Leadership and Management:

- a. Provide overall leadership and direction to the PFF Secretariat.
- b. Implement the strategic decisions and policies set by the Fund Management Committee.
- c. Develop and submit for Committee approval the Fund's annual work plan, budget, and performance targets.
- d. Manage the human resources of the PFF Secretariat, including staff performance.

2. Fiduciary and Financial Accountability:

- a. Serve as the principal signatory for the Fund's bank accounts, subject to dual-signatory controls as per financial regulations.
- b. Ensure all financial transactions are proper, authorized, and recorded in accordance with approved accounting standards (IPSAS).
- c. Authorize disbursements within delegated limits; seek Committee approval for expenditures above these limits.
- d. Take ultimate responsibility for the preparation and integrity of the Fund's financial statements and reports.

3. Operational Oversight:

- a. Oversee the entire project cycle: application intake, due diligence, preparation of appraisal memos for the Committee, execution of Funding Agreements, and disbursement of funds.
- b. Ensure robust monitoring and evaluation systems are in place and functioning to track project implementation and Fund performance.
- c. Manage relationships with key service providers, such as external auditors and specialized consultants.

4. Stakeholder Engagement and Reporting:

- a. Act as the primary spokesperson and representative of the Fund to Contracting Authorities, private investors, and Development Partners.
- b. Lead resource mobilization efforts to secure additional funding for the Fund.
- c. Present regular performance and financial reports to the Fund Management Committee.
- d. Serve as the main interface with the State's Office of the Accountant-General and Auditor-General on Fund-related matters.

3.2.2 Delegation of Authority

The OAF bears overall responsibility, they may delegate specific operational and financial authorities to the Fund Manager (head of the PFF Secretariat) through a formal instrument of delegation. This delegation will specify clear monetary and procedural thresholds. However, the OAF retains ultimate accountability and cannot delegate their fiduciary responsibility to ensure the Fund is managed prudently and lawfully.

3.3 PFF SECRETARIAT

The PFF Secretariat is the dedicated administrative and technical engine of the Fund. It is a unit established within ADIPA, staffed with professionals possessing the requisite skills in finance, project management, procurement, and monitoring and evaluation. The Secretariat operates under the direct supervision of the OAF and is responsible for executing all the Fund's day-to-day operational functions.

3.3.1 Structure and Staffing

The Secretariat shall be structured to effectively manage its core workflows. A typical structure is outlined below:

Figure 3.1: Proposed Structure of the PFF Secretariat

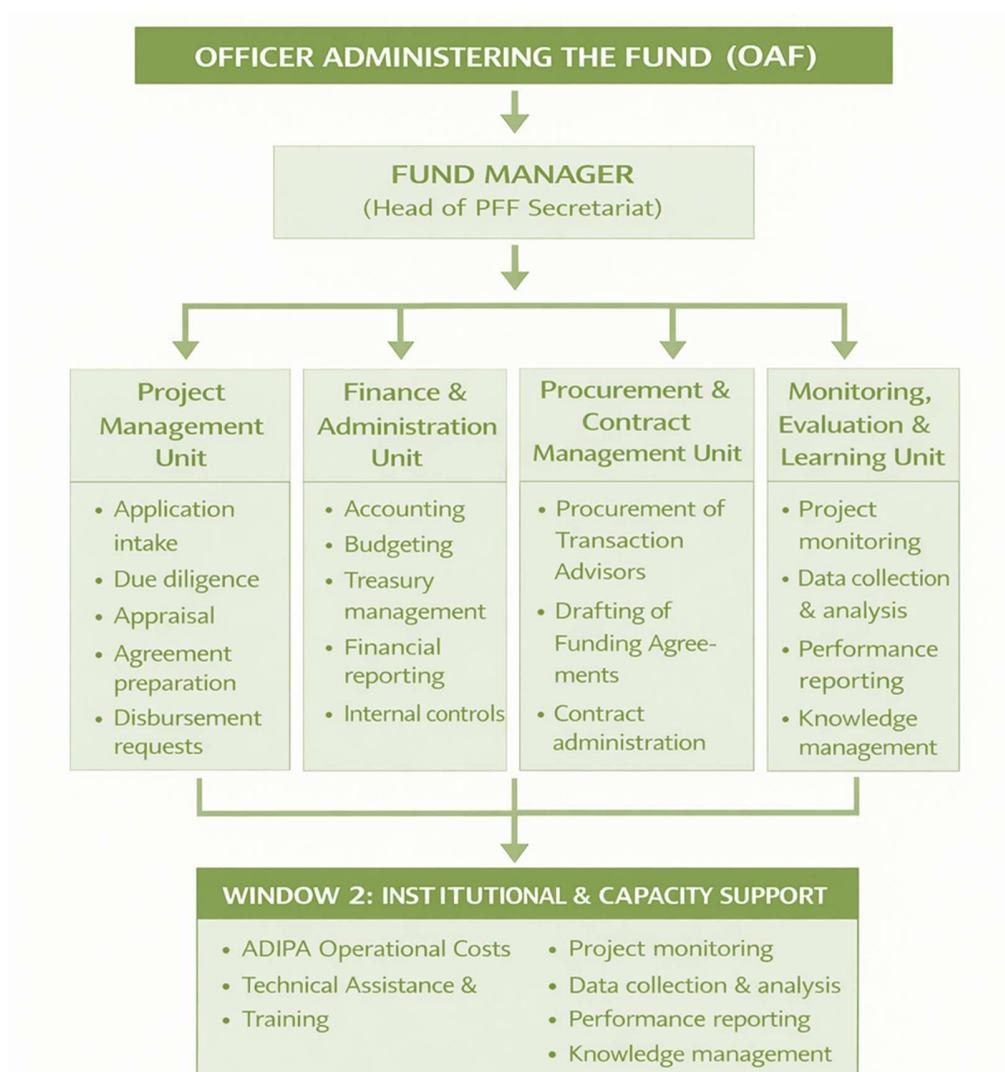


Table 3.2: Key Positions and Roles within the PFF Secretariat

POSITION	KEY RESPONSIBILITIES
Fund Manager	<ul style="list-style-type: none"> • Overall head of the Secretariat, reporting to the OAF. • Manages the workflow across all units. • Prepares comprehensive reports for the OAF and FMC. • Coordinates the application review and appraisal process. • Oversees portfolio performance and risk.
Project Management Officer(s)	<ul style="list-style-type: none"> • First point of contact for Contracting Authorities. • Receives and conducts initial screening of funding applications for completeness. • Coordinates the technical and financial due diligence process. • Prepares project appraisal memoranda for review. • Manages post-approval relationships with CAs, tracking deliverables.
Finance and Administration Officer	<ul style="list-style-type: none"> • Maintains the Fund's accounting records in line with IPSAS. • Processes all invoices and disbursement requests, ensuring proper documentation. • Manages bank accounts and performs monthly reconciliations. • Prepares monthly/quarterly financial reports and assists with annual audits. • Handles administrative and logistical support for the Secretariat.
Procurement and Contract Officer	<ul style="list-style-type: none"> • Manages the procurement of Transaction Advisors and other consultants, ensuring compliance with State procurement laws. • Drafts and reviews Funding Agreements and other legal documents in liaison with the State Ministry of Justice. • Maintains the contract register and tracks key milestones and obligations.

	<ul style="list-style-type: none"> • Manages the formal communication and documentation for contract variations.
Monitoring and Evaluation Officer	<ul style="list-style-type: none"> • Develops and maintains the Fund's results framework and M&E system. • Collects and verifies progress reports from Contracting Authorities and project companies. • Conducts periodic field visits to monitor project implementation. • Analyzes data to assess Fund performance and impact. • Produces monitoring reports and lessons-learned documents.

3.3.2 Core Functions of the Secretariat

The Secretariat's work encompasses the entire operational lifecycle:

1. **Application Management:** Receiving, logging, and conducting an initial administrative check on all applications for funding.
2. **Due Diligence and Appraisal:** Conducting in-depth technical, financial, legal, and economic assessments of applications. This involves reviewing feasibility studies, financial models, and risk matrices prepared by consultants or CAs.
3. **Transaction Processing:** Preparing all necessary documentation for the FMC's review, including appraisal summaries and draft approval resolutions. Following approval, the Secretariat drafts the Funding Agreement, coordinates its signing, and initiates the disbursement process upon verification of fulfilled conditions.
4. **Financial Administration:** Executing all payments, maintaining complete and accurate books of account, preparing periodic financial statements, and managing the Fund's liquidity and banking relationships.
5. **Portfolio Monitoring:** Systematically tracking the performance of all active projects supported by the Fund, ensuring compliance with Funding Agreements, and identifying any implementation challenges early.
6. **Reporting and Knowledge Management:** Compiling data to generate the required periodic reports for the OAF, FMC, and Development Partners. Maintaining a centralized repository of all project documents, studies, and evaluations to build institutional knowledge.

3.3.3 Relationship with ADIPA

The PFF Secretariat is a functionally specialized unit within ADIPA. While it draws on ADIPA's administrative support (HR, IT) and PPP policy expertise, it maintains operational independence in executing the Fund's specific mandate. The Secretariat benefits from ADIPA's overarching PPP pipeline management and sector expertise, while ADIPA benefits from the Secretariat's focused ability to financially enable priority projects. This integrated yet distinct positioning ensures synergy between policy formulation and financial execution within the State's PPP ecosystem.

4. FLOW OF FUNDS

The movement of financial resources into, within, and out of the Adamawa State Project Facilitation Fund constitutes its operational lifeblood. Establishing a transparent, secure, and efficient system for managing these flows is critical for maintaining financial integrity, ensuring accountability, and facilitating timely project support. This section provides a comprehensive framework for the financial plumbing of the PFF, detailing the specific banking arrangements, the procedures for receiving monies from various sources, and the controlled mechanisms for disbursing funds to eligible recipients.

4.1 FUND BANK ACCOUNTS

The PFF will operate through a dedicated banking structure designed to segregate funds based on their source and purpose, while complying with the State's overarching public financial management regulations. This structure ensures clarity, enhances control, and simplifies reconciliation and reporting.

4.1.1 Banking Structure within the Treasury Single Account (TSA) Framework

In accordance with the Adamawa State Treasury Single Account policy, the PFF will not maintain independent commercial bank accounts. Instead, it will operate through designated sub-accounts or ledgers within the consolidated State TSA held at the Central Bank of Nigeria (CBN). The State Accountant-General's Office will establish and manage these sub-ledgers on behalf of the PFF.

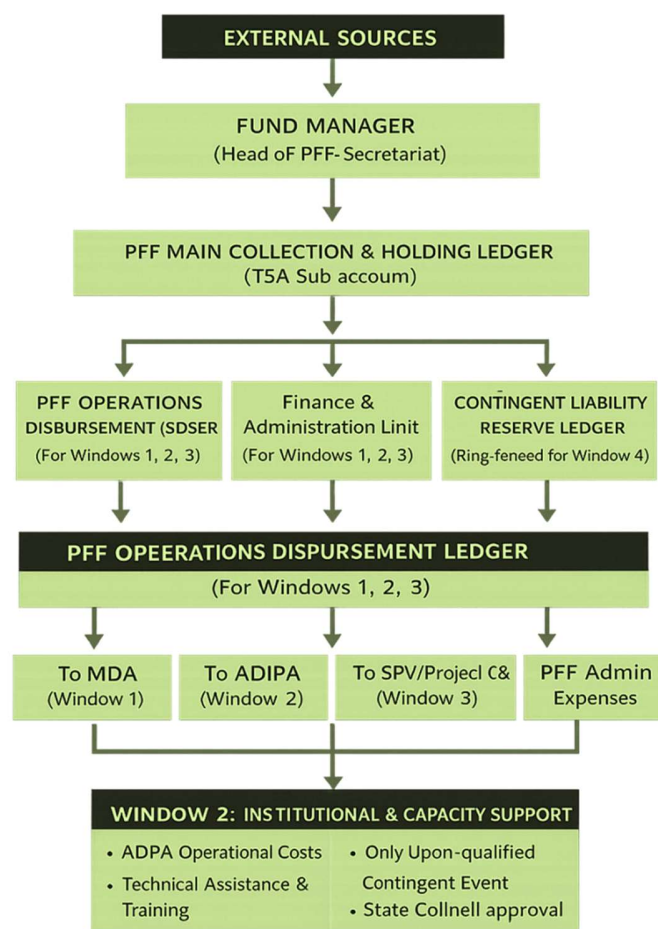
Table 4.1: Designated PFF Fund Ledgers within the State TSA

LEDGER NAME	PRIMARY PURPOSE	SOURCE OF INFLOWS	DESTINATION OF OUTFLOWS
PFF Main Collection and Holding Ledger	To receive and pool all incoming funds from all sources. Acts as the central clearing account.	<ul style="list-style-type: none"> • State Government annual appropriations. • Development Partner grants/loans. • Success fee repayments. • Recoveries from Contracting Authorities. 	<ul style="list-style-type: none"> • Transfers to the PFF Operations Ledger. • Transfers to the Contingent Liability Reserve Ledger. • Refunds to sources (if required).
PFF Operations Disbursement Ledger	To hold funds earmarked for imminent disbursement under Windows 1, 2, and 3. This is the primary account for making payments.	<ul style="list-style-type: none"> • Periodic transfers from the Main Collection Ledger based on approved cash flow forecasts. 	<ul style="list-style-type: none"> • Payments to Contracting Authorities (Window 1). • Payments to ADIPA for operational costs (Window 2). • Payments to Project SPVs/Consultants (Window 3). • Administrative expenses of the PFF Secretariat.
Contingent Liability Reserve Ledger	A ring-fenced reserve to hold funds specifically allocated to meet potential liabilities under Window 4.	<ul style="list-style-type: none"> • Annual earmarked allocations from the State Budget (via Main Ledger). • Specific Development Partner contributions for risk capital. 	<ul style="list-style-type: none"> • Payments only upon crystallization of a qualified contingent liability, as per Section 2.6 and upon approval by the State Executive Council.
Success Fee and Recovery Holding Ledger	A temporary ledger to track and hold repayments and recoveries before they are recycled into the Main Collection Ledger.	<ul style="list-style-type: none"> • Repayment of recoverable advances from MDAs. • Success fees from private partners upon project financial close. 	<ul style="list-style-type: none"> • Periodic transfer of accumulated sums to the Main Collection Ledger.

4.1.2 Operational Management of Ledgers

- **Authority and Signatories:** The Officer Administering the Fund (OAF) and the Fund Manager will be designated as authorized requestors for transactions on these ledgers. All payment requests from the PFF Secretariat must follow the approval matrices in Section 5 (Financial Management) and be formally processed by the State Accountant-General's Office, which will execute the transactions within the TSA system.
- **Reconciliation:** The PFF Secretariat's Finance Officer will perform a monthly reconciliation of its internal accounting records with the statements provided by the Accountant-General's Office for each ledger. Any discrepancies must be investigated and resolved promptly.
- **Reporting:** The balances and transaction histories of each ledger will be reported monthly to the Fund Manager and quarterly to the Fund Management Committee.

Figure 4.1: Fund Flow and Ledger Structure



4.2 INFLOWS TO THE FUND

The PFF will receive monies from multiple origins, each with its own procedural requirements. The following subsections detail the processes for mobilizing resources into the Fund's Main Collection Ledger.

4.2.1 Inflows from the Adamawa State Government

The State's annual budgetary allocation is a cornerstone of the Fund's capital. The process is as follows:

1. **Budget Approval:** The PFF Secretariat, through ADIPA, submits its detailed annual budget as part of the State's Medium-Term Expenditure Framework (MTEF) process. This budget is reviewed, approved by the State Executive Council, and passed into law by the State House of Assembly.
2. **Request for Release:** Based on the approved budget and a quarterly cash flow forecast, the Officer Administering the Fund (OAF) submits a formal fund request to the State Commissioner for Finance, with copies to the Accountant-General.
3. **Authorization and Transfer:** The Ministry of Finance, upon verification of the request against the approved budget, authorizes the Accountant-General's Office to transfer the specified amount from the State's main TSA to the **PFF Main Collection Ledger**.
4. **Notification and Recording:** The Accountant-General's Office notifies the PFF Secretariat of the completed transfer. The Secretariat's Finance Officer records the receipt in the accounting system, referencing the official advice note.

4.2.2 Inflows from Development Partners (DPs)

Contributions from bilateral and multilateral partners are often critical. The process is governed by the specific Financing Agreement signed with each DP.

1. **Triggering a Disbursement Request:** Disbursements are typically triggered by one of two methods:
 - a. **Reimbursement Basis:** The PFF spends its own resources (e.g., from State funds) on eligible activities and then submits a Statement of Expenditure (SOE) with supporting documents to the DP for reimbursement.
 - b. **Advance Basis:** Based on an agreed annual work plan, the DP provides funds in advance for a period of activities. The PFF submits a detailed withdrawal application.
2. **Documentation:** The PFF Secretariat prepares the required documentation, which may include: a formal request letter, interim financial reports, progress reports on agreed milestones, and a certification by the OAF.
3. **DP Processing:** The DP reviews the submission. For large amounts, they may conduct their own review or require an independent audit opinion.
4. **Fund Transfer:** Upon approval, the DP transfers the funds directly to a designated Nigeria Treasury Account at the Central Bank of Nigeria, clearly referencing the PFF and the specific project or window.
5. **Internal State Transfer:** The Federal Ministry of Finance (on behalf of the State) receives notification. The Adamawa State Office of the Accountant-General is informed and, following State-level procedures, instructs the movement of these funds into the PFF Main Collection Ledger.
6. **Acknowledgment and Recording:** The PFF Secretariat acknowledges receipt to the DP and records the transaction, ensuring it is tracked against the specific DP agreement and any earmarked purposes.

4.2.3 Inflows from Repayments and Recoveries

These inflows represent the revolving nature of the Fund and are crucial for sustainability.

1. **Success Fees (Cost Recovery):** Upon the financial close of a project that received Window 1 support, the contracted success fee becomes payable by the winning bidder or the Contracting Authority (as per the Funding Agreement).
 - a. The PFF Secretariat issues a formal invoice to the obligated party.
 - b. Payment is made into a designated State revenue account.

- c. The Accountant-General's Office, upon confirmation, transfers the net amount to the Success Fee and Recovery Holding Ledger, and subsequently to the Main Collection Ledger.
2. **Repayment of Recoverable Advances:** Where Window 1 support was structured as a repayable advance to an MDA.
 - a. The Secretariat issues periodic payment reminders based on the amortization schedule in the Funding Agreement.
 - b. The MDA makes payment through its line ministry budget or own revenue into the State treasury.
 - c. Funds are identified and transferred to the PFF's Success Fee and Recovery Holding Ledger.
3. **Recovery of Contingent Liability Outlays:** If the Fund makes a payout under Window 4, this is treated as a loan to the State.
 - a. The State Government is obligated to replenish the Contingent Liability Reserve Ledger in the next fiscal year through its budget.
 - b. The process mirrors the State budgetary inflow process (4.2.1).

Table 4.2: Summary of Fund Inflow Processes

INFLOW SOURCE	TRIGGERING ACTION	KEY DOCUMENTATION	FINAL CREDIT TO
State Government	Approved State Budget and Quarterly Cash Forecast	Formal Request Letter from OAF to MoF; Budget Appropriation Act.	PFF Main Collection Ledger
Development Partner (Reimbursement)	Completion of eligible activities/expenditure.	Statement of Expenditure (SOE), Progress Report, Signed Withdrawal Application, Receipts/invoices.	PFF Main Collection Ledger (after Federal-to-State transfer)
Development Partner (Advance)	Agreement milestone or periodic schedule.	Withdrawal Application, Annual Work Plan, Certification of unspent balances.	PFF Main Collection Ledger (after Federal-to-State transfer)
Success Fee Payment	Financial Close of supported project.	Invoice from PFF Secretariat, Copy of Financial Close certificate.	Success Fee Ledger → Main Collection Ledger
Advance Repayment (MDA)	Per Funding Agreement schedule.	Payment reminder from PFF Secretariat, MDA payment mandate.	Success Fee Ledger → Main Collection Ledger

4.3 OUTFLOWS FROM THE FUND

Disbursements represent the fulfillment of the Fund's mandate. All outflows must be pre-authorized, tied to a specific eligible purpose, and supported by verifiable documentation. The type of outflow determines the process and the destination ledger from which the payment is made.

4.3.1 Guiding Principles for All Disbursements

- **Approval in Principle:** No disbursement shall be made without a prior formal approval from the relevant authority (Fund Management Committee for large amounts, OAF within delegated limits).
- **Valid Funding Agreement:** For Windows 1, 3, and 4, a signed Funding Agreement (or equivalent contract) must be in place before any funds are released.
- **Fulfillment of Conditions Precedent:** Any specific conditions listed in the approval or agreement (e.g., submission of a feasibility study, proof of counterpart funding, achievement of a project milestone) must be fully met.
- **Budget Availability:** The expenditure must be within the approved annual budget line item for that window and activity.
- **Supporting Documentation:** Every payment request must be accompanied by the original invoice, a delivery note/service completion certificate, and any other document stipulated in the agreement.

4.3.2 Disbursement Processes by Window

A. Window 1 and 3 Disbursements (to Contracting Authorities or Project SPVs)

These are typically milestone-based payments.

1. **Payment Request:** The beneficiary (MDA or SPV) submits a formal payment request to the PFF Secretariat, referencing the Funding Agreement and the specific milestone achieved.
2. **Verification by Secretariat:** The relevant Project Management Officer verifies that the milestone has been met as per the agreement. This may involve reviewing a consultant's report, a construction engineer's certificate, or audited financial statements.
3. **Internal Approval:** The verified request, with all supporting documents, is submitted to the Fund Manager for review and then to the OAF for approval (within their delegated authority). For amounts above the OAF's limit, FMC approval is secured before this stage.
4. **Payment Processing:** The Finance Officer prepares a payment voucher and a formal request to the Accountant-General's Office, instructing payment from the PFF Operations Disbursement Ledger to the beneficiary's nominated bank account.
5. **Execution and Notification:** The Accountant-General's Office processes the payment. The PFF Secretariat notifies the beneficiary and updates its accounts and project records.

B. Window 2 Disbursements (to ADIPA for Operational Support)

These are often quarterly or semi-annual lump-sum transfers based on an approved budget.

1. **Budget Release Schedule:** The annual budget approved by the FMC includes a schedule of releases to ADIPA.
2. **Request by ADIPA:** ADIPA submits a simple funding request to the PFF Secretariat at the scheduled time.
3. **Approval and Processing:** The OAF approves the request (as it falls within the pre-approved budget). The Finance Officer prepares the documentation to request the Accountant-General's Office to transfer funds from the PFF Operations Disbursement Ledger to ADIPA's operational ledger within the TSA.
4. **Reporting Obligation:** ADIPA must subsequently account for the use of these funds in its internal financial reports and annual audit.

C. Window 4 Disbursements (Contingent Liability Payout)

This is a high-stakes process with stringent controls.

1. **Event Crystallization:** A contingent liability materializes (e.g., a State guarantee is called).
2. **Verification and Validation:** The PFF Secretariat, in conjunction with the State Ministry of Justice and Finance, rigorously verifies that the liability meets the strict eligibility criteria for Window 4 support (see Section 2.6).
3. **State Executive Council Approval:** A memo is presented by the Commissioner of Finance to the State Executive Council, seeking approval to utilize the Contingent Liability Reserve to meet the obligation.
4. **Council Approval and Directive:** Upon Council approval, a directive is issued to the Accountant-General.
5. **Payment Execution:** The Accountant-General's Office effects payment directly from the Contingent Liability Reserve Ledger to the rightful claimant.
6. **Recording and Replenishment Plan:** The PFF Secretariat records the outflow. The event triggers the State's obligation to replenish the reserve in the next budget cycle.

4.3.3 Treatment of Restricted Funds

Some Development Partner contributions may be "restricted" for a specific project, sector, or window.

- **Segregation in Accounting:** While physically pooled in the main ledgers, restricted funds are meticulously tracked separately in the PFF's accounting system using specific project or grant codes.
- **Priority of Use:** Expenditure for the designated restricted purpose will first be drawn from the balance of the relevant restricted fund. Only when that is exhausted can unrestricted funds be used, subject to approval.
- **Reporting:** Separate financial reports are maintained and provided to the DP showing the utilization of their restricted contribution.

Table 4.3: Disbursement Process Summary

DISBURSEMENT TYPE	PRIMARY LEDGER USED	KEY APPROVAL REQUIRED	SUPPORTING DOCS NEEDED
Window 1 (MDA Advance)	Operations Disbursement	OAF (within limit) / FMC	Signed Funding Agreement, Invoice from Consultant/MDA, Milestone Certificate.
Window 2 (ADIPA Op. Cost)	Operations Disbursement	OAF (per approved budget)	ADIPA Funding Request, Budget Release Schedule.
Window 3 (VGF to SPV)	Operations Disbursement	FMC (typically)	Signed Project and Funding Agreements, Independent Engineer's Certificate, Proof of Equity/Debt Drawdown.
Window 4 (Contingent Payout)	Contingent Liability Reserve	State Executive Council	Legal opinion, Claim documentation, Verification report from MoF/Justice, EXCO approval memo.
PFF Administrative Expenses	Operations Disbursement	Fund Manager / OAF (based on threshold)	Invoices, LPOs, delivery notes.

5. OPERATIONS OF THE FUND

The operational framework of the Adamawa State Project Facilitation Fund translates its strategic objectives and governance rules into tangible actions and results. This section provides the detailed procedural roadmap for the Fund's core business activities, from long-term planning to the final disbursement of funds and subsequent tracking. It establishes systematic workflows that ensure consistency, fairness, transparency, and efficiency in all dealings with Contracting Authorities, Development Partners, and service providers.

A robust operational system is vital for managing the Fund as a professional financial institution rather than an ad-hoc grant facility. It defines how the Fund plans for sustainability, processes requests for support, enters into binding commitments, releases funds, and monitors their use. These procedures are designed to minimize delays, reduce administrative burdens on applicants, and create a reliable audit trail that demonstrates rigorous stewardship of public resources. This operational discipline is what will build the Fund's reputation and attract further investment into Adamawa State's infrastructure landscape.

5.1 BUSINESS PLANNING AND FINANCING POLICY

The long-term success and sustainability of the PFF depend on forward-looking strategic planning and a clear policy for resource mobilization. This is not an annual budgeting exercise but a multi-year strategic framework that guides the Fund's activities and growth.

5.1.1 The PFF Business Plan

The Fund shall operate under a rolling Five-Year Strategic Business Plan. This document is the primary strategic blueprint, approved by the Fund Management Committee.

Core Components of the Business Plan:

- **Market Assessment and Demand Analysis:** An analysis of the State's infrastructure needs, the existing PPP pipeline, and projected demand for PFF support across different sectors (transport, energy, health, etc.).
- **Strategic Objectives and Goals:** Specific, measurable targets for the plan period. Examples include: "Facilitate financial close for 5 major PPP projects," "Build a reserve of NX billion for contingent liabilities," or "Achieve a cost recovery rate of Y% on Window 1 advances."
- **Financial Projections and Sustainability Model:** Detailed projections of fund inflows (state allocations, partner funds, recoveries) and outflows (disbursements by window). This includes modeling the revolving nature of the Fund and demonstrating its path to long-term financial sustainability.
- **Resource Mobilization Strategy:** A proactive plan for engaging with existing and potential Development Partners, philanthropic organizations, and other financiers to secure additional capital for the Fund.
- **Risk Assessment and Mitigation:** Identification of key strategic risks (e.g., changes in government policy, failure to secure partner funding, economic downturn) and proposed mitigation strategies.
- **Organizational Capacity Development Plan:** Outlining the staffing, skills, and systems needed within the PFF Secretariat to execute the plan effectively.

The Business Plan shall be reviewed and updated every two years, or more frequently if major changes in the operating environment occur, to ensure it remains relevant and responsive.

5.1.2 Annual Operational Work Plan and Budget

Derived from the Strategic Business Plan, the **Annual Operational Work Plan** details the specific activities, targets, and resource requirements for each upcoming fiscal year. It is the basis for the Fund's annual budget submission to the State Government and for internal performance management.

- **Preparation:** The PFF Secretariat drafts the Annual Work Plan and Budget, aligning it with the State's budget calendar.

- **Approval:** The draft is reviewed by the Officer Administering the Fund (OAF), then submitted to the Fund Management Committee for review and approval.
- **Content:** The Work Plan will list planned activities per window (e.g., "Appraise 8 Window 1 applications," "Disburse VGF for Project A in Q3"), associated costs, and expected outcomes. The Budget will provide the detailed financial breakdown.

5.2 FINANCING POLICY

This policy governs how the PFF raises funds from external sources, primarily Development Partners (DPs). Its purpose is to ensure that partnerships are entered into transparently, ethically, and in a manner that protects the Fund's independence and aligns with its mandate.

Guiding Principles for Financing Partnerships:

1. **Alignment with Mandate:** Any external financing must directly support the objectives and eligible activities of the PFF as defined in this Manual and the ADIPA Law. The Fund will not accept funds for purposes outside its scope.
2. **Preservation of Independence:** Partnership agreements must not grant the financier undue influence over the Fund's governance, project selection, or operational decisions. The Fund Management Committee retains ultimate approval authority.
3. **Transparency and Fairness:** The terms of all financing agreements will be disclosed to the Fund Management Committee and the State Executive Council. The Fund will not enter into exclusive arrangements that prevent similar partnerships with other entities.
4. **Value Addition:** Partnerships should bring more than just money; they should offer technical assistance, knowledge transfer, or access to networks that enhance the Fund's effectiveness.
5. **Fiduciary Responsibility:** The Fund will adhere strictly to the financial reporting, auditing, and procurement requirements stipulated in financing agreements, provided they do not contravene State law.

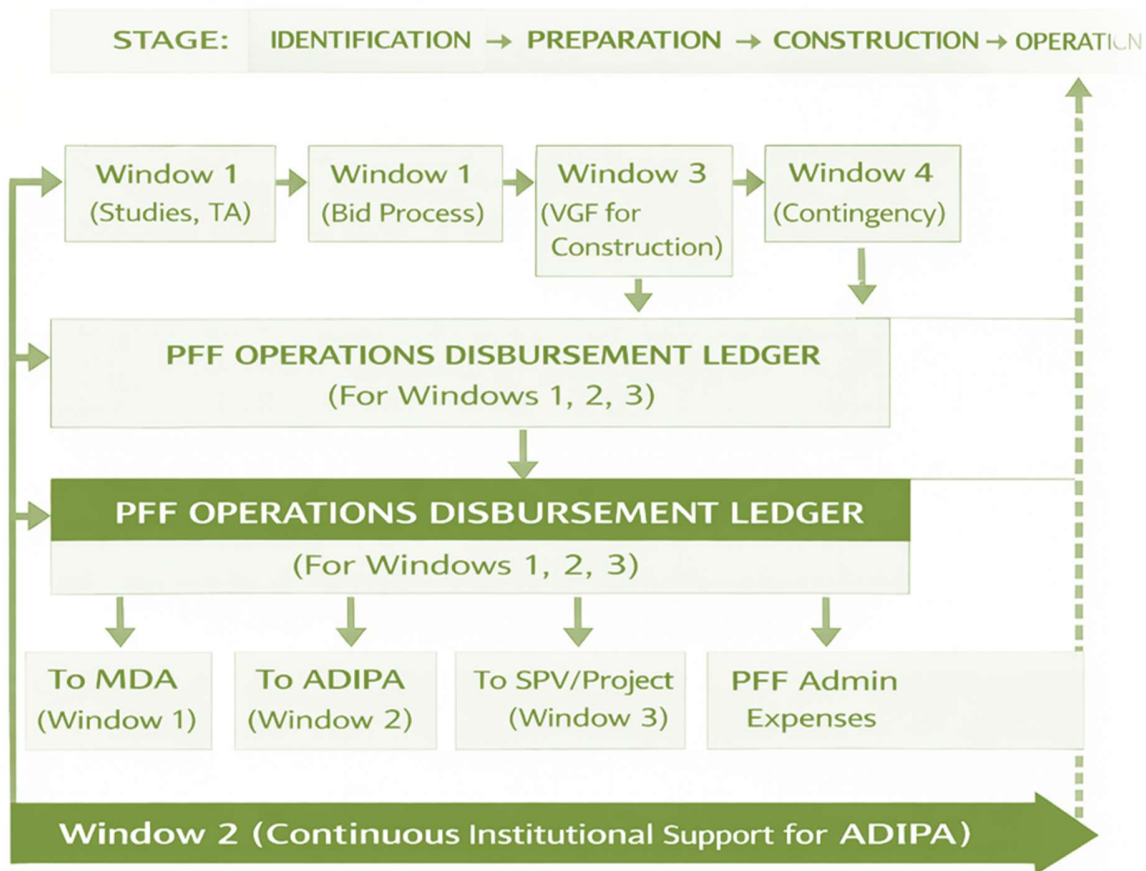
Process for Securing Development Partner Financing:

1. **Identification and Engagement:** Based on the Resource Mobilization Strategy, the OAF and Secretariat will proactively identify and engage with potential DPs.
2. **Proposal Development:** A formal funding proposal will be developed, outlining how the DP's contribution will be used, the expected results, and the proposed management arrangements.
3. **Due Diligence:** The DP will typically conduct its own assessment of the Fund's governance, financial systems, and capacity.
4. **Negotiation and Agreement:** Terms are negotiated, culminating in a **Financing Agreement**. This legal document will specify the amount, purpose (restricted or unrestricted), disbursement conditions, reporting requirements, and audit rights.
5. **Committee and State Approval:** The final draft of the Financing Agreement must be reviewed and approved by the Fund Management Committee and receive necessary clearances from the State Ministry of Justice and Finance before signing by the OAF.

5.3 FUNDING WINDOWS – OPERATIONAL SPECIFICS

Section 2 outlined the design of the four windows, this section details their operational application how they function within the project cycle and the nature of support provided.

Figure 5.1: Operational Integration of PFF Windows in the PPP Cycle



Operational Details by Window:

- **Window 1 (Project Preparation):** Support is typically provided as a **recoverable advance**. The amount is based on detailed cost estimates from Terms of Reference for studies or advisors. Disbursement is often in tranches linked to the delivery of draft and final reports. Full recovery is expected from the successful private bidder at financial close.
- **Window 2 (Institutional Support):** Support is an **unrestricted grant** to ADIPA, but tied to an approved annual budget for the PPP Unit. Disbursements are usually quarterly in arrears, upon submission of a simple expenditure statement by ADIPA.
- **Window 3 (Viability Gap Funding):** Support is a **conditional grant to the Project Company (SPV)**. The amount is determined by a detailed financial model and is capped at a maximum percentage of total project cost. Disbursement is strictly milestone-based (e.g., 25% upon financial close, 50% upon completion of 50% of construction).
- **Window 4 (Contingent Liability):** This is a **standby liquidity facility**, not a source of recurring funds. No application process exists for beneficiaries. Its use is triggered by a crystallizing event and follows the stringent approval process outlined in Section 4.3.2.

5.4 MANAGEMENT OF FUNDING APPLICATIONS

This is a critical customer-facing process. Its efficiency and transparency directly impact the willingness of MDAs to develop PPP projects. The process is designed to be staged, with clear timelines and communication at each step.

Table 5.1: Stages in the Funding Application Management Process

STAGE	KEY ACTIVITIES	RESPONSIBLE ENTITY	STANDARD TIMELINE	OUTCOME / GATEWAY
1. Pre-Application and Guidance	<ul style="list-style-type: none"> • MDA consults PFF Secretariat on project idea. • Secretariat provides application pack and clarifies eligibility. 	PFF Secretariat (Project Officer)	Ongoing	Informed MDA decides to proceed/not proceed.
2. Application Submission	<ul style="list-style-type: none"> • MDA completes official Application Form (Annex A). • Submits required supporting documents (see Table 5.2). • Submission via portal/email/hard copy to Secretariat. 	Contracting Authority (MDA)	N/A	A complete application dossier is received and logged.
3. Administrative Screening	<ul style="list-style-type: none"> • Check for completeness of form and all mandatory docs. • Verify project is in ADIPA's official PPP Pipeline. • Confirm MDA is the authorized Contracting Authority. 	PFF Secretariat (Project Officer)	5 Working Days	Application is Registered (assigned ID) and moves to appraisal, or is Returned for Completion .
4. Technical and Financial Appraisal	<ul style="list-style-type: none"> • In-depth review of feasibility study, financial model, risk matrix. • Assessment of value for money and strategic fit. • Due diligence on cost estimates for Window 1 applications. • Preparation of Appraisal Memorandum with recommendation. 	PFF Secretariat (Project Officer, Finance Officer) led by Fund Manager.	15-30 Working Days (complexity dependent)	Appraisal Memorandum finalized for review by OAF.
5. Review and Approval Decision	<ul style="list-style-type: none"> • OAF reviews Appraisal Memorandum. • For applications within OAF's delegated authority, OAF makes decision. • For applications above threshold, OAF presents memo to Fund Management Committee (FMC) for decision. 	OAF / Fund Management Committee	10 Working Days from receipt of complete memo (FMC timing depends on meeting schedule).	Approval, Approval with Conditions, Deferral, or Rejection. Formal letter issued.
6. Post-Approval Communication	<ul style="list-style-type: none"> • Secretariat sends formal approval/rejection letter to MDA. • For approvals, initiates drafting of Funding Agreement. 	PFF Secretariat	3 Working Days after decision	MDA officially notified and next steps initiated.

Five steps in handling PFF application funding

Step 1. Project preparation and intake

- **Scope:** Receive and log applications for PPP project preparation within the ADIPA pipeline; confirm basic eligibility and strategic alignment.
- **Actions:**
 - **Administrative screening:** Verify completeness against Table 5.2 and confirm ADIPA pipeline listing and CA authorization.
 - **Set-up:** Assign application ID, establish the evaluation file, and schedule appraisal milestones.

Step 2. Financial and risk appraisal

- **Scope:** Conduct structured technical, financial, and risk assessments for CapEx and OpEx assurance.
- **Actions:**
 - **Financial analysis:** Review models, options analysis, VfM and affordability within the MTEF.
 - **Risk review:** Identify risks, mitigation, and fiscal impacts (including contingent liabilities and potential VGF needs).
 - **Output:** Appraisal Memorandum with clear recommendation and conditions, if any.

Step 3. Technical and environmental diligence

- **Scope:** Validate technical soundness and safeguards proportional to project risk.
- **Actions:**
 - **Technical work:** Confirm concept design, scope, and TORs for studies/TA.
 - **Safeguards:** Screen Category A/B/C; require ESIA/ESMP where applicable and embed safeguard covenants for compliance.
 - **Outcome:** Fit-for-purpose preparation plan with sequenced deliverables and budget.

Step 4. Transaction advisory and approval-to-contract

- **Scope:** Structure and advance the transaction towards market sounding and financial close.
- **Actions:**
 - **TA procurement:** Engage advisors via compliant methods (QCBS/QBS) and finalize bid/tender documentation.
 - **Decision:** Obtain OAF/FMC approval per thresholds; execute the Funding Agreement with precise milestone-based disbursement triggers and reporting duties.
 - **Result:** Authorized funding with clear conditions precedent and payment schedule.

Step 5. Pipeline development, capacity and oversight

- **Scope:** Maintain a robust PPP pipeline while managing delivery capacity and disciplined release of funds.
- **Actions:**
 - **Pipeline:** Proactively source sector opportunities, encourage quality applications, and update the pipeline status.
 - **Capacity:** Staff the PFF team; use external consultants selectively; enforce segregation of duties and approvals.
 - **Oversight:** Verify deliverables before release; track disbursements; monitor safeguards and performance; recover Window 1 costs at financial close.

Figure 5.2: Five steps in handling PFF application funding



Table 5.2: Mandatory Supporting Documents for Application

SUPPORT SOUGHT	CORE REQUIRED DOCUMENTS
Window 1 (All)	<ol style="list-style-type: none"> 1. Completed Application Form. 2. Letter from MDA Head authorizing the application. 3. Proof of project inclusion in ADIPA PPP Pipeline. 4. Detailed Terms of Reference (TOR) for the required studies/advisor.
Window 1 (Feasibility Study)	Additional: Project Concept Note outlining basic need, location, and estimated scale.
Window 1 (Transaction Advisor)	Additional: Approved Feasibility Study Report.
Window 3 (VGF)	<ol style="list-style-type: none"> 1. Completed Application Form. 2. Full Feasibility Study and Value for Money (VfM) report. 3. Detailed Project Financial Model. 4. Draft Project Agreement. 5. Market Sounding Report (if any). 6. Risk Assessment and Mitigation Plan.

5.5 FUNDING AGREEMENT

The Funding Agreement is the legally binding contract between the PFF and the recipient of funds (MDA for Window 1, ADIPA for Window 2, Project SPV for Window 3). It translates the approval in principle into a document with enforceable rights and obligations. It is the cornerstone of accountability.

5.5.1 Purpose and Principles

- **Purpose:** To clearly define the scope of work, the amount and schedule of funding, the roles and responsibilities of each party, reporting requirements, conditions for disbursement, and mechanisms for dispute resolution and termination.
- **Principles:** Agreements must be fair, balanced, and in compliance with Adamawa State contract law. They must be drafted in clear, unambiguous language.

5.5.2 Standard Clauses in a Funding Agreement

Every agreement, while tailored, will contain these core clauses:

1. **Parties:** Full legal names and details of the PFF (represented by the OAF) and the Recipient.
2. **Recitals:** Background stating the purpose of the project and the PFF's approval.
3. **Definitions:** Clear explanation of key terms used.
4. **Scope of Works / Objectives:** Detailed description of the activities to be financed (e.g., "to produce a bankable feasibility study for Project X").
5. **Grant / Advance Amount and Currency:** The total sum and currency.
6. **Disbursement Schedule:** Specific, verifiable milestones or triggers for each payment tranche (e.g., "30% upon signing, 40% upon submission of draft report, 30% upon submission of final approved report").
7. **Conditions Precedent:** Actions that must be completed before the first disbursement (e.g., "Recipient shall open a dedicated project account," "Procurement of consultant must be completed").
8. **Covenants and Undertakings:** Promises by both parties. Recipient covenants may include: using funds only for the agreed purpose, maintaining proper records, providing access for monitoring. PFF covenants include: disbursing funds upon fulfillment of conditions.
9. **Reporting Requirements:** Specification of what reports (technical, financial) are due, in what format, and by when.
10. **Recovery / Repayment Terms (For Window 1):** The mechanism for recovering the advance from the successful bidder, including the timeline and any interest provisions.
11. **Audit and Inspection Rights:** The PFF's right to audit the recipient's use of funds and inspect project records.
12. **Termination:** Grounds under which either party can terminate the agreement (e.g., material breach, failure to progress).
13. **Dispute Resolution:** Agreed process, typically starting with amicable negotiations, then mediation, with litigation in Adamawa State courts as a last resort.
14. **Governing Law:** Stating that the agreement is governed by the laws of Adamawa State, Nigeria.

5.5.3 Process for Executing the Funding Agreement

1. **Drafting:** The PFF Secretariat's Procurement and Contract Officer prepares the first draft using the standard template (Annex B), customizing it with the specific details of the approved application.
2. **Internal Review:** The draft is reviewed by the Fund Manager and the OAF for consistency with the approval terms.
3. **External Review (Mandatory):** The draft is sent to the Adamawa State Ministry of Justice (Directorate of Legal Drafting) for legal vetting to ensure it conforms to State law.
4. **Negotiation with Recipient:** The vetted draft is shared with the recipient (MDA/SPV) for review. Minor clarifications are made. The PFF Secretariat leads this negotiation.
5. **Finalization and Signing:** The final version is prepared. The Agreement is signed in duplicate by:
 - a. The **Officer Administering the Fund (OAF)** for the PFF.
 - b. The **Permanent Secretary/Head** of the MDA, or the **Authorized Director** of the Project SPV.
6. **Distribution and Filing:** One original copy is kept in the secure files of the PFF Secretariat. One copy is given to the recipient. The execution is recorded in the Contract Register.

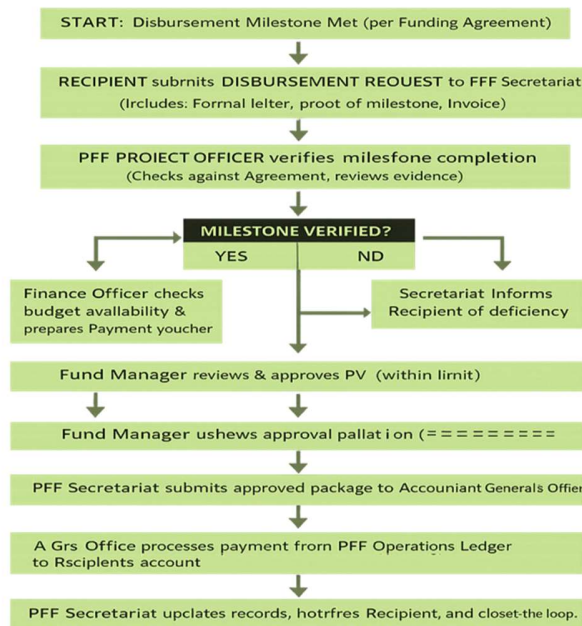
5.6 FUND DISBURSEMENT

Disbursement is the act of releasing funds from the PFF's operational ledger to the recipient, upon fulfillment of agreed conditions. This process is tightly controlled to prevent premature or improper payments.

5.6.1 The Disbursement Request Cycle

Disbursement is never automatic; it is always triggered by a formal request from the recipient, except for scheduled Window 2 transfers.

Figure 5.2: The Fund Disbursement Process Workflow



5.6.2 Types of Disbursement Evidence

The "proof of milestone" required varies:

- **For Window 1 (Report Delivery):** Submission of the draft/final consultant's report, along with the MDA's written acceptance/approval of the report.
- **For Window 3 (Construction Milestone):** Certificate from the Independent Engineer or Supervising Consultant certifying the percentage of works completed.
- **For Window 3 (Financial Close):** Certified copies of signed financing agreements and evidence of initial equity injection.
- **For All:** A proper invoice from the recipient (MDA or SPV) addressed to the PFF, detailing the amount requested and referencing the Funding Agreement.

5.6.3 Approval Authority Matrix for Disbursements

- **Small Payments (e.g., < N5 million):** Fund Manager approval suffices.
- **Medium Payments (e.g., N5m - N50m):** Requires OAF approval.
- **Large Payments (e.g., > N50m):** Must be pre-approved by the Fund Management Committee as part of the original project approval. The OAF then gives the final disbursement authorization upon verification of the milestone.

5.7 FUND DISBURSEMENT TRACKING AND DOCUMENTATION

Meticulous tracking and documentation are non-negotiable for accountability, audit readiness, and portfolio management. This is the responsibility of the PFF Secretariat's Finance and Project Management units.

5.7.1 Tracking Systems

- **Project-Wise Ledger:** For each approved Funding Agreement, a subsidiary ledger or digital file is maintained. This tracks:
 - Total approved amount.
 - Dates and amounts of all disbursements.
 - Outstanding commitments (approved but not yet disbursed).
 - Milestones achieved and pending.
- **Window-Wise Dashboard:** A summary view of total commitments, disbursements, and balances for each of the four support windows. This is a key management tool for the Fund Manager and OAF.
- **Recipient History:** A record of all transactions with each MDA or SPV, useful for assessing their performance and reliability.

5.7.2 Documentation and Filing

A complete disbursement file must be assembled for every single payment. This file, maintained both physically and electronically, must include:

1. The original signed Funding Agreement.
2. The recipient's formal Disbursement Request Letter.
3. All evidence of milestone completion (engineer's certificate, approved report, etc.).
4. The recipient's Invoice.
5. The internally generated Payment Voucher showing all internal approvals (Fund Manager, OAF).
6. Copy of the instruction to the Accountant-General's Office.
7. Proof of payment from the bank/treasury statement.

5.7.3 Responsibilities

- **Finance Officer:** Responsible for initiating the Payment Voucher, ensuring the payment package is complete, and maintaining the primary financial tracking records.
- **Project Management Officer:** Responsible for verifying the technical milestone and maintaining the project-wise progress and disbursement tracker.
- **Fund Manager:** Oversees the entire process, reviews tracking reports, and ensures the portfolio is being managed actively.

6. PROCUREMENT AND CONTRACT MANAGEMENT

Procurement and contract management constitute a critical operational pillar for the Adamawa State Project Facilitation Fund. A significant proportion of the Fund's resources will be deployed to engage external expertise primarily Transaction Advisors and technical consultants to prepare and structure viable PPP projects. The manner in which these services are procured and the subsequent contracts managed directly impacts the quality of project outputs, the Fund's reputation for integrity, and the overall value for money achieved. This section establishes a rigorous, transparent, and accountable framework that governs all procurement activities financed by the PFF, ensuring strict adherence to Adamawa State's public procurement laws and principles of best practice.

The framework recognizes two distinct but related procurement streams: the procurement of services for the internal operations of the PFF Secretariat, and the procurement of Transaction Advisors on behalf of Contracting Authorities (MDAs) using Window 1 funds. Both streams demand the highest standards of probity. Furthermore, effective contract management is essential to ensure that consultants deliver agreed outputs on time and within budget, thereby safeguarding the Fund's investments. This section provides the rules and procedures to achieve these objectives, from initial planning through to final contract closure and archiving.

6.1 PROCUREMENT PRINCIPLES AND FRAMEWORK

All procurement activities undertaken or financed by the PFF shall be guided by a set of core principles that underpin a fair, competitive, and transparent process. These principles align with and are reinforced by the Adamawa State Public Procurement Law.

Guiding Principles for PFF Procurement:

1. **Value for Money (VfM):** The primary objective is to obtain the best possible combination of quality, expertise, cost, and timeliness. The selected bidder must represent the most advantageous offer, not merely the lowest price. Quality and relevant experience are paramount for complex advisory services.
2. **Transparency:** All procurement processes, from advertisement of opportunities to the announcement of awards, must be conducted openly. Criteria, procedures, and decisions must be documented and verifiable.
3. **Fairness and Equal Treatment:** All potential bidders must receive identical information and be evaluated against the same predetermined criteria, without discrimination or preferential treatment.
4. **Competition:** Procurement methods shall encourage open and effective competition to ensure efficiency and cost-effectiveness. Restricted or single-source procurement is permissible only under strictly defined and justified circumstances.
5. **Accountability:** All officials involved in the procurement process are accountable for their actions and decisions. Clear segregation of duties is mandated to prevent conflicts of interest and fraud.
6. **Ethical Conduct and Integrity:** All participants must adhere to the highest ethical standards. Corruption, collusion, fraud, and conflicts of interest are strictly prohibited and will result in disqualification and legal consequences.

Legal and Regulatory Framework:

The supreme authority governing PFF procurement is the Adamawa State Public Procurement Law. Where the Fund utilizes financial resources provided by Development Partners, the specific procurement guidelines outlined in the respective Financing Agreement shall also apply. In the event of any conflict, the stricter of the two standards shall prevail, subject to prior agreement with the partner.

6.2 PROCUREMENT RESPONSIBILITIES

Clear assignment of roles and responsibilities is essential for effective procurement execution and oversight.

Table 6.1: Procurement Roles and Responsibilities

ENTITY / POSITION	PRIMARY PROCUREMENT RESPONSIBILITIES
Fund Management Committee (FMC)	<ul style="list-style-type: none"> • Approves the PFF's annual procurement plan. • Approves the use of single-source or restricted procurement methods for high-value contracts. • Receives and reviews periodic procurement performance reports.
Officer Administering the Fund (OAF)	<ul style="list-style-type: none"> • Overall accountability for procurement integrity and compliance. • Approves procurement processes and award recommendations within delegated thresholds. • Signs contracts on behalf of the PFF for Secretariat procurements.
Fund Manager	<ul style="list-style-type: none"> • Oversees the execution of the procurement plan. • Chairs or nominates members to Technical Evaluation Panels. • Reviews and endorses evaluation reports and award recommendations for OAF/FMC approval.
Procurement Officer (PFF Secretariat)	<ul style="list-style-type: none"> • Develops and maintains the procurement plan. • Manages the end-to-end procurement process: advertisement, bid receipt, evaluation coordination, negotiation. • Ensures all documentation is complete and compliant. • Serves as Secretary to Evaluation Panels.
Technical Evaluation Panel	<ul style="list-style-type: none"> • A panel of specialists (internal or external) constituted for each procurement. • Evaluates technical proposals against published criteria. • Scores bids and prepares the Technical Evaluation Report.
Contracting Authority (MDA) - for Window 1	<ul style="list-style-type: none"> • Develops the Terms of Reference (TOR) for the required consultant/advisor, with support from the PFF Secretariat. • Constitutes its own Evaluation Panel (including a PFF representative). • Signs the contract with the selected consultant as the beneficiary and implementing entity.

6.3 PROCUREMENT PLANNING AND THRESHOLDS

Proactive planning is the foundation of efficient procurement. The PFF Secretariat shall prepare an Annual Procurement Plan (APP) aligned with its approved Annual Work Plan and Budget.

6.3.1 Content of the Annual Procurement Plan (APP)

The APP shall be a detailed schedule listing all anticipated procurements for the fiscal year. For each item, it will specify:

- Description of goods, works, or services required.
- Estimated cost.
- Proposed procurement method.
- Expected advertisement date.
- Expected contract award date.
- Responsible officer.

The APP shall be reviewed by the OAF and approved by the Fund Management Committee at the beginning of each financial year.

6.3.2 Procurement Methods and Financial Thresholds

The choice of procurement method is determined primarily by the estimated contract value and the nature of the requirement, in line with the Adamawa State Procurement Law. The table below outlines standard methods and indicative thresholds.

Table 6.2: Procurement Methods and Applicability for Consultancy Services

PROCUREMENT METHOD	DESCRIPTION	TYPICAL APPLICABILITY and THRESHOLD
International Competitive Bidding (ICB)	Open advertisement internationally. Allows firms from any country to bid.	For very high-value, complex Transaction Advisory assignments (>N100 million).
National Competitive Bidding (NCB)	Open advertisement within Nigeria.	For most consultancy services financed by the PFF (N10m - N100m).
Quality and Cost-Based Selection (QCBS)	A two-envelope process: technical proposal evaluated first; financial proposals of technically qualified bidders opened later. Combined score determines winner.	Default method for consulting services. Suitable for all thresholds where quality is critical.
Quality-Based Selection (QBS)	Selection based on technical merit only; fee negotiation occurs with the highest-ranked firm.	For highly specialized, complex assignments where technical innovation is paramount.
Single-Source Selection	Direct invitation to one firm without competition.	Only permissible under strict conditions: emergency, exclusive expertise, or when a follow-on assignment from prior work is justified. Requires strong justification and prior approval from the FMC.

6.4 ENGAGEMENT OF CONSULTANTS AND TRANSACTION ADVISORS

This is the most frequent and critical procurement activity for the PFF. A standardized, rigorous process ensures the selection of competent and cost-effective advisors.

Process Flow for Engaging Consultants (QCBS Method):

- Preparation of Terms of Reference (TOR):** The user unit (PFF Secretariat or the MDA) prepares a clear, detailed TOR defining the assignment's objectives, scope of services, deliverables, and timeline.
- Formation of Evaluation Panel:** A panel with relevant technical, financial, and procurement expertise is formed. For MDA-led procurement, the panel must include at least one representative from the PFF Secretariat.
- Advertisement and Shortlisting:** A Request for Expressions of Interest (EOI) is advertised. Responses are evaluated to create a shortlist of qualified firms (usually 5-7).
- Invitation to Submit Proposals:** Shortlisted firms receive detailed Request for Proposals (RFP) documents, including the TOR, evaluation criteria, and contract draft.
- Bid Submission and Opening:** Firms submit separate Technical and Financial Proposals in sealed envelopes. The Technical Proposals are opened first at a public bid opening.
- Technical Evaluation:** The panel evaluates Technical Proposals against published criteria (e.g., firm experience, methodology, key personnel). A minimum technical score is required to pass.
- Financial Proposal Opening:** The Financial Proposals of only those firms passing the technical threshold are opened publicly.
- Combined Evaluation and Ranking:** The total score is calculated (e.g., 70% technical, 30% financial). The firm with the highest combined score is recommended for award.
- Negotiation and Award:** The Fund Manager/OAF (for PFF) or the MDA (for Window 1) negotiates the final contract terms and fees with the recommended bidder. A Notice of Award is issued.
- Contract Signing:** The final contract is signed between the PFF (or MDA) and the selected consultant.

6.5 CONTRACT MANAGEMENT

Once a contract is signed, active management is required to ensure successful delivery. The PFF Secretariat will oversee contracts it signs directly and will monitor contracts signed by MDAs using PFF funds.

Key Contract Management Activities:

1. **Contract Start-up and Mobilization:** Convening an inception meeting to align expectations, agreeing on a detailed work plan, and ensuring the consultant's team is mobilized as specified.
2. **Deliverable Tracking and Review:** Establishing a schedule for the submission of deliverables (e.g., inception report, draft reports, final reports). The designated Project Officer reviews each deliverable for compliance with the TOR and provides formal written comments/approval.
3. **Performance Monitoring:** Regularly assessing the consultant's performance against the agreed work plan, quality of outputs, and adherence to timelines. This may involve periodic progress meetings.
4. **Variation/Change Order Management:** Any change to the scope, timeline, or cost of the contract must be formally justified, documented, and approved through the same authority level that approved the original contract. Ad-hoc verbal instructions are not permitted.
5. **Payment Processing:** Linking disbursement requests directly to the approval of specific deliverables, as per the payment schedule in the contract. The Project Officer's certification of satisfactory deliverable completion is a mandatory precondition for payment processing by the Finance Officer.
6. **Contract Closure:** Upon completion of all services and deliverables, a formal contract completion report is prepared. Final payment is processed, and the contract is formally closed in the records.

6.6 RECORDS AND DOCUMENTATION

Maintaining a complete and organized procurement and contract file is a mandatory requirement for transparency and audit purposes. A dedicated file must be kept for each procurement process from planning to contract closure.

Mandatory Contents of a Procurement File:

- **Planning and Initiation:** Needs assessment, approved TOR, procurement plan entry.
- **Solicitation:** Copy of the advertised EOI/RFP, list of firms that purchased bidding documents.
- **Bid Submission:** Register of bids received, minutes of the public bid opening.
- **Evaluation:** Minutes of all evaluation panel meetings, signed technical and financial evaluation reports, clarification correspondence with bidders.
- **Award:** Signed recommendation for award, approval from OAF/FMC, Notice of Award, Notice of Non-Award to unsuccessful bidders.
- **Contract:** Final signed contract and all annexes.
- **Contract Management:** All deliverable submissions and review comments, minutes of progress meetings, variation orders (if any), payment certificates and vouchers, contract completion report.

The Procurement Officer is responsible for assembling and safeguarding these files. All files must be retained for a minimum period as stipulated by the Adamawa State public records law (typically at least seven years after contract completion).

6.7 PROCUREMENT MONITORING AND REPORTING

Systematic monitoring and reporting provide oversight and facilitate learning and improvement.

6.7.1 Internal Monitoring

The Fund Manager will monitor the implementation of the Annual Procurement Plan, tracking actual versus planned timelines. The OAF will periodically review a sample of procurement files to ensure compliance with procedures.

6.7.2 Reporting Requirements

- **Quarterly Procurement Status Report:** Prepared by the Procurement Officer for the Fund Manager and OAF. This report updates on the status of all ongoing procurements against the APP.
- **Annual Procurement Performance Report:** A comprehensive report submitted to the Fund Management Committee as part of the annual reporting suite. It includes:
 - Summary of all contracts awarded during the year.
 - Analysis of procurement methods used.
 - Statistics on competition (e.g., average number of bids per tender).
 - Any challenges encountered and lessons learned.
 - Recommendations for improving the procurement system.
- **Development Partner Reporting:** Specific procurement reports as may be required by individual Financing Agreements.

This structured approach to procurement and contract management ensures that the Adamawa State PFF leverages external expertise efficiently and ethically, maximizing the impact of its financial resources and contributing to the development of high-quality, bankable PPP projects for the State.

7. AUDIT AND INTERNAL CONTROL

The credibility and long-term viability of the Adamawa State Project Facilitation Fund rest upon an unwavering commitment to financial integrity, operational transparency, and robust accountability. This section establishes the comprehensive framework for safeguarding the Fund's assets, ensuring the accuracy of its financial records, and verifying compliance with all applicable laws, regulations, and policies. A strong system of internal control, supported by independent internal and external audit functions, forms the essential defense against error, waste, fraud, and mismanagement. Furthermore, this framework is not static; it incorporates mechanisms for learning from oversight findings and driving continuous improvement across all Fund operations.

This structure moves beyond mere compliance to embed a culture of accountability and excellence. It details the systems that will prevent problems, the processes to detect them if they occur, and the protocols to respond decisively. This multi-layered approach provides assurance to the State Government, Development Partners, and the public that the PFF is managed with the highest degree of stewardship and professionalism.

7.1 INTERNAL CONTROL FRAMEWORK

Internal controls are the integrated policies, procedures, and daily practices instituted by management to provide reasonable assurance regarding the achievement of operational objectives, the reliability of financial reporting, and compliance with laws and regulations. For the PFF, this framework is built upon five interrelated components.

7.1.1 Key Components of the Internal Control System:

1. **Control Environment:** This is the foundational culture set by the Fund Management Committee and the Officer Administering the Fund. It encompasses ethical values, management's philosophy and operating style, organizational structure, and the assignment of authority and responsibility. A strong control environment is demonstrated through a formal Code of Conduct, clear reporting lines, and a demonstrated zero-tolerance policy towards fraud.
2. **Risk Assessment:** The PFF Secretariat shall proactively and regularly identify and analyze risks that could prevent the Fund from achieving its objectives. This includes financial risks (e.g., default on recoverable advances), operational risks (e.g., failure of a key consultant), and compliance risks. Risk assessments will inform the design of control activities.
3. **Control Activities:** These are the specific actions policies and procedures put in place to mitigate identified risks. They are embedded throughout the Fund's operations and include:
 - a. **Authorizations and Approvals:** Defined authority matrices for expenditures, contract awards, and fund disbursements (see Section 5.6).
 - b. **Segregation of Duties:** Critical functions are divided among different staff to reduce the risk of error or fraud. For example, the staff member who prepares a payment voucher cannot be the same person who authorizes the payment or reconciles the bank statement.
 - c. **Verification and Reconciliation:** Independent checks on performance and data accuracy. This includes reconciliation of bank ledgers with treasury statements, review of deliverables before payment, and physical verification of assets.
 - d. **Physical Controls:** Security of assets, including secure storage of cheque books, contracts, and other sensitive documents.
4. **Information and Communication:** Relevant and reliable information must be identified, captured, and communicated in a timely manner to enable personnel to carry out their responsibilities. This includes clear communication of policies (like this Manual), comprehensive accounting records, and effective reporting channels upwards, downwards, and across the organization.
5. **Monitoring Activities:** Ongoing and separate evaluations are used to assess whether internal controls are present and functioning. This includes routine managerial supervision, reconciliation activities, and the work of the internal audit function.

Figure 7.1: The Five Components of the PFF Internal Control Framework



7.1.2 Implementation Responsibility

The Officer Administering the Fund (OAF) bears ultimate responsibility for establishing and maintaining an adequate internal control system. The Fund Manager is responsible for its day-to-day implementation within the Secretariat. All staff members are responsible for adhering to control procedures within their respective roles.

7.2 INTERNAL AUDIT

Internal audit provides independent, objective assurance and consulting activity designed to add value and improve the PFF's operations. It helps the Fund accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes.

7.2.1 Function and Independence

- The internal audit function for the PFF will be performed by the Adamawa State Internal Audit Service, specifically assigned to cover ADIPA and its associated funds.
- To ensure objectivity, the internal auditor will have unrestricted access to all PFF records, personnel, and physical properties.
- The internal auditor will report functionally to the Audit Committee of the ADIPA Council (or directly to the full Council) and administratively to the Director of the State Internal Audit Service. This dual reporting preserves independence from PFF management.

7.2.2 Scope and Work Plan

The internal audit will adopt a risk-based approach. Its scope includes, but is not limited to:

- Auditing the reliability and integrity of financial and operational information.
- Reviewing the systems established to ensure compliance with policies, plans, procedures, laws, and regulations.
- Assessing the adequacy and effectiveness of the internal control framework.

- Reviewing the safeguarding of assets and verifying their existence.
- Evaluating the economy, efficiency, and effectiveness (value for money) of operations.
- Investigating reported incidents of fraud, waste, or abuse.

An annual internal audit plan will be developed in consultation with the OAF and the Fund Management Committee, and approved by the ADIPA Council Audit Committee.

7.2.3 Process and Reporting

1. **Planning:** The auditor notifies the OAF of the audit scope and timing.
2. **Fieldwork:** Conducting interviews, testing transactions, and reviewing documents.
3. **Draft Report:** The auditor issues a draft report with findings and recommendations to the OAF and Fund Manager for management's response.
4. **Management Response:** The OAF provides a written response, agreeing with findings and proposing corrective actions with timelines, or providing clarification.
5. **Final Report:** A final report, incorporating management's response, is issued to the OAF, the Fund Management Committee, and the ADIPA Council Audit Committee.
6. **Follow-up:** The internal auditor will track the implementation of agreed corrective actions.

7.3 EXTERNAL AUDIT

External audit provides an independent opinion on the truth and fairness of the PFF's annual financial statements. This is a mandatory statutory requirement and a key condition for most Development Partner financing.

7.3.1 Appointment and Mandate

- The **Office of the Auditor-General for Adamawa State** is the primary external auditor, as mandated by state law.
- Where a Development Partner's Financing Agreement requires a specific external audit (e.g., by an internationally recognized audit firm), such an audit will be commissioned. This will be coordinated with the Auditor-General's office to avoid duplication, potentially as a joint or coordinated audit.
- The external auditor is appointed by and reports to the Fund Management Committee (and by extension, the ADIPA Council), which is responsible for receiving and acting upon the audit report.

7.3.2 Scope and Output

The external audit will be conducted in accordance with International Standards on Auditing (ISAs). The core objective is to express an opinion on whether the PFF's financial statements present fairly, in all material respects, the financial position and performance of the Fund in accordance with the stated accounting framework (IPSAS).

The key deliverable is the **Annual Audit Report**, which includes:

- The auditor's opinion (unqualified, qualified, adverse, or disclaimer).
- The audited financial statements.
- Notes to the financial statements.
- A Management Letter detailing observations on internal control weaknesses, accounting matters, and recommendations for improvement, even if they did not affect the audit opinion.

7.3.3 Management Responsibilities

The PFF Secretariat, led by the OAF, is responsible for:

- Preparing the financial statements for audit.
- Providing the auditors with all necessary information and unrestricted access.
- Responding to audit queries and the draft Management Letter.

- Implementing agreed-upon recommendations from the audit.

Table 7.1: Comparison of Internal vs. External Audit

ASPECT	INTERNAL AUDIT	EXTERNAL AUDIT
Primary Objective	Improve operations, evaluate controls, add value.	Express opinion on financial statement fairness.
Reporting Line	ADIPA Council Audit Committee / State Internal Audit Service.	Fund Management Committee / ADIPA Council.
Scope	Broad: financial, operational, compliance, performance.	Focused on financial statements and related controls.
Frequency	Ongoing, based on a risk-based annual plan.	Annually, after the financial year-end.
Relationship	Acts as an internal consultant and assurance provider.	Independent external reviewer.

7.4 FRAUD, MISUSE, AND FINANCIAL IRREGULARITY RESPONSE

The PFF maintains a zero-tolerance stance towards fraud, corruption, theft, misappropriation, and willful misuse of its resources. This policy applies to all staff, consultants, Contracting Authorities, and other parties dealing with the Fund.

7.4.1 Prevention and Deterrence

- **Strong Internal Controls:** The primary defense, as outlined in Section 7.1.
- **Code of Conduct:** Mandatory signing by all staff and consultants, outlining prohibited behaviors.
- **Whistleblower Protection:** A secure and confidential channel (e.g., dedicated email, hotline) is established for staff and external parties to report suspected irregularities without fear of retaliation. Reports can be made to the ADIPA Council Audit Committee or a designated independent officer.

7.4.2 Response Protocol

A clear, swift, and consistent response is critical.

1. **Identification and Reporting:** Any suspected irregularity must be reported immediately to the OAF or via the whistleblower channel.
2. **Initial Assessment:** The OAF, in consultation with the Fund Manager, will conduct a preliminary assessment to determine the credibility of the allegation.
3. **Investigation:** For credible allegations, a formal investigation will be initiated. Depending on the severity, this may be conducted by:
 - a. Internal audit.
 - b. A special investigation committee appointed by the Fund Management Committee.
 - c. Relevant state law enforcement agencies (e.g., Economic and Financial Crimes Commission - EFCC, Independent Corrupt Practices Commission - ICPC).
4. **Preservation of Evidence and Assets:** Steps will be taken to secure relevant documents and, if necessary, suspend disbursements or access to funds.
5. **Corrective Actions:** Based on investigation findings, actions may include:
 - a. Disciplinary action against staff (up to dismissal).
 - b. Termination of contracts with consultants or Contracting Authorities.
 - c. Initiation of civil recovery proceedings.
 - d. Referral to law enforcement for criminal prosecution.
6. **Reporting:** Material incidents and their outcomes will be reported to the Fund Management Committee and, as required, to Development Partners.

7.5 MONITORING, LEARNING, AND CONTINUOUS IMPROVEMENT

The audit and control framework is not an end in itself but a tool for achieving excellence. The PFF is committed to a cycle of monitoring, learning from experience, and systematically improving its processes.

7.5.1 Monitoring for Performance

Beyond financial controls, the Fund will monitor its operational performance against key indicators outlined in its Business Plan and Annual Work Plan. This includes tracking:

- Application processing times.
- Disbursement efficiency.
- Portfolio health (e.g., status of projects supported).
- Recovery rates on advances.

The Monitoring and Evaluation Officer will lead this performance monitoring.

7.5.2 Learning from Oversight

The findings and recommendations from internal audits, external audits, management letters, and even completed projects are invaluable sources of learning. The management response process is not merely defensive; it is analytical.

- **Regular Review Sessions:** The Fund Manager and OAF will hold quarterly sessions to review audit observations, implementation status of corrective actions, and recurring issues.
- **Root Cause Analysis:** For significant findings, the team will seek to identify the underlying root cause (e.g., a gap in policy, a training need, a flawed process) rather than just addressing the symptom.

7.5.3 Continuous Improvement Process

Insights gained are fed back into the system to drive improvement:

1. **Policy and Manual Updates:** Recommendations may lead to amendments in this Operations Manual, procurement guidelines, or financial procedures.
2. **Process Re-engineering:** Inefficient workflows identified during audits can be redesigned for greater effectiveness.
3. **Training and Capacity Building:** Control weaknesses often point to a need for enhanced staff training on specific policies or skills.
4. **System Enhancements:** Recommendations may justify investment in better financial management or project monitoring software.

Figure 7.2: The Cycle of Assurance and Improvement:



8. ANTI-FRAUD, CORRUPTION, AND SAFEGUARD MEASURES

The integrity and sustainability of the Adamawa State Project Facilitation Fund extend beyond financial accountability to encompass ethical conduct and responsible development impact. This section establishes the Fund's unwavering commitment to operate with the highest ethical standards, to actively prevent and combat fraud and corruption, and to ensure that all projects it supports adhere to robust environmental and social safeguards. These are not ancillary concerns but foundational prerequisites for the Fund's legitimacy, its ability to attract reputable partners, and its contribution to sustainable development in Adamawa State.

A comprehensive approach is necessary. It begins with a clear policy of zero tolerance for malpractice, supported by a specific charter that binds all participants. It extends to ensuring that the physical infrastructure developed does not come at an unacceptable environmental or social cost. Finally, it assigns concrete responsibilities to every level of the institution to translate these commitments from policy into daily practice. This framework protects the Fund's resources, reputation, and, ultimately, the public interest it serves.

8.1 ANTI-FRAUD AND ANTI-CORRUPTION POLICY

The Adamawa State PFF maintains an absolute and non-negotiable policy of zero tolerance for any form of fraud, corruption, bribery, collusion, coercion, or misappropriation of funds. This policy applies universally to all individuals and entities interacting with the Fund, including its staff, the Fund Management Committee members, Contracting Authorities, consultants, contractors, bidders, and Development Partners.

8.1.1 Definition of Prohibited Conduct

For the purpose of this policy, the following are expressly prohibited:

- **Fraud:** Any deliberate act of deception intended to secure an unfair or unlawful gain for oneself or another. This includes falsification of records, submission of false invoices, or misrepresentation of qualifications.
- **Corruption:** The abuse of entrusted power for private benefit. This includes:
 - **Bribery:** Offering, giving, receiving, or soliciting anything of value to influence the actions of an official.
 - **Conflict of Interest:** Situations where an individual's personal interests improperly influence, or appear to influence, their professional judgment or duties to the Fund.
 - **Nepotism/Favoritism:** Granting undue advantage to friends, relatives, or associates.
- **Collusion:** A secret agreement between parties to deceive or defraud the Fund, such as bid-rigging or market-sharing among competing consultants.
- **Coercion:** Using force or threats to influence a decision or action related to the Fund.

8.1.2 Core Principles of the Policy

The policy is built on five core principles:

1. **Prevention:** Implementing strong financial controls, transparent procedures (e.g., open procurement), and rigorous oversight to eliminate opportunities for misconduct.
2. **Deterrence:** Establishing clear consequences for violations, including contract termination, recovery of funds, blacklisting, and referral to law enforcement agencies.
3. **Detection:** Maintaining multiple channels for reporting suspicions, including protected whistleblower mechanisms, and conducting regular audits and reviews.
4. **Investigation:** Ensuring all allegations are investigated promptly, thoroughly, and impartially by competent authorities.
5. **Sanction and Redress:** Applying appropriate disciplinary, civil, and criminal sanctions against wrongdoers and taking steps to recover losses.

8.1.3 Mandatory Declarations

All PFF staff, Committee members, and key consultants must periodically submit a written declaration of their financial interests and affirm that they have read, understood, and will comply with this policy and the associated Code of Conduct. Failure to declare a material conflict of interest is itself a disciplinary offense.

8.2 ENVIRONMENTAL AND SOCIAL SAFEGUARDS

The PFF recognizes that infrastructure development, while essential, can pose risks to the natural environment and affected communities. The Fund is committed to ensuring that projects it supports are developed in an environmentally sound and socially responsible manner, preventing harm and promoting sustainability.

8.2.1 Overarching Safeguard Objectives

The Fund’s safeguard objectives are to:

- Avoid, minimize, or mitigate adverse environmental and social impacts.
- Protect the rights and well-being of communities and individuals affected by projects.
- Promote resource efficiency and climate resilience in project design.
- Ensure compliance with Nigerian national law and relevant international good practice standards.

8.2.2 Application of Safeguards

Safeguard requirements apply to all projects seeking PFF support that have the potential for environmental or social impact. The depth of assessment required is proportional to the project’s potential risks.

Table 8.1: Project Categorization and Safeguard Requirements

PROJECT CATEGORY	DESCRIPTION and EXAMPLES	KEY PFF REQUIREMENTS
Category A – High Risk	Projects with potential significant, diverse, or irreversible adverse impacts. <i>Examples:</i> Large dams, major highways through sensitive areas, industrial plants.	<ol style="list-style-type: none"> 1. Full Environmental and Social Impact Assessment (ESIA) required. 2. Public consultation and disclosure of ESIA report. 3. Preparation of detailed Environmental and Social Management Plan (ESMP). 4. Independent review of ESIA/ESMP by PFF-approved experts. 5. ESMP implementation as a condition for disbursement.
Category B – Limited/ Medium Risk	Projects with potential limited, site-specific, largely reversible impacts that can be mitigated. <i>Examples:</i> Urban water supply, school construction, smaller renewable energy.	<ol style="list-style-type: none"> 1. Environmental and Social Management Framework (ESMF) or limited assessment required. 2. Site-specific Environmental and Social Management Plan. 3. Evidence of stakeholder consultation. 4. ESMP implementation monitored.
Category C – Minimal/ Negligible Risk	Projects with minimal or no foreseeable adverse impacts. <i>Examples:</i> Institutional strengthening, technical assistance, software development.	No formal assessment required. General provisions of the safeguard policy apply (e.g., ethical procurement).

8.2.3 Key Safeguard Processes

- **Screening:** As part of the initial application review, the PFF Secretariat will screen the project to assign it a provisional category (A, B, or C).

- **Assessment:** The Contracting Authority (MDA) is responsible for commissioning and financing the required ESIA or equivalent study, using qualified experts.
- **Review and Approval:** The PFF Secretariat, potentially with external expert input, will review the quality and adequacy of the safeguard documents. Satisfactory safeguard compliance is a mandatory condition for final PFF funding approval.
- **Covenants in Funding Agreement:** The Funding Agreement will include legally binding covenants requiring the MDA and the eventual private partner to implement the approved management plans and comply with all safeguard requirements.
- **Monitoring:** The PFF's Monitoring and Evaluation Officer will include safeguard compliance as a key element of project supervision.

8.3 ANTI-FRAUD, CORRUPTION, AND SAFEGUARDS CHARTER

To operationalize these commitments, all major parties involved in a PFF-supported project will be required to formally subscribe to a binding Charter. This Charter creates a common set of rules and a shared accountability framework.

8.3.1 Purpose and Signatories

The Charter is a formal deed that spells out the mutual commitments to integrity and sustainability. It will be signed by:

- The Adamawa State PFF (represented by the Officer Administering the Fund).
- The Contracting Authority (MDA) leading the project.
- The Private Partner / Project Company (SPV) awarded the PPP contract.
- Key Consultants and Major Contractors (as deemed necessary).

8.3.2 Core Commitments of the Charter

A. Integrity and Anti-Corruption:

- To conduct all activities related to the project lawfully, ethically, and transparently.
- To prohibit bribery, fraud, collusion, and coercion in any form.
- To establish effective internal controls to prevent corruption within their own organizations.
- To cooperate fully with any audit or investigation related to the project.
- To permit the PFF to audit books and records related to the use of PFF funds.

B. Environmental and Social Responsibility:

- To comply fully with all approved Environmental and Social Management Plans (ESMPs) and related safeguard instruments.
- To establish accessible grievance redress mechanisms for affected communities.
- To report promptly to the PFF any significant environmental incident, accident, or social conflict arising from the project.
- To engage with affected communities in a meaningful, accessible, and culturally appropriate manner.

8.3.3 Consequences of Breach

A material breach of the Charter by any signatory constitutes a breach of the underlying Funding Agreement or Project Agreement. Consequences can include:

- Suspension of PFF disbursements.
- Requirement to develop and implement a corrective action plan.
- Termination of contract and recovery of funds.
- Blacklisting from future PFF or Adamawa State contracts.
- Referral of evidence to relevant anti-corruption or law enforcement agencies.

8.4 INSTITUTIONAL RESPONSIBILITIES

The effectiveness of these policies depends on clear assignment and diligent execution of responsibilities across the PFF's governance structure.

Table 8.2: Institutional Responsibilities for Integrity and Safeguards

ENTITY / ROLE	ANTI-FRAUD and CORRUPTION RESPONSIBILITIES	ENVIRONMENTAL and SOCIAL SAFEGUARD RESPONSIBILITIES
Fund Management Committee (FMC)	<ul style="list-style-type: none"> • Set the 'tone at the top' and oversee the zero-tolerance policy. • Review reports on significant allegations and investigation outcomes. • Approve blacklisting of entities for serious misconduct. 	<ul style="list-style-type: none"> • Approve the PFF's overarching Environmental and Social Safeguard Policy. • Ensure safeguard compliance is integrated into funding approval decisions.
Officer Administering the Fund (OAF)	<ul style="list-style-type: none"> • Ultimate responsibility for implementing the anti-corruption policy. • Ensure all staff are trained on the policy and Code of Conduct. • Receive and direct allegations for investigation. • Enforce sanctions within delegated authority. 	<ul style="list-style-type: none"> • Overall accountability for the application of safeguard policies. • Approve project categorization and the adequacy of safeguard documents for high-risk projects.
Fund Manager and PFF Secretariat	<ul style="list-style-type: none"> • Implement day-to-day controls (segregation of duties, transparent procurement). • Conduct due diligence on consultants and partners. • Manage the whistleblower reporting channel. • Prepare investigation reports for the OAF/FMC. 	<ul style="list-style-type: none"> • Conduct initial environmental and social screening of all project applications. • Review safeguard documents (ESIA, ESMP) for technical adequacy. • Monitor safeguard compliance during project implementation via site visits and reports. • Maintain a register of safeguard compliance for all projects.
Procurement Officer	<ul style="list-style-type: none"> • Ensure all procurement processes are transparent, competitive, and free from collusion. • Include anti-corruption clauses in all contracts. • Verify declarations of no conflict of interest from bidders and evaluators. 	<ul style="list-style-type: none"> • Include environmental and social performance criteria in Terms of Reference for consultants. • Ensure safeguard requirements are included in bidding documents for works and services.
All PFF Staff	<ul style="list-style-type: none"> • Comply with the Code of Conduct and declare conflicts of interest. • Report any suspected fraud or corruption through the proper channel. • Refuse any offer of bribe and report the attempt. 	<ul style="list-style-type: none"> • Consider potential environmental and social aspects in their work. • Escalate any safeguard concerns observed to the Fund Manager.
Contracting Authority (MDA)	<ul style="list-style-type: none"> • Enforce anti-corruption standards within its project team. • Ensure transparent and fair procurement processes for its consultants. • Cooperate with PFF audits and investigations. 	<ul style="list-style-type: none"> • Be primarily responsible for commissioning and managing environmental and social assessments. • Implement stakeholder consultation processes. • Ensure the private partner complies with safeguard covenants.

Figure 8.1: The Three-Pillar Defense System of the PFF



8.4.1 Training and Capacity Building

The PFF Secretariat will organize mandatory annual training for all its staff and Fund Management Committee members on the Anti-Corruption Policy, the Code of Conduct, and Environmental and Social Safeguard requirements. Capacity-building support will also be offered to Contracting Authorities to help them meet their safeguard obligations effectively.

8.4.2 Reporting and Transparency

The PFF will include a dedicated section in its Annual Report detailing:

- A summary of the integrity and safeguard measures implemented.
- The number and type of projects categorized under environmental and social risk categories.
- Aggregate statistics on whistleblower reports received and their resolution (maintaining confidentiality).
- Any material incidents of non-compliance and actions taken.

9. DURATION AND WINDING UP OF THE FUND

The establishment of the Adamawa State Project Facilitation Fund represents a significant and enduring commitment to transforming the state's infrastructure landscape. However, like all institutional arrangements, its existence must be framed within a clear temporal and operational context. This section defines the anticipated lifespan of the Fund, the conditions under which its operations may be concluded or significantly altered, and the orderly procedures to be followed in such an event. Planning for an eventual conclusion is a mark of prudent institutional design, ensuring that obligations are honored, assets are protected, and the public interest is safeguarded regardless of the Fund's future status.

A transparent framework for duration and dissolution provides certainty to all stakeholders Contracting Authorities, private partners, Development Partners, and the citizens of Adamawa State. It ensures that the Fund can be evaluated objectively against its long-term objectives and that any decision to alter its mandate is taken deliberately, with full consideration of outstanding responsibilities and the need for a smooth transition.

9.1 PERMANENCE AND REVIEW CYCLE

The Adamawa State PFF is established as a long-term, revolving financial facility without a predetermined fixed expiration date. Its design anticipates ongoing operations across multiple political and budgetary cycles, reflecting the extended timelines inherent in major infrastructure project development and the need for a persistent source of catalytic financing.

9.1.1 Mandatory Strategic Reviews

To ensure the Fund remains effective, relevant, and aligned with the state's evolving development priorities, its performance and strategic direction will be subjected to formal, in-depth reviews at predetermined intervals.

Table 9.1: Strategic Review Cycle for the PFF

REVIEW TYPE	TRIGGER / FREQUENCY	SCOPE AND OBJECTIVES	CONDUCTING AUTHORITY and OUTPUT
Annual Performance Review	Every year, following the end of the financial year.	Assess annual performance against the approved Work Plan and Budget. Review financial health, disbursement rates, and portfolio status.	Conducted by the PFF Secretariat and Fund Management Committee (FMC) . Output: Annual Report presented to the ADIPA Council.
Comprehensive Mid-Term Review	Every five (5) years from the date of operational launch.	Evaluate the overall effectiveness of the Fund in meeting its core objectives. Assess relevance of the funding windows, governance efficiency, and financial sustainability. Review economic impact of supported projects.	Commissioned by the ADIPA Council . Conducted by an independent panel of experts. Output: A public report with findings and recommendations for strategic adjustment.
Decennial Fundamental Review	Every ten (10) years from the date of operational launch.	A root-and-branch assessment of the Fund's continued necessity. Determine if the original rationale for its creation remains valid. Evaluate options for continuation, major restructuring, or winding up.	Mandated by the Adamawa State Executive Council . Conducted through a high-level independent commission. Output: A formal report and recommendations submitted directly to the State Governor and House of Assembly.

9.1.2 Outcome of Reviews

The findings of the Mid-Term and Decennial Reviews will directly inform the Fund's future:

- **Continuation:** If the Fund is deemed successful and necessary, it will continue operations, potentially with modifications to its strategy, windows, or operational guidelines as recommended.

- **Restructuring:** The review may recommend significant changes, such as merging with another state fund, altering its legal form, or refocusing its support on specific sectors.
- **Initiating Wind-Up:** The review may conclude that the Fund has achieved its purpose, is no longer cost-effective, or that its functions could be better performed by another entity, thereby triggering the winding-up process.

9.2 CONDITIONS FOR WINDING UP OR RESTRUCTURING

The winding up (liquidation) or major restructuring of the PFF is a consequential decision that shall not be taken lightly or for transient political reasons. It may only be initiated under one or more of the following formally established conditions:

9.2.1 Grounds for Initiating Wind-Up

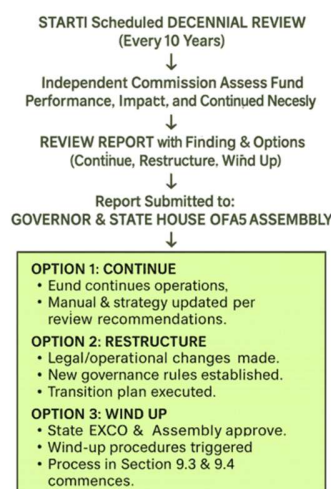
1. **Achievement of Primary Objective:** A formal determination, following a Decennial Review, that the Fund has successfully catalyzed a mature, self-sustaining PPP market in Adamawa State, and that its financial intervention is no longer a critical requirement for attracting private investment.
2. **Strategic Redundancy:** The State Government establishes an alternative, more comprehensive financing mechanism or institution that fully supersedes the PFF's functions, making its continued operation duplicative and inefficient.
3. **Persistent Financial Non-Viability:** Evidence over multiple review cycles that the Fund cannot achieve financial sustainability, cannot attract partner capital, and operates at a continuous net loss without prospect of improvement, constituting an unjustified drain on state resources.
4. **Legal or Policy Directive:** A specific directive from the Adamawa State House of Assembly, following due legislative process, ordering the dissolution of the Fund.
5. **Irreparable Institutional Failure:** Gross and persistent failure in governance, leading to significant loss of funds, loss of credibility with partners, or inability to function, as determined by a special independent judicial or administrative inquiry.

9.2.2 Process for Deciding Wind-Up or Restructuring

The decision is hierarchical and requires multiple layers of approval:

1. **Recommendation:** A formal recommendation must originate from a Decennial Review report or a special report by the ADIPA Council.
2. **Executive Proposal:** Based on the recommendation, the State Commissioner for Finance and Economic Planning, in consultation with the ADIPA Council, prepares a formal proposal for winding up or restructuring.
3. **State Executive Council Approval:** The proposal is debated and approved by the Adamawa State Executive Council.
4. **Legislative Enactment:** A bill for the winding up or restructuring of the PFF is presented to the **Adamawa State House of Assembly**. The Fund shall continue to operate normally until such a bill is passed into law, specifying the effective date and terms of dissolution.

Figure 9.1: Pathway to Fund Continuity or Closure



9.3 TREATMENT OF OUTSTANDING COMMITMENTS

The most critical aspect of winding up is the honorable settlement of all existing legal and financial obligations. The Fund cannot simply cease operations; it must ensure a responsible conclusion to its affairs. This process will be managed by a Wind-Up Committee appointed by the State Executive Council.

9.3.1 Cessation of New Commitments

Immediately upon the official publication of the winding-up law, the PFF shall:

- Cease advertising for or accepting new applications for funding.
- Halt all new procurement processes.
- Not enter into any new Funding Agreements or contracts, except those absolutely necessary for the winding-up process itself.

9.3.2 Categorization and Settlement of Existing Obligations

The Wind-Up Committee will conduct a full inventory and categorize all obligations:

Table 9.2: Treatment of Outstanding Commitments During Wind-Up

TYPE OF OBLIGATION	IDENTIFICATION PROCESS	SETTLEMENT RESPONSIBILITY and METHOD
Signed Funding Agreements (Active Projects)	Review all executed contracts with MDAs/SPVs.	The State Government assumes all rights and obligations. Remaining undisbursed commitments for viable projects will be honored directly from the State Treasury through a designated MDA, following original agreement terms.
Legal Claims and Disputes	Review all ongoing litigation or arbitration.	The State Ministry of Justice assumes responsibility for defending or settling claims. The PFF's legal team will provide full case files.
Recoverable Receivables	Ageing analysis of all repayments due (success fees, MDA advances).	The Wind-Up Committee will intensify collection efforts. Uncollected amounts will be formally transferred as debt obligations to the State Ministry of Finance for continued pursuit.
Creditors and Payables	Review all unpaid invoices to consultants, vendors, etc.	All valid payables will be settled in full from the Fund's remaining assets before any residual distribution.
Employee Contracts	Review contracts of PFF Secretariat staff.	Staff will be notified. Their contracts will be terminated according to law, with payment of all accrued entitlements (salaries, allowances, gratuity). Redeployment to other State MDAs will be facilitated where possible.
Development Partner Agreements	Review all active Financing Agreements.	Formal notification to partners. Any remaining restricted funds will be returned to the partner, or an agreed alternative use within the state sector will be negotiated. Final accountability reports will be submitted.

9.3.3 Disposal of Remaining Assets and Funds

After settling all liabilities and obligations, the remaining net assets (cash balances, investments, physical assets) will be disposed of as follows:

1. **Financial Assets:** All remaining cash in the PFF treasury ledgers will be transferred to the **Consolidated Revenue Fund of Adamawa State**.
2. **Physical Assets:** Office equipment, furniture, and IT hardware will be inventoried and transferred to the Adamawa State Investment and Public-Private Partnership Agency (ADIPA) for its continued use, or to the State General Assets Registry for reallocation.
3. **Intellectual Property and Records:** All databases, project reports, feasibility studies, operational manuals, and intellectual property developed by or for the PFF will be transferred in full to ADIPA to preserve institutional memory and support the ongoing PPP program.

9.4 INSTITUTIONAL TRANSITION ARRANGEMENTS

A orderly transition is essential to minimize disruption to ongoing projects and preserve valuable institutional capacity.

9.4.1 Role of the Wind-Up Committee

A committee shall be constituted by the State Executive Council for a period not exceeding twelve (12) months. It will typically include:

- A senior representative from the State Ministry of Finance (Chairperson).
- The outgoing Officer Administering the Fund (OAF) or Fund Manager.
- A representative from the ADIPA Council.
- A representative from the Office of the Accountant-General.
- A representative from the Office of the Auditor-General.

Its mandate is to execute all steps in Section 9.3, ensure compliance, and produce a final wind-up report.

9.4.2 Transition of Project Oversight

For projects with ongoing PFF support, oversight must transition seamlessly:

- The Contracting Authority (MDA) for each project will become the primary point of contact.
- ADIPA will assume the PFF's technical oversight and monitoring role for these projects, ensuring compliance with original agreements.
- The State Ministry of Finance will assume the financial oversight role, managing any further disbursements agreed upon during wind-up.

9.4.3 Final Reporting and Archival

1. **Final Audit:** The Office of the Auditor-General will conduct a final comprehensive audit of the PFF from its inception to the wind-up date.
2. **Final Report:** The Wind-Up Committee will prepare a **Final Report of Liquidation**, including:
 - a. Statement of all assets and liabilities at commencement of wind-up.
 - b. Record of all settlements and transfers made.
 - c. Final statement of accounts.
 - d. Confirmation that all legal obligations have been met or assigned.
3. **Submission:** This Final Report, along with the final audited accounts, will be submitted to:
 - a. The Adamawa State Governor.
 - b. The Adamawa State House of Assembly.
 - c. The Office of the Auditor-General for the record.
4. **Public Disclosure:** An abridged version of the Final Report will be published on the ADIPA website to ensure public transparency on the conclusion of the Fund's operations.

10. FUND PERFORMANCE MANAGEMENT FRAMEWORK

To ensure the Adamawa State Project Facilitation Fund delivers tangible value and remains accountable for its mandate, a rigorous and systematic performance management system is essential. This framework moves beyond basic financial accounting to measure the Fund's overall effectiveness, efficiency, and developmental impact. It establishes what will be measured, how it will be tracked, who is responsible, and how the information will be used to drive improvement. A well-designed performance management system provides the evidence base for strategic decisions, justifies continued resource allocation, and demonstrates results to stakeholders including the State Government, Development Partners, and the public.

This framework is built on a cycle of planning, monitoring, evaluation, and learning. It connects daily activities to long-term strategic goals, ensuring that the Fund's operations are results-oriented and adaptable to changing circumstances. By integrating with broader state monitoring systems, it also ensures the Fund's contributions are recognized within the wider context of Adamawa State's development progress.

10.1 KEY PERFORMANCE AREAS

The Fund's performance will be assessed across four interconnected domains that collectively capture its operational health, financial stewardship, strategic influence, and ultimate contribution to state development.

1. Operational Efficiency and Effectiveness

This area assesses how well the Fund's internal systems and processes function. It focuses on the quality and timeliness of service delivery to its primary clients the Contracting Authorities (MDAs).

- **Core Concerns:** Application processing speed, quality of appraisal work, accuracy of disbursements, strength of internal controls, and staff productivity.
- **Strategic Question:** Is the Fund a well-run, responsive, and reliable institution for MDAs seeking support?

2. Financial Sustainability and Portfolio Health

This area examines the Fund's fiscal management and the performance of its investments (the portfolio of supported projects). It ensures the Fund is managed as a going concern.

- **Core Concerns:** Capital adequacy, cost recovery rates, liquidity management, risk exposure (e.g., from recoverable advances), and the financial viability of projects in the pipeline.
- **Strategic Question:** Is the Fund financially sound, and are its resources being deployed into projects that are likely to succeed?

3. Market Development and Catalytic Impact

This area measures the Fund's success in its primary mission: stimulating private investment in public infrastructure. It looks at outcomes beyond individual project disbursements.

- **Core Concerns:** Volume of private capital leveraged, number and value of projects reaching financial close, diversification of projects across sectors, and improvements in the state's PPP enabling environment.
- **Strategic Question:** Is the Fund successfully catalyzing a pipeline of bankable PPP projects and attracting private sector participation that would not otherwise occur?

5. Developmental Outcomes and Sustainability

This area evaluates the long-term results and positive changes generated by the infrastructure projects the Fund supports. It connects financial facilitation to real-world impact.

- **Core Concerns:** Improved service delivery (e.g., better roads, reliable electricity), job creation, economic growth stimulation, environmental and social safeguard compliance, and project resilience.
- **Strategic Question:** Are the projects supported by the Fund leading to sustainable improvements in the quality of life and economic opportunities for the people of Adamawa State?

Figure 10.1: The Four Pillars of PFF Performance

<p>OPERATIONAL EXCELLENCE (The Foundation)</p> <ul style="list-style-type: none"> • Process Efficiency • Client Responsiveness • Internal Control Strength 	<p>FINANCIAL and PORTFOLIO HEALTH (The Engine)</p> <ul style="list-style-type: none"> • Capital Sustainability • Risk Management • Cost Recovery
<p>MARKET CATALYTIC IMPACT (The Core Mandate)</p> <ul style="list-style-type: none"> • Private Capital Leveraged • Projects to Financial Close • Pipeline Development <p>(The Core Mandate)</p>	<p>DEVELOPMENTAL OUTCOMES (The Ultimate Goal)</p> <ul style="list-style-type: none"> • Service Delivery Improvement • Economic and Social Benefits • Environmental Sustainability <p>(The Ultimate Goal)</p>
THE PFF PERFORMANCE MATRIX	

10.2 PERFORMANCE INDICATORS

For each Key Performance Area (KPA), specific, measurable, achievable, relevant, and time-bound (SMART) indicators will be defined. These indicators will be detailed in the Fund's Annual Work Plan and tracked consistently.

Table 10.1: Illustrative Performance Indicators by Key Area

KEY PERFORMANCE AREA	INDICATOR CATEGORY	SPECIFIC INDICATOR EXAMPLES	MEASUREMENT FREQUENCY
Operational Efficiency	Process Timeliness	<ul style="list-style-type: none"> • Average days to process a complete funding application (from submission to decision). • Average days to disburse funds after milestone verification. 	Quarterly
	Quality and Compliance	<ul style="list-style-type: none"> • Percentage of completed projects with full safeguard compliance. • Number of audit findings (internal/external) and time to resolution. 	Semi-Annual
Financial Sustainability	Resource Mobilization	<ul style="list-style-type: none"> • Total funds mobilized (State + Development Partners). • Success fee recovery rate against target. 	Annual
	Portfolio Performance	<ul style="list-style-type: none"> • Percentage of recoverable advances >90 days overdue. • Ratio of undisbursed commitments to available liquidity. 	Quarterly
Catalytic Impact	Project Facilitation	<ul style="list-style-type: none"> • Number of projects supported that achieved Financial Close. • Total private investment leveraged (Naira) per Naira of PFF VGF disbursed. 	Annual
	Market Development	<ul style="list-style-type: none"> • Number of new PPP project concepts entering the ADIPA pipeline attributed to PFF awareness activities. • Diversity index of projects supported across economic 	Annual

		sectors.	
Developmental Outcomes	Project Results	<ul style="list-style-type: none"> • For transport projects: Reduction in average travel time on corridor. • For energy projects: New connections provided to households/businesses. • Jobs created during construction and operation phases. 	Project Completion + Annual during ops
	Systemic Benefits	<ul style="list-style-type: none"> • User satisfaction scores from surveys on services from PFF-supported projects. • Estimated contribution of supported projects to State GDP. 	Periodic / Project-specific

10.3 MONITORING AND REPORTING CYCLE

Performance data will be collected, analyzed, and reported through a regular, structured cycle that informs management action and external accountability.

10.3.1 Data Collection and Routine Monitoring

- **Source Systems:** Data will be drawn from the PFF's core management systems: the application tracking system, financial management system, contract register, and project monitoring reports from MDAs.
- **Responsibility:** The **PFF Secretariat's Monitoring and Evaluation (M&E) Officer** is primarily responsible for collating, validating, and analyzing performance data.
- **Frequency:** Operational and financial data will be compiled **monthly** for internal management dashboards. Formal performance reporting follows the cycles below.

10.3.2 Formal Reporting Schedule

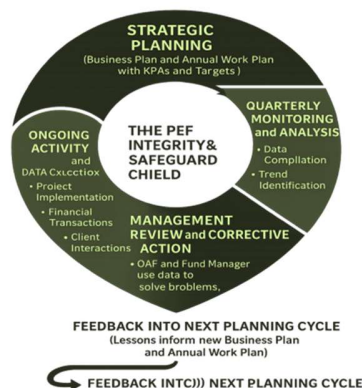
Quarterly Performance Reports: Prepared by the M&E Officer and reviewed by the Fund Manager. These are concise, action-oriented reports focusing on trends, alerts, and operational bottlenecks. They are presented to the **Officer Administering the Fund (OAF)** for management action.

Annual Performance Report: A comprehensive document integrating financial and non-financial performance. It will:

- Report against all indicators in the Annual Work Plan.
- Analyze successes, challenges, and lessons learned.
- Include a statement from the OAF.

This report is reviewed by the **Fund Management Committee (FMC)**, approved, and then submitted to the **ADIPA Council** and the **State Ministry of Finance**. An abridged public version will be published.

Figure 10.2: The Performance Management Cycle



10.4 INDEPENDENT EVALUATION

Routine monitoring is internal, periodic independent evaluation provides objective assessment of the Fund's overall effectiveness, impact, and strategic relevance. This is crucial for credibility and learning.

10.4.1 Evaluation Types and Triggers

- **Project Completion Reviews:** Conducted for each major project after operational commissioning to assess whether it met its specific objectives and delivered expected benefits.
- **Thematic Evaluations:** Focus on a cross-cutting issue (e.g., effectiveness of Window 1 support, application of social safeguards) across multiple projects.
- **Strategic Impact Evaluation:** Aligned with the **Decennial Review** (Section 9.1), this is a comprehensive, in-depth assessment of the Fund's contribution to the state's infrastructure development goals and its broader economic impact.

10.4.2 Process for Independent Evaluation

1. **Terms of Reference (TOR):** The FMC, based on a proposal from the OAF, will commission the evaluation by approving detailed TORs.
2. **Procurement:** An independent consulting firm or expert panel with no prior involvement in the Fund's management will be competitively selected to conduct the evaluation.
3. **Execution:** The evaluators will have unrestricted access to data, staff, and stakeholders (MDAs, private partners).
4. **Reporting and Response:** A draft evaluation report is shared with the PFF Secretariat and FMC for factual comment. The final report, along with a Management Response Action Plan from the OAF, is submitted to the FMC and ADIPA Council for approval and dissemination.

10.5 FEEDBACK AND ADAPTIVE LEARNING

The performance management system is worthless if it does not lead to learning and improvement. A formal feedback loop is institutionalized.

10.5.1 Learning Mechanisms

- **Quarterly Management Retreats:** The OAF and senior Secretariat staff will dedicate time to review performance data, audit findings, and client feedback to identify necessary operational adjustments.
- **Annual Lessons-Learned Workshop:** The Secretariat will convene a session with key MDA counterparts and consultants to discuss what is working and what is not in the project preparation and facilitation process.
- **Formal Management Response:** As noted in Sections 10.3 and 10.4, every audit and evaluation report requires a formal management response with an action plan for addressing recommendations. The FMC will track implementation.

10.5.2 Adaptation of Processes and Policies

Insights from monitoring and evaluation will directly feed into revisions of:

- **This Operations Manual:** Procedures can be streamlined based on efficiency data.
- **Application Guidelines and Templates:** Can be clarified based on common errors from MDAs.
- **Funding Criteria:** May be refined based on the observed success factors of projects that reached financial close.
- **Strategic Business Plan:** The five-year plan will be updated based on impact evaluation findings and changing market conditions.

10.6 INTEGRATION WITH STATE-LEVEL MONITORING SYSTEMS

The PFF does not operate in isolation. Its performance must be understood as part of the State Government's broader development agenda.

10.6.1 Alignment with State Development Plans

The Fund's KPAs and indicators, particularly in the Developmental Outcomes area, will be deliberately aligned with the high-level goals and targets of the Adamawa State Development Plan and relevant sector strategies (e.g., State Transport Master Plan, Water Sector Roadmap).

10.6.2 Data Integration and Reporting

- **Financial Reporting:** The PFF's annual financial statements are consolidated into the overall accounts of ADIPA and, by extension, the State's public sector financial reports.
- **Project Data:** Key data on PFF-supported projects (value, sector, location, status) will be formatted for inclusion in the State's **Integrated Project Monitoring System** managed by the Ministry of Economic Planning and Budget, providing a unified view of all state development projects.
- **Contribution to State KPIs:** The PFF Secretariat will provide aggregated data to the State's planning ministry to help measure progress on state-level indicators such as "Private Investment in Infrastructure" and "Quality of Infrastructure Services."

Table 10.2: Stakeholder-Specific Performance Information Needs

STAKEHOLDER	PRIMARY INFORMATION NEED	KEY PFF REPORTING VEHICLE
Fund Management Committee	Strategic oversight, portfolio risk, overall effectiveness.	Quarterly Performance Dashboards, Annual Performance Report, Independent Evaluation Reports.
ADIPA Council and State Ministry of Finance	Accountability for use of state funds, strategic alignment, fiscal risk.	Annual Performance Report, Audited Financial Statements, Decennial Review.
Contracting Authorities (MDAs)	Process transparency, timing, feedback on applications.	Application acknowledgment and decision letters, process guidelines, periodic client surveys.
Development Partners	Accountability for use of their funds, development results, safeguard compliance.	Special financial and results reports per Financing Agreement, Annual Report.
General Public and Civil Society	Legitimacy, overall impact, use of public resources.	Abridged Public Annual Report published on ADIPA/PFF website, project briefs for supported initiatives.

ANNEXURE 1:

TERMS OF REFERENCE FOR THE PROJECT FACILITATION FUND SECRETARIAT

1.0 ESTABLISHMENT AND REPORTING RELATIONSHIPS

1.1 The Administrative Unit for the Project Facilitation Fund is formally constituted as the standing operational and managerial body responsible for the Fund's daily activities. This unit shall be an integral division within the organizational framework of the Adamawa State Investment and Public-Private Partnership Agency (ADIPA). Its placement ensures direct access to the agency's reservoir of expertise in project facilitation, harmonizes efforts with the state's strategic investment goals, and provides a stable administrative foundation.

1.2 The Unit operates under the executive authority and guidance of the Fund's Principal Administrator. This role is fulfilled by the Director-General of ADIPA. The senior official leading the Unit, designated as the Fund Director, reports directly to the Principal Administrator for all matters pertaining to management, execution, and operational delivery.

1.3 The Unit is responsible for providing comprehensive technical and secretariat services to the Fund's Governing Board. It must also ensure the timely preparation and submission of all required documentation, performance updates, and financial statements to the ADIPA Governing Council, the designated Audit Panel, the State Ministry of Finance, and any cooperating international development institutions, as governed by specific partnership accords.

2.0 PRIMARY MISSION AND STRATEGIC AIMS

2.1 The core mission of the Administrative Unit is to guarantee the proficient, orderly, and principled management of all financial and procedural operations of the Project Facilitation Fund. This must be conducted in full compliance with the Fund's official Governance and Procedures Handbook, the enabling legislation of ADIPA, and all relevant state statutes and directives.

2.2 To achieve this mission, the Unit shall focus on the following strategic aims:

- a) To function as the main point of engagement and a resource for all government Ministries, Departments, and Agencies pursuing financial support from the Fund.
- b) To oversee the complete lifecycle of funding requests, from initial submission and validation to in-depth appraisal, final recommendation, and subsequent compliance monitoring after funds are released.
- c) To implement sound fiscal stewardship, including treasury functions, and to produce exhaustive reports on the Fund's financial status.
- d) To oversee and assure the quality of procurement activities financed by the Fund, ensuring competitive processes and judicious use of resources.
- e) To operationalize the Fund's system for tracking performance, measuring results, and conducting evaluations.
- f) To serve as the custodian of the Fund's institutional memory, safeguarding all official records and ensuring the reliability of data management systems.

3.0 ORGANIZATIONAL STRUCTURE AND KEY POSITIONS

The Unit shall be composed of a focused team of skilled personnel. The foundational structure includes the key roles outlined below, with comprehensive job specifications to be developed separately.

Table 1: Core Composition of the PFF Administrative Unit

ROLE	CENTRAL PURPOSE	PRIMARY REPORTING AUTHORITY
Fund Director	Provides overall leadership, strategic oversight, portfolio supervision, and acts as the Unit's representative.	Principal Administrator (ADIPA Director-General)
Head of Finance / Chief Accountant	Manages all financial operations, including budget formulation, accounting, payment processing, treasury activities, and financial reporting.	Fund Director
Procurement and Agreements Manager	Handles all procurement activities related to the Fund and administers ensuing contracts and funding agreements.	Fund Director
Results and Impact Assessment Manager	Implements the performance tracking framework, gathers data, evaluates impact, and documents insights gained from operations.	Fund Director
Administration and Systems Support Officer	Manages office administration, record-keeping, the Fund's dedicated information management system, and communications with stakeholders.	Fund Director

The Principal Administrator, in agreement with the ADIPA Governing Council, may modify this structure in response to operational demands and resource considerations. Unit staff may be assigned from pertinent government bodies, such as the State Ministry of Finance and ADIPA, or appointed through direct recruitment.

4.0 SPECIFIC DUTIES AND ACCOUNTABILITIES

The collective duties of the Unit are detailed below, categorized by functional area.

4.1 Fund Management and Request Processing

- a) Create, issue, and maintain all guides, application formats, and procedural lists for prospective beneficiaries.
- b) Act as the initial contact for all queries from government entities and other parties concerning Fund access and processes.
- c) Receive, formally acknowledge, register, and perform an initial review of all funding submissions for completeness and basic eligibility.
- d) Coordinate the thorough technical and financial appraisal of applications, including compiling assessment packages for the Fund's Governing Board.
- e) Monitor the entire application workflow, providing regular progress notifications to applicants and the Governing Board.
- f) Prepare and finalize legally binding Funding Agreements and any subsequent modifications upon receiving approval from the ADIPA Governing Council.

4.2 Fiscal Stewardship and Treasury Management

- a) Prepare the Fund's Annual Operational Plan and Budget, aligned with its multi-year Strategic Plan, for official submission and sanction.
- b) Supervise all banking arrangements and liquidity, ensuring efficient cash flow to meet operational and disbursement obligations.
- c) Execute all sanctioned disbursements and collections promptly and accurately, maintaining a verifiable transaction history.
- d) Keep complete and precise accounting records in adherence to International Public Sector Accounting Standards (IPSAS) and state financial regulations.
- e) Prepare monthly, quarterly, and annual financial statements and reports for internal management and external stakeholders.
- f) Facilitate internal and external audit exercises, supplying all necessary documentation and enacting agreed-upon corrective measures.

4.3 Procurement Support and Agreement Oversight

- a) Develop and execute the Fund's Annual Procurement Plan for Unit operations and institutional support activities.
- b) Offer technical guidance to government entities in formulating procurement strategies and documents for Fund-financed consultancy and service contracts.
- c) Where necessary, manage the procurement process for Transaction Advisors and other essential consultants on behalf of government entities, ensuring open and competitive proceedings.
- d) Maintain a centralized registry and repository for all active contracts and Funding Agreements.
- e) Monitor the performance of contractors and grantees against agreed milestones, linking verification of deliverables to payment authorization.

4.4 Performance Tracking, Evaluation, and Disclosure

- a) Implement the Fund's framework for Monitoring, Evaluation, and Learning, systematically collecting data on all established performance metrics.
- b) Track the physical implementation and financial progress of all Fund-supported projects through document reviews and site inspections.
- c) Compile consolidated quarterly and annual performance reports for the Governing Board, the ADIPA Council, and other concerned parties.
- d) Conduct and commission analytical studies, including retrospective evaluations of finalized projects, to gauge impact and extract operational lessons.
- e) Maintain the Fund's public information portal and internal information management system to ensure data accuracy and operational transparency.

4.5 Institutional Development and Knowledge Stewardship

- a) Organize and coordinate training programs for staff of government entities and other public stakeholders on PPP development and Fund procedures.
- b) Develop and manage a knowledge bank containing standard documents, project analyses, industry best practices, and insights derived from the Fund's portfolio.
- c) Assist the Principal Administrator in resource mobilization initiatives, including preparing funding proposals and reports for international development partners.
- d) Provide general technical advisory support to government entities on project design and PPP transaction management.

5.0 GOVERNANCE SUPPORT AND BOARD SECRETARIAT SERVICES

5.1 The Administrative Unit shall serve as the secretariat for the Fund's Governing Board and provide material support to the Audit Panel. Specific responsibilities include:

- a) Preparing and distributing meeting agendas, schedules, and background materials ahead of board meetings.
- b) Recording meticulous minutes of meetings, documenting discussions, resolutions, and assigned responsibilities.
- c) Circulating approved minutes and monitoring the execution of board directives.
- d) Furnishing any requested technical, administrative, or analytical support to board members to aid their oversight functions.

6.0 OPERATIONAL RESOURCES AND ADIPA INSTITUTIONAL SUPPORT

6.1 To perform its functions effectively, the Administrative Unit shall be furnished with:

- a) **Designated Office Facilities:** Adequate workspace within or adjacent to ADIPA's main offices, outfitted with necessary furnishings and utilities.
- b) **Information Technology Systems:** Reliable computing equipment, specialized software (for accounting, procurement, project management), and secure network connectivity, including support for the Fund's dedicated information system.
- c) **Operational Budget:** An annual operating budget, approved through the Fund's own budgetary process, covering personnel expenses, office supplies, travel, professional development, and specialist consultancy services.
- d) **Legal and Specialist Support:** Access to ADIPA's legal department for contract review and advisory services, and to other technical divisions within ADIPA for specialized expertise.

6.2 ADIPA, as the host institution, shall provide overarching institutional support, including its established reputation, integration with state administrative systems, and general human resources and logistical assistance where applicable.

7.0 PERFORMANCE ASSESSMENT

7.1 The operational effectiveness of the Administrative Unit as a whole, and of the Fund Director as its lead official, shall be evaluated annually against the agreed Annual Operational Plan and the performance metrics defined in the Fund's Performance Management Framework.

7.2 The Principal Administrator shall lead this assessment, with input from the Fund's Governing Board. The findings will inform future strategic planning, resource distribution, and any required organizational enhancements for the following year.

APPENDIX 2:

SAMPLE PROJECT FACILITATION FUNDING AGREEMENT

AGREEMENT FOR THE PROVISION OF FINANCIAL SUPPORT

This Agreement is formally executed on the [DATE] day of [MONTH], [YEAR].

BETWEEN:

THE PROJECT FACILITATION FUND (PFF), a dedicated financial instrument established under the authority of the Adamawa State Investment and Public-Private Partnership Agency (ADIPA), with its principal administrative office located at [ADIPA OFFICE ADDRESS] (hereinafter referred to as “**the Fund**”), represented in this matter by [NAME OF PRINCIPAL ADMINISTRATOR], the duly appointed Officer Administering the Fund, acting under full authority.

AND:

[NAME OF CONTRACTING MINISTRY/DEPARTMENT/AGENCY], a statutory body of the Adamawa State Government, constituted under [CITATION OF RELEVANT ENABLING LAW OR STATUTE], with its principal office at [OFFICE ADDRESS OF CONTRACTING AUTHORITY] (hereinafter referred to as “**the Beneficiary**”), represented by [NAME, OFFICIAL TITLE], duly authorized to act on its behalf.

(The Fund and the Beneficiary are collectively referred to as “**the Parties**”)

BACKGROUND:

A. The Fund was established to deliver targeted financial assistance for the preparation, development, and execution of Public-Private Partnership projects within Adamawa State, as per its governing framework.

B. The Beneficiary has formally applied for and been granted financial support under PFF Support Window [NUMBER and TITLE, e.g., **Window 1: Project Preparation Support**] for the initiative entitled [FULL OFFICIAL PROJECT TITLE] (hereinafter “**the Project**”). This approval was granted by the ADIPA Governing Council on [DATE OF COUNCIL APPROVAL].

C. The Parties now wish to establish the definitive terms, conditions, and mutual obligations governing the provision and utilization of the stated financial support.

NOW THEREFORE, in consideration of the mutual promises, covenants, and agreements contained herein, the Parties agree as follows:

1.0 INTERPRETATION

1.1 All capitalized terms used in this Agreement shall carry the meanings assigned to them in the official *PFF Governance and Operations Manual*, unless a different meaning is explicitly provided within this document.

2.0 COMMITMENT OF FINANCIAL SUPPORT

2.1 In accordance with and subject to all terms of this Agreement, the Fund commits to providing financial support to the Beneficiary. The total value of this support shall not exceed the sum of [AMOUNT IN FIGURES] Naira ([AMOUNT IN WORDS] Naira Only) (hereinafter the “**Total Grant Amount**”).

2.2 The Total Grant Amount is allocated exclusively for the purposes, activities, and cost items meticulously detailed in **Annex A: Approved Project Budget and Implementation Schedule**, which is incorporated into and forms a binding part of this Agreement.

2.3 The financial support provided under this Agreement is characterized as a [SELECT ONE: “**NON-REPAYABLE GRANT**” / “**RECOVERABLE ADVANCE**”]. If designated as a Recoverable Advance, the specific terms governing repayment are exclusively set forth in **Clause 7** of this Agreement.

3.0 DISBURSEMENT MECHANISM

3.1 The release of funds shall be conducted in predefined installments. Each installment is expressly contingent upon the Beneficiary’s verified achievement of specific, pre-agreed deliverables and milestones as outlined in **Annex B: Disbursement Schedule and Milestone Verification Matrix**.

3.2 To initiate a disbursement, the Beneficiary must submit to the Fund Director a formal **Request for Funds Release**. This request must be accompanied by a **Milestone Achievement Report** and all requisite supporting evidence as stipulated in Annex B.

3.3 Upon receipt, the Fund will undertake a verification review of the submission. Following confirmation that the milestone has been satisfactorily achieved in accordance with Annex B, the corresponding installment shall be disbursed to the Beneficiary's designated account within **fifteen (15) working days**.

4.0 UNDERTAKINGS OF THE BENEFICIARY

The Beneficiary hereby covenants, undertakes, and agrees to:

4.1 Apply the Total Grant Amount solely, directly, and exclusively for the purposes and cost items specified in Annex A of this Agreement. Any reallocation of funds between budget lines exceeding [e.g., 10%] requires the Fund's prior written consent.

4.2 Establish and maintain a separate, dedicated bank account for all transactions related to this Project and the receipt of Fund disbursements. All accounting records for this account shall be made available for audit upon request.

4.3 Conduct all procurement of goods, works, and services financed under this Agreement in strict conformity with the **Adamawa State Public Procurement Law** and its associated regulations, ensuring transparency, competitiveness, and value for money.

4.4 Submit to the Fund comprehensive **Quarterly Progress Reports** and a final **Project Completion and Financial Reconciliation Report**, utilizing the official formats and adhering to the deadlines prescribed by the Fund.

4.5 Grant the Fund, its appointed representatives, and authorized external auditors complete and unrestricted access to all Project-related financial records, administrative documents, technical reports, and physical sites to facilitate monitoring, evaluation, and audit activities.

4.6 Ensure full compliance with all applicable **Environmental and Social Safeguard** requirements. This includes the diligent implementation of the approved Environmental and Social Management Plan (ESMP) for the Project and the operation of a functional Grievance Redress Mechanism for affected communities.

5.0 UNDERTAKINGS OF THE FUND

The Fund hereby covenants and agrees to:

5.1 Release funds in a timely manner upon satisfactory verification of the achievement of agreed milestones, as per Clause 3.

5.2 Provide, upon reasonable request, pertinent technical guidance and clarifications to the Beneficiary regarding the implementation of this Agreement and adherence to the *PPF Governance and Operations Manual*.

5.3 Acknowledge receipt of reports and formally respond to disbursement requests from the Beneficiary within the timeframes established in this Agreement and its Annexes.

6.0 SUPERVISION, ASSESSMENT, AND REPORTING

The detailed framework for supervision, reporting formats, submission timelines, and key performance indicators is contained within **Annex C: Monitoring, Evaluation, and Reporting Protocol**. The Beneficiary is bound to adhere to all stipulations within this Annex.

7.0 REPAYMENT PROVISIONS (APPLICABLE ONLY TO RECOVERABLE ADVANCES)

7.1 The provisions of this Clause 7 shall apply **only** if the Total Grant Amount is designated as a Recoverable Advance in Clause 2.3.

7.2 The Beneficiary is obligated to repay the full principal amount of the Advance to the Fund on or before the **Final Repayment Date of [DATE]**.

7.3 Repayment shall be effected in [NUMBER] consecutive, equal quarterly installments, commencing on [FIRST INSTALLMENT DATE], according to the schedule provided in **Annex D: Repayment Schedule**.

7.4 In the event of a default on any scheduled repayment, the Fund reserves the right, upon written notice, to seek recovery of the outstanding sum. This may include requesting the **Adamawa State Ministry of Finance** to effect deduction from any future statutory budgetary allocations due to the Beneficiary from the State Government.

8.0 DISPUTE RESOLUTION

8.1 The Parties shall use their best endeavors to settle any dispute, controversy, or claim arising from or relating to this Agreement through amicable negotiations between their designated senior officials.

8.2 Should such negotiations fail to resolve the dispute within thirty (30) days, the matter shall be referred to confidential mediation administered by a mutually agreed single mediator or mediation institution in Yola, Adamawa State.

8.3 If mediation does not result in a settlement within sixty (60) days of its initiation, the dispute shall be finally resolved by binding arbitration. The arbitration shall be held in Yola, Adamawa State, in accordance with the Arbitration and Conciliation Act of Nigeria, Cap A18, Laws of the Federation of Nigeria, 2004. The award rendered by the arbitrator(s) shall be final and binding upon both Parties.

9.0 TERMINATION

9.1 This Agreement may be terminated by either Party providing thirty (30) days written notice to the other Party if the other Party commits a material breach of any of its obligations under this Agreement and fails to remedy that breach to the reasonable satisfaction of the notifying Party within the thirty-day notice period.

9.2 Upon termination, the Beneficiary shall immediately cease all expenditure of the Grant Amount, provide a full account of all funds utilized, and return any unspent balance to the Fund within fourteen (14) days.

10.0 GOVERNING LAW

This Agreement shall be governed by, interpreted, and enforced in accordance with the laws of the Federal Republic of Nigeria and, where applicable, the specific statutes of Adamawa State.

IN WITNESS WHEREOF, the Parties, through their duly authorized representatives, have executed this Agreement in two original counterparts, each of which shall be deemed an original, on the date first above written.

**SIGNED for and on behalf of
THE PROJECT FACILITATION FUND (PFF)**

[NAME OF PRINCIPAL ADMINISTRATOR]

Officer Administering the Fund

Date: ____ / ____ / ____

**SIGNED for and on behalf of
[NAME OF CONTRACTING AUTHORITY]**

[NAME, OFFICIAL TITLE]

Date: ____ / ____ / ____

WITNESSES:

1. **Name:** _____
Signature: _____
Date: ____ / ____ / ____
2. **Name:** _____
Signature: _____
Date: ____ / ____ / ____

APPENDIX 3:

SAMPLE PROJECT FACILITATION FUND (PFF) APPLICATION FORM TEMPLATE

**ADAMAWA STATE PROJECT FACILITATION FUND (PFF)
APPLICATION FOR FINANCIAL SUPPORT**

SECTION A: APPLICANT INFORMATION

FIELD	DETAILS
Date of Application Submission:	
PFF Application Reference: (For Official Use Only)	PFF/APP/AD/[YEAR]/[###]
1. Official Name of Contracting Authority:	
2. Title of Proposed Project:	
3. Project Location: (Specify Local Government Area & Town/Village)	
4. Requested PFF Support Window:	<input type="checkbox"/> Window 1: Project Preparation Support <input type="checkbox"/> Window 3: Viability Gap Funding <input type="checkbox"/> Window 4: Contingent Liability Support
5. Total Amount of Funding Requested (Naira):	
6. Contracting Authority Accounting Officer: Name: Title/Designation: Official Email: Phone Number:	
7. Designated Project Contact Officer: Name: Title/Designation: Official Email: Phone Number:	

SECTION B: PROJECT DETAILS AND RATIONALE

8. Concise Project Description: (Maximum 300 words. Outline the project's core purpose, scope, and intended public service delivery).

9. Confirmation of ADIPA PPP Pipeline Status:

- YES.** This project is formally listed in the Adamawa State PPP Project Pipeline managed by ADIPA. Pipeline Reference ID: _____
- NO.** (Note: Applications cannot be processed for projects not in the official pipeline).

10. Specific Category of Support Requested: (Refer to Section 2.4 of the PFF Governance and Operations Manual. Be precise, e.g., "Feasibility Study," "Transaction Advisory Services").

11. Justification for PFF Support: Explain why existing budgetary resources of the Contracting Authority are insufficient and how PFF funding will play a catalytic role in enabling private investment and project success.

12. Anticipated Outcomes: Describe the specific, measurable outputs and results expected upon successful completion of the activities to be funded by this request.

SECTION C: FINANCIAL REQUEST DETAILS

13. Summary Budget Table: (A detailed, itemized budget must be attached as a separate sheet).

ITEM DESCRIPTION	UNIT COST (₦)	QUANTITY	TOTAL COST (₦)	AMOUNT REQUESTED FROM PFF (₦)
A.				
B.				
TOTALS			-	-

14. Source of Co-Funding or Counterpart Contribution: (Specify amounts and sources of any funds being contributed by the Contracting Authority or other partners for this phase of work).

SECTION D: OFFICIAL DECLARATIONS

We, the undersigned officials of the Contracting Authority, hereby certify and declare that:

- (a) All information provided in this application and its attachments is complete, accurate, and truthful.
- (b) We have read, understood, and agree to abide by the provisions of the *Adamawa State PFF Governance and Operations Manual*.
- (c) We undertake to ensure full compliance with the Adamawa State Public Procurement Law, Financial Regulations, and all applicable Environmental and Social Safeguard standards.
- (d) We commit to providing any supplemental information, documentation, or access required by the PFF Administrative Unit to facilitate the processing and appraisal of this application.

OFFICIAL SIGNATORIES

For and on behalf of [NAME OF CONTRACTING AUTHORITY]

Signature of Accounting Officer:

Name:

Official Title:

Date: ___ / ___ / ___

APPENDIX 4:

SAMPLE PROJECT EVALUATION AND SCORING TEMPLATE

PFF PROJECT EVALUATION MATRIX

Project Title: _____

Evaluating Committee: PFF Steering Committee (PFF-SC)

Date of Evaluation: // _____

EVALUATION CRITERIA	Maximum Score	Score Awarded	Evaluator's Comments / Justification
A. STRATEGIC ALIGNMENT and NECESSITY (30%)			
1. Alignment with State Sectoral Priorities and CDP	10		
2. Demonstration of Market Failure / Need for PFF Catalytic Support	10		
3. Socio-Economic Impact and Benefits to Adamawa State	10		
B. PROJECT PREPARATION and VIABILITY (40%)			
4. Quality and Comprehensiveness of Feasibility Study	15		
5. Robustness of Financial Model and VfM Assessment	15		
6. Completeness of Technical and Environmental Studies (ESIAs, etc.)	10		
C. IMPLEMENTATION CAPACITY and RISK (30%)			
7. CA's Institutional Capacity and Project Team Competence	10		
8. Clarity and Realism of Work Plan and Budget	10		
9. Adequacy of Risk Identification and Mitigation Plan	10		
D. TOTAL SCORE	100		

APPRAISAL OUTCOME:

SCORE RANGE	COMMITTEE RECOMMENDATION	
85 - 100	Recommend for Approval – Project is exceptionally strong and ready for immediate support.	<input type="checkbox"/>
70 - 84	Recommend for Approval, Subject to Conditions – Address specified minor clarifications prior to first disbursement.	<input type="checkbox"/>
50 - 69	Defer for Resubmission – Project has potential but requires substantial strengthening in key areas.	<input type="checkbox"/>
Below 50	Recommend for Rejection – Project fails to meet fundamental PFF eligibility or viability criteria.	<input type="checkbox"/>

Specific Conditions for Approval (if applicable):

- 1.
- 2.

Name of Appraisal Lead: _____

Signature: _____

Date: ___ / ___ / ___

**APPENDIX 5:
SAMPLE ANNUAL REPORT TEMPLATE**

**ADAMAWA STATE PROJECT FACILITATION FUND (PFF)
ANNUAL PERFORMANCE AND FINANCIAL REPORT**
For the Financial Year Ended 31st December, [YEAR]

1.0 EXECUTIVE SYNOPSIS

A high-level summary of the year’s principal accomplishments, overarching financial results, significant challenges encountered, and a brief perspective on the year ahead.

2.0 INSTITUTIONAL CONTEXT AND STRATEGIC POSITION

A restatement of the Fund’s core mandate and strategic objectives. An analysis of the broader economic and policy environment in Adamawa State that influenced the Fund’s operational focus during the reporting period.

3.0 FINANCIAL PERFORMANCE REVIEW

- 3.1 Statement of Financial Position (as at 31 December [YEAR])
- 3.2 Statement of Financial Performance (for the year ended 31 December [YEAR])
- 3.3 Analysis of Revenue Streams and Expenditure Patterns
- 3.4 Comparative Analysis of Budgeted versus Actual Financial Outcomes

4.0 OPERATIONAL REVIEW AND PORTFOLIO ANALYSIS

4.1 Summary of Application and Approval Activity

SUPPORT WINDOW	APPLICATIONS RECEIVED	APPLICATIONS APPROVED	TOTAL VALUE OF APPROVALS (₦)
Window 1: Project Preparation			
Window 3: Viability Gap Funding			
Window 4: Contingent Liability			
TOTAL			

4.2 Portfolio Composition by Economic Sector

SECTOR	NUMBER OF ACTIVE PROJECTS	TOTAL PFF FINANCIAL COMMITMENT (₦)	SUMMARY OF IMPLEMENTATION STATUS
Transportation			
Water & Sanitation			
Healthcare			
Energy			
TOTAL			

4.3 Key Performance Indicator (KPI) Achievement

Key Performance Area	Specific KPI	Annual Target	Actual Achievement	Status
Operational Efficiency	Average Application Processing Time	45 working days		
Catalytic Impact	Private Investment Leveraged (₦)	₦ 4.0 Billion		
Financial Sustainability	Recovery Rate on Recoverable Advances	85%		

5.0 DEVELOPMENTAL IMPACT AND RESULTS

Spotlight narratives on two to three flagship projects supported by the Fund, illustrating tangible outcomes in job creation, enhancement of public service delivery, and contribution to closing critical infrastructure deficits in the state.

6.0 GOVERNANCE, RISK OVERSIGHT, AND COMPLIANCE

A summary of activities undertaken by the Audit and Risk Sub-Committee.
A report on the status of implementing recommendations from internal and external audits.
An overview of adherence to the Fund’s anti-fraud policy and environmental & social safeguard standards.

7.0 OPERATIONAL CHALLENGES AND INSTITUTIONAL LEARNING

An honest account of the principal operational and external impediments faced during the year.
Key lessons identified from project implementation and internal processes, and how these insights will guide improvements in future operations.

8.0 STRATEGIC OUTLOOK AND FORWARD PRIORITIES

The Fund’s primary objectives and focal areas for the forthcoming financial year.

Planned initiatives for resource mobilization, institutional capacity strengthening, and engagement with stakeholders.

OFFICIAL CERTIFICATION

I hereby certify that this Annual Performance and Financial Report presents a true and fair view of the operations, financial position, and performance of the Adamawa State Project Facilitation Fund for the year ended 31 December, [YEAR].

[NAME]

Officer Administering the Fund

Director-General, Adamawa State Investment and Public-Private Partnership Agency (ADIPA)

Date: ___ / ___ / _____

