

Governance and Operations Manual

EKITI STATE

Project Facilitation Fund (PFF)

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1. Introduction

The Project Facilitation Fund (PFF) is hereby established pursuant to Section 4 of the Ekiti State Public-Private Partnership (PPP) Law, 2020, which empowers the State to create project preparation, development, and facilitation mechanisms to support the identification, structuring, and delivery of Public-Private Partnership (PPP) and other eligible infrastructure and investment projects. The PFF serves as the State's dedicated financing mechanism for supporting project preparation, transaction structuring, viability enhancement, and related advisory activities in furtherance of the objectives of the PPP Law, 2020.

This Governance and Operations Manual outlines the institutional, governance, operational, fiduciary, and accountability arrangements for managing the Fund, primarily in accordance with the Ekiti State PPP Law, 2020, and where applicable, with other relevant State laws such as the Ekiti State Wealth Fund Law, 2023 and EKDIPA Law, 2029 and regulations such as SIIFF Regulation 2025.

The Project Facilitation Fund (PFF), is formally designated under the Ekiti State Wealth Fund Law 2023 as the State Infrastructure and Investment Facilitation Fund (SIIFF), and serves as the State's dedicated financial mechanism for supporting the preparation, structuring, viability enhancement, and implementation of priority Public-Private Partnership (PPP) and infrastructure projects.

The Fund's Regulation, Business Plan (which includes the Fund Financial Plan), Governance Framework, and Operational Manual shall, upon finalization and endorsement by the Board, be submitted to the State Executive Council (ExCo) for formal approval. Following the approval by the State Executive Council (ExCo), the approved Regulation, Business Plan, Governance and Operational Manual shall be published on the official website of the Ekiti State Government and/or the host institution, to ensure transparency, accessibility by MDAs, and alignment with public financial management norms.

1.1 Purpose and Scope of the Manual

This Manual provides a comprehensive policy and operational framework for the establishment, governance, management, and utilisation of the Project Facilitation Fund in

accordance with the **Ekiti State PPP Law, 2020**, including procedures for project preparation financing, fund administration, fiduciary controls, and performance management.

1.2 Objectives of the Manual

- i. To operationalise the provisions of the Ekiti State Wealth Fund Law 2023 and the PFF Regulation 2025 in a coherent implementation framework.
- ii. To operationalise the provisions of the **Ekiti State PPP Law, 2020**, particularly Section 4 thereof, through a coherent governance and operational framework for the Project Facilitation Fund
- iii. To guide EKDIPA, the PFF Board, MDAs, and other stakeholders on procedures for accessing and deploying Fund resources.
- iv. To promote sound financial management, transparency, and value for money in project preparation and viability enhancement.
- v. To define governance systems that ensure the Fund supports the State's long-term infrastructure and investment priorities.

1.3 Usage of the Manual

This Manual shall be used by:

- i. EKDIPA (as host institution for the PFF Board);
- ii. Members of the PFF Board and its sub-committees;
- iii. MDAs seeking PFF support;
- iv. Consultants, transaction advisers, and external partners engaged under the Fund;
- v. Internal and external auditors;
- vi. Stakeholders involved in PPP project development.

1.4 Structure of the Manual

The Manual is structured into ten (10) sections covering governance, funding arrangements, operational procedures, procurement, audit, safeguards, and performance monitoring, supported by annexures and templates.

1.5 Status of Annexures

The Annexures to this Governance and Operations Manual form an integral part of this Manual and shall have the same legal effect as if set out in full in the main body of the Manual. Any reference to a Section of this Manual shall, unless the context otherwise requires, include reference to the relevant Annexure. In the event of any inconsistency between the provisions of this Manual and any Annexure, the provisions of the main body of the Manual shall prevail.

2. Fund Overview

The PFF is a statutory Fund established to provide catalytic financial resources for preparing, structuring, and enhancing the viability of priority PPP and infrastructure projects in Ekiti State.

2.1 Objective of the Fund

Consistent with the Regulation, the Fund:

- i. Enhances the bankability of PPP projects by financing preparatory studies, transaction advisory services, and viability gap support.
- ii. Strengthens institutional capacity for pipeline development and PPP execution.
- iii. Serves as a liquidity buffer for contingent liabilities arising from PPP agreements.

2.2 Functions of the Fund

The Fund shall:

- i. Finance feasibility studies, environmental and social assessments, technical due diligence, and designs.
- ii. Support transactional activities including legal structuring, procurement, and negotiations.
- iii. Provide Viability Gap Funding (VGF) in accordance with approved criteria.
- iv. Provide recoverable advances for eligible MDA commitments.
- v. Support capacity building, PPP institutional strengthening, and pipeline development.

2.3 Sources of Funds

In line with Regulation 5 and 6, the Fund shall derive resources from:

- i. State Government budgetary appropriations;
- ii. Returns on Fund investments under the Wealth Fund Law;
- iii. Grants, donations, and development partner support;
- iv. Project development levies, tariffs, and mandated PPP fees;
- v. Any other revenue streams approved by the Governor.

2.4 Eligible Projects and Activities

Subject to the provisions of the Ekiti State PPP Law, 2020, the PFF Regulation, and applicable fiscal, procurement, and safeguards requirements, the Project Facilitation Fund (PFF) may finance the following eligible activities:

2.4.1. Project Identification, Screening, and Prioritisation

a. Identification, scoping, prioritisation, and preliminary screening of infrastructure and PPP projects, consistent with State development plans, sector strategies, and approved PPP pipelines.

2.4.2. Project Preparation and Appraisal

b. Pre-feasibility and feasibility studies, including technical, economic, financial, institutional, legal, and risk analyses, as well as specialist studies such as demand assessments, asset evaluations, climate resilience assessments, and other related analyses.

c. Preparation of Outline Business Cases (OBCs) and Full Business Cases (FBCs), in compliance with applicable national or subnational PPP guidelines.

2.4.3. Environmental, Social, and Climate Safeguards

d. Environmental and Social Impact Assessments (ESIA), Environmental and Social Management Plans (ESMP), climate risk screening, and other safeguards-related documentation required under law or international best practice.

2.4.4. Legal, Institutional, and Structuring Support

e. Legal and institutional reviews, regulatory due diligence, and analysis of project structuring options, including recommendations on appropriate PPP modalities and risk allocation frameworks.

2.4.5. Market Development and Investment Promotion

f. Market sounding exercises, stakeholder consultations, investor roadshows, transaction packaging, and promotion of investment opportunities.

2.4.6. Procurement and Transaction Documentation

g. Preparation of procurement documentation, including Requests for Qualifications (RfQs), Requests for Proposals (RfPs), bid evaluation frameworks, and draft concession, lease, or service agreements.

2.4.7. Transaction Advisory Services

h. Engagement of qualified Transaction Advisers to support project appraisal, conduct of studies, transaction structuring, market sounding, procurement, contract negotiation, and financial close.

2.4.8. Financial Structuring and Bankability Support

i. Financial structuring support, including viability gap assessments, funding strategies, blended finance analysis, and PPP bankability assessments.

2.4.9. Land and Resettlement-Related Activities

j. Land acquisition–related studies, preparation of resettlement frameworks or Resettlement Action Plans (RAPs).

2.4.10. Contingent Liability and Risk Mitigation Instruments

k. Design, evaluation, and provision of contingent liability instruments, including government guarantees, availability payment structures, termination compensation clauses, and other risk mitigation mechanisms, subject to the State Contingent Liability Management Framework.

2.4.11. Viability Gap Funding

l. Provision of capital grants or Viability Gap Funding (VGF) for projects that are socially or economically important but commercially marginal, subject to appropriate fiscal safeguards, and value-for-money assessments.

2.4.12 Other Pre-Investment and Readiness Activities

m. Coverage of other pre-investment obligations critical to de-risking or accelerating project readiness, including deep stakeholder engagement processes, legal compliance measures, and baseline data collection, for complex projects.

2.4.13. Fund Operations and Institutional Capacity

n. Operating expenditure of the PFF Secretariat / Fund Management Secretariat (FMS), as approved in the annual budget.

o. Capacity building and institutional strengthening for Contracting Authorities and other relevant PPP actors, including training, technical assistance, peer learning, knowledge exchange, and development of standardised tools, templates, and systems to support improved PPP project preparation and delivery.

2.5 Eligible Entities for Funding

Eligibility extends to:

- i. Contracting MDAs as defined under the PPP Law;
- ii. EKDIPA for PPP institutional strengthening;
- iii. State-Owned Enterprises undertaking PPP projects;
- iv. Special Purpose Vehicles established for PPP implementation.

2.6 Exclusions from Funding

Funding shall not be applied to:

- i. Recurrent expenditure or routine administrative costs of MDAs;
- ii. Privately Initiated Proposals (PIPs) not approved under the PPP Law;
- iii. Construction costs except where expressly covered under VGF provisions;
- iv. Project procured before the enactment of the PPP Law;

- v. Completed studies or reimbursement.

2.7 Proviso on Unsolicited Proposals

Treatment of Unsolicited Proposals under the PFF

a. Unsolicited proposals will not be eligible for support under the Project Facilitation Fund (PFF), in line with the State's commitment to competitive and transparent project origination. Notwithstanding the above, an unsolicited proposal may qualify for PFF consideration only if it has been duly approved through the Unsolicited Proposals Process defined in the State Public-Private Partnership (PPP) Framework. Such approval shall require:

- i. Formal submission of the proposal to the EKDIPA;
 - ii. Demonstration of unique intellectual property, proprietary technology, or demonstrable innovation not otherwise available in the open market;
 - iii. Completion of a value-for-money (VfM) assessment conducted or validated by the EKDIPA
 - iv. A competitive tendering process to determine the final private sector partner, in accordance with applicable procurement and PPP laws; and
 - v. Endorsement by the Fund Management Committee that the project meets eligibility and strategic alignment criteria under this Regulation.
- b. The Fund will not be used to finance proposal development costs for unsolicited projects prior to their approval under the process described in 2.4.2 (b).

3. Fund Governance Arrangements

3.1 Project Facilitation Fund (PFF) Board

3.1.1 The EKDIPA Board shall act as the PFF Board. The PFF Board shall also serve as the Fund Management Committee. Its responsibilities include:

- i. Providing strategic oversight of Fund utilisation;
- ii. Approving annual budgets, work plans, and investment plans;

- iii. Approving eligibility guidelines, funding criteria, and utilisation modalities;
- iv. Approving disbursements, including VGF and contingent liability support;
- v. Reviewing Fund performance reports.

3.1.2 The Board may establish sub-committees to support specialised functions, including finance, procurement, project appraisal, and audit. Without prejudice to the specific responsibilities enumerated in this Manual, the PFF Board shall have the authority and responsibility to take all such decisions and actions as may be necessary, incidental, or conducive to the effective governance, prudent management, and achievement of the objectives of the Project Facilitation Fund, provided that such decisions and actions are consistent with the Ekiti State Public-Private Partnership (PPP) Law, 2020, other applicable State laws and regulations, and principles of transparency, accountability, and value for money.

3.1.3 Where necessary for the effective discharge of its responsibilities, and where such representation is not already provided for under the existing composition of the Board, the PFF Board shall include or be expanded to include representatives of the following State Ministries, Departments, and Agencies (MDAs), provided that such representatives shall not be below the rank of Director:

- i. Ministry of Finance;
- ii. State Debt Management Department; and
- iii. Ministry of Justice.

3.1.4 Quorum and Meeting of the Board - The quorum for meetings of the PFF Board shall be one-half (50%) of the total Board membership plus one, provided that at least one representative each of the Ministry of Finance and the Ministry of Justice is present:

- i. The PFF Board shall meet **at least once every quarter** for the conduct of its ordinary business.
- ii. Extraordinary meetings may be convened by the Chairperson or upon the written request of not less than one-third of Board members.
- iii. Decisions of the Board shall be taken by a simple majority of members present and voting, and in the event of a tie, the Chairperson shall have a casting vote.

3.2 Officer Administering the Fund

The Director-General of EKDIPA serves as the Fund’s Chief Accounting Officer and shall:

- i. Oversee day-to-day administration of the Fund;
- ii. Prepare annual budgets, work plans, and financial reports;
- iii. Ensure compliance with State financial regulations and PFF guidelines;
- iv. Present funding recommendations to the Board;
- v. Maintain accounting records in line with IPSAS and State regulations.

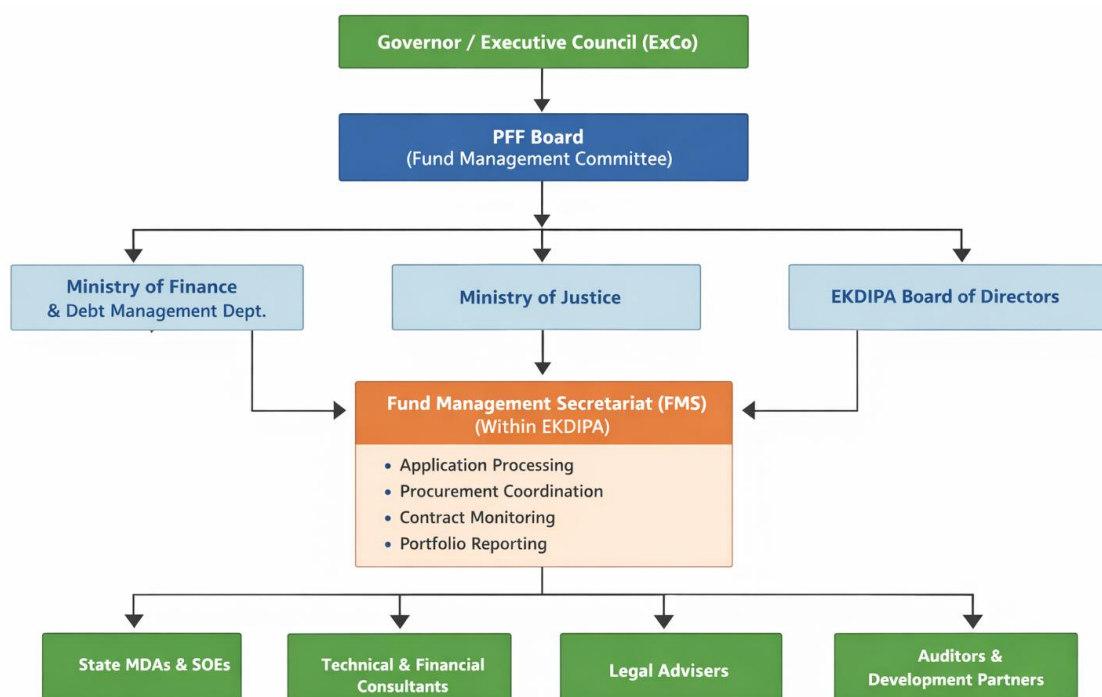
3.3 PFF Secretariat

The PFF Secretariat¹ within EKDIPA shall serve as the Fund Management Secretariat. The secretariat shall be **institutionally distinct from EKDIPA’s general agency functions**, notwithstanding that it is hosted within EKDIPA. The Secretariat shall provide full Secretariat services, including:

- i. Organizing Board and sub-committee meetings;
- ii. Preparing and circulating meeting papers;
- iii. Managing records, documentation, and correspondence;
- iv. Coordinating funding applications and monitoring utilisation;
- v. Managing consultants and transaction advisers engaged under the Fund.
- vi. intake, registration, and preliminary screening of funding applications;
- vii. coordination of project appraisal and due diligence;
- viii. procurement coordination and engagement of consultants and transaction advisers;
- ix. contract administration and monitoring of deliverables;
- x. portfolio performance monitoring and reporting;
- xi. maintenance of a **digital fund management and tracking system**, including disbursements, milestones, safeguards, and recoveries.

The Secretariat shall report administratively to the Director-General of EKDIPA and functionally to the PFF Board. The Secretariat may engage external advisers to provide technical, financial, legal, procurement, engineering, or safeguards expertise. The organogram, which visually shows the relationship amongst the key institutional framework and the relationship amongst the stakeholders and their responsibilities, is presented below:

¹ See annexure 1 for Terms of Reference for the PFF Secretariat.



PFF Stakeholder Roles and Responsibilities

Stakeholder	Role in the PFF Framework
Governor / ExCo	Policy approval, oversight, and major approvals
PFF Board	Strategic oversight, approvals, and fiduciary accountability
EKDIPA	Host institution, PPP pipeline development
Fund Management Secretariat	Operations, procurement coordination, and monitoring
Ministry of Finance	Fiscal oversight, budgeting, debt and contingent liability review
Debt Management Dept.	PPP fiscal risk and contingent liability assessment
Ministry of Justice	Legal review, contract vetting, dispute risk
MDAs	Project origination and implementation
Consultants / Advisers	Technical, financial, and legal support
Auditors	Internal and external audit assurance
Development Partners	Technical assistance, financing support

4. Flow of Funds

4.1 Inflows to the Fund (Sources and Description)

The Project Facilitation Fund (PFF) may receive financial resources from the following sources, subject to applicable State laws and approvals:

4.1.1 State Government Budgetary Allocations

- Annual and multi-year budgetary appropriations approved through the State budget process.
- These allocations shall constitute the core funding base of the PFF and shall be used to finance eligible activities in accordance with the approved Business Plan and Financial Plan.

4.1.2 Transfers and Returns from State Investment Vehicles

- Transfers, dividends, or returns arising from investments managed under the Ekiti State Wealth Fund Law or other approved State investment vehicles, where applicable.
- Such inflows shall be applied in accordance with any conditions attached to the source of the funds.

4.1.3 Development Partner and Donor Contributions

- Grants, technical assistance funds, or co-financing provided by multilateral institutions, bilateral agencies, philanthropic organisations, or other development partners.
- These funds may be earmarked or restricted for specific activities, sectors, or projects and shall be managed in accordance with the terms of the relevant financing or grant agreements.

4.1.4 Recoveries and Reimbursements

- Refunds of recoverable advances provided for project preparation or transaction support;
- Reimbursements from successful PPP transactions, where cost-recovery arrangements are stipulated in financing agreements.

4.1.5 Fees and Other Approved Revenues

- Project development fees, success fees, or cost-recovery charges arising from PPP transactions, where permitted under law;
- Any other revenues approved by the PFF Board and consistent with applicable State financial regulations.

4.2 Fund Accounts and Banking Arrangements

4.2.1 Core Fund Accounts

The PFF shall maintain dedicated bank accounts within the State Treasury Single Account (TSA) framework or as otherwise approved by the State, including:

- Project Preparation Account;
- Viability Gap Funding Account;
- Contingent Liability Support Account.

4.2.2 Designated Accounts for Restricted Funds

- Where required by Development Partners or Philanthropic Partners, Designated Accounts may be established exclusively for restricted or earmarked funds.
- Such accounts shall:
 - be segregated from core PFF resources;
 - be used solely for purposes agreed with the funding partner; and
 - comply with the fiduciary, reporting, and audit requirements of the relevant partner agreement.

4.3 Outflows from the Fund (Types of Disbursement)

4.3.1 Project Preparation and Transaction Support Disbursements

- Payments for feasibility studies, advisory services, safeguards instruments, procurement documentation, and related preparatory activities.

4.3.2 Viability Gap Funding (VGF) Disbursements

- Capital grants or structured support provided to enhance the bankability of approved PPP projects, disbursed in accordance with agreed milestones and fiscal safeguards.

4.3.3 Contingent Liability Financing

- Funding set aside or disbursed to meet approved contingent obligations arising from PPP contracts, including:
 - government guarantees;
 - availability payment commitments;
 - termination compensation or other risk-sharing mechanisms.

4.3.4 Secretariat and Operational Expenditure

- Approved operating expenditures of the Fund Management Secretariat (FMS), including staffing, systems, procurement, and monitoring costs, as provided for in the Annual Budget.

4.4 Disbursement Process

- i. Approval - All disbursements shall be based on:
 - a. an approved Funding Agreement or contractual instrument;
 - b. an approved budget and work plan; and
 - c. evidence of compliance with procurement, safeguards, and fiduciary requirements.
- ii. Milestone Verification - Disbursements shall be released in tranches linked to:
 - a. completion of agreed milestones; and
 - b. submission and validation of deliverables by the FMS.
- iii. Authorisation
 - a. Routine disbursements shall be authorised in accordance with approved delegation of authority;
 - b. Significant or exceptional disbursements shall require PFF Board approval.

- iv. Payment Execution - Payments shall be made directly to service providers, consultants, or beneficiaries, as appropriate, through approved banking channels.

4.5 Contingent Liability Financing Arrangements

- i. Contingent liability support shall be provided only for:
 - a. PPP projects approved in accordance with the PPP Law; and
 - b. obligations that have undergone fiscal risk assessment and affordability review by the Ministry of Finance and Debt Management Department.
- ii. The PFF may:
 - a. establish ring-fenced reserves for contingent liabilities; or
 - b. disburse funds upon the crystallisation of approved contingent events, in accordance with PPP contracts.
- iii. All contingent liability commitments shall be:
 - a. disclosed in financial reports; and
 - b. monitored as part of the State's overall contingent liability management framework.

4.6 Use and Management of Restricted Partner Funds

- i. Restricted funds provided by Development Partners or Philanthropic Partners shall:
 - a. be governed by the terms of the relevant financing or grant agreements;
 - b. be subject to separate budgeting, accounting, and reporting where required.
- ii. The PFF Board shall:
 - a. approve the acceptance and use of restricted funds; and
 - b. ensure compliance with partner-specific fiduciary and reporting obligations.
- iii. The FMS shall maintain:
 - a. separate records and ledgers for each restricted fund; and
 - b. periodic financial and implementation reports in the format and frequency required by the funding partner.

5. Operations of the Fund

5.1 Business Planning, Budgeting, Business Plan, and Financing Policy

5.1.1 Planning and Budgeting Framework

The Project Facilitation Fund (PFF) shall operate under a structured planning and budgeting framework designed to ensure strategic alignment, fiscal discipline, and efficient deployment of resources in support of the State's PPP and infrastructure development objectives.

Planning and budgeting for the Fund shall be anchored on:

- a. the Ekiti State Public-Private Partnership (PPP) Law, 2020;
- b. approved State development plans, sector strategies, and PPP pipelines;
- c. annual budget ceilings and medium-term fiscal projections issued by the Ministry of Finance; and
- d. the approved Business Plan and Financial Plan of the PFF.

5.1.2 PFF Business Plan

There shall be prepared a PFF Business Plan, which shall serve as the principal strategic and operational planning instrument for the Fund.

Scope of the Business Plan

The Business Plan shall, at a minimum, cover:

- a. the strategic objectives and priorities of the Fund;
- b. target sectors, project typologies, and stages of project preparation to be supported;
- c. pipeline development strategy and indicative project portfolio;
- d. funding windows, instruments, and eligibility parameters;
- e. governance, institutional arrangements, and operational modalities;
- f. performance management framework, including key performance indicators and reporting arrangements; and

g. risk assessment and mitigation measures.

Time Frame

The Business Plan shall be prepared on a rolling medium-term basis of three (3) to five (5) years and reviewed annually to reflect evolving State priorities and market conditions.

5.1.3 PFF Financial Plan

There shall be prepared a PFF Financial Plan, which shall complement the Business Plan and provide the detailed financial framework for the operation of the Fund.

Scope of the Financial Plan

The Financial Plan shall, at a minimum, include:

- a. projected sources of funds, including budgetary allocations, grants, recoveries, and other inflows;
- b. projected expenditures by funding window, project, and activity category;
- c. cash flow projections and liquidity management strategy;
- d. provisions for recoverable advances, fund recycling, and contingent liabilities;
- e. administrative and operating expenditure of the Fund Management Secretariat;
- f. fiscal risk assessment and affordability analysis; and
- g. assumptions, sensitivities, and stress-testing scenarios.

Time Frame

The Financial Plan shall align with the time horizon of the Business Plan and be updated annually as part of the budgeting cycle.

5.1.4 Annual Work Plan and Budget

Based on the approved Business Plan and Financial Plan, the Fund Management Secretariat shall prepare:

- a. an Annual Work Plan, detailing planned activities, milestones, and deliverables for the fiscal year; and
- b. an Annual Budget, setting out projected revenues and expenditures for the year, disaggregated by funding window and cost category.

The Annual Work Plan and Budget shall be consistent with:

- the State's approved annual budget; and
- any budget ceilings or fiscal guidance issued by the Ministry of Finance.

5.1.5 Approval Authority

The PFF Board shall have the authority to:

- a. review and approve the PFF Business Plan and Financial Plan;
- b. approve annual updates or revisions to the Plans; and
- c. approve the Annual Work Plan and Budget of the Fund.

Where required under applicable State laws or financial regulations, the approved Business Plan, Financial Plan, and Annual Budget shall be submitted to the State Executive Council (ExCo) for information or further approval.

5.1.6 Review and Adjustment

The Business Plan and Financial Plan shall be:

- a. reviewed at least once every year;
- b. adjusted as necessary to respond to changes in State priorities, fiscal conditions, or the PPP pipeline; and
- c. used as the primary reference documents for performance monitoring, reporting, and audit of the Fund

5.2 Financing Policy

The financing of the Project Facilitation Fund (PFF) shall be guided by the following principles, which shall apply to all funding decisions, instruments, and disbursements under the Fund:

- i. **PPP Law Alignment** - All financing shall be consistent with the objectives, processes, and requirements of the Ekiti State Public-Private Partnership (PPP) Law, 2020, and shall support the preparation, structuring, and delivery of eligible PPP and infrastructure projects.
- ii. **Strategic Relevance and Additionality** - PFF resources shall be deployed only where they demonstrably add value by addressing project preparation gaps, enhancing bankability, reducing transaction risks, or accelerating private sector participation, and shall not substitute for routine MDA budgetary funding.
- iii. **Value for Money and Cost Effectiveness** - Financing decisions shall ensure optimal use of public resources, including competitive procurement, proportionality of support to project size and complexity, and a clear linkage between funding and measurable outputs.
- iv. **Fiscal Prudence and Affordability** - The Fund shall operate within approved budgetary ceilings and fiscal risk parameters, with particular attention to affordability, contingent liabilities, and debt sustainability, as advised by the Ministry of Finance and Debt Management Department.
- v. **Risk-Based Financing** - The type, size, and terms of financing provided shall be commensurate with the risk profile, development stage, and strategic importance of the project.
- vi. **Recoverability and Recycling of Funds** - Where appropriate, financing shall be structured as recoverable advances or reimbursable support, with the objective of recycling PFF resources to support future projects.
- vii. **Milestone-Based Disbursement** - All financing shall be disbursed in tranches linked to clearly defined, verifiable milestones and deliverables.
- viii. **Safeguards, Integrity, and Compliance** - No financing shall be approved or disbursed without compliance with applicable procurement rules, environmental and social safeguards, anti-fraud and anti-corruption measures, and audit requirements.

5.3 Funding Windows

The Fund shall operate four financing windows: Project Preparation, EKDIPA Capacity Support, VGF, and Contingent Liability Support. Financing may be grants, loans, equity, or recoverable advances.

In accordance with the PFF Regulation, the Fund shall operate the following Funding Windows, each designed to address specific stages and needs within the PPP and infrastructure project lifecycle.

5.3.1 Project Preparation Window

This Window provides financing for early-stage and advanced project preparation activities required to bring projects to investment readiness.

Eligible activities include:

- i. pre-feasibility and feasibility studies;
- ii. technical designs and engineering studies;
- iii. environmental and social assessments and instruments (ESIA, ESMP, RAP);
- iv. financial modelling, affordability analysis, and value-for-money assessment;
- v. market sounding and transaction structuring;
- vi. preparation of procurement and bidding documents.

Eligible beneficiaries: MDAs, SOEs, SPVs, and other entities authorised under the PPP Law.

Financing modality: Grants or recoverable advances, subject to Board approval.

5.3.2 EKDIPA Capacity Support Window

This Window supports institutional strengthening and system development required to sustain a robust PPP pipeline.

Eligible activities include:

- i. development of PPP tools, manuals, templates, and guidelines;
- ii. capacity building and training for EKDIPA and MDAs;
- iii. establishment and maintenance of PPP and PFF digital systems;
- iv. pipeline development and project screening activities.

Eligible beneficiaries: EKDIPA and, where approved, PPP-designated MDAs.

Financing modality: Grants.

5.3.3 Viability Gap Funding (VGF) Window

This Window provides targeted financial support to enhance the commercial viability of economically justified but financially constrained PPP projects.

Eligible uses include:

- i. capital contributions to reduce upfront investment costs;
- ii. support to improve affordability or revenue stability;
- iii. limited operational support where expressly permitted by law.

Conditions for access:

- i. project must demonstrate strong economic justification;
- ii. VGF must be the minimum required to achieve bankability;
- iii. fiscal impact and contingent liabilities must be assessed and approved by the Ministry of Finance.

Financing modality: Grants or structured support approved by the Board and, where required, the State Executive Council.

5.3.4 Contingent Liability Support Window

This Window supports the management of fiscal risks arising from State obligations under PPP contracts.

Eligible uses include:

- i. provisioning for guarantees, termination payments, or other contingent obligations;
- ii. liquidity buffers for approved PPP risk-sharing arrangements;
- iii. support for contractual obligations triggered under PPP agreements.

Conditions for access:

- i. Obligations must arise from duly approved PPP contracts.
- ii. prior clearance by the Ministry of Finance and the Debt Management Department is mandatory.

Financing modality: Ring-fenced reserves or budgeted allocations.

5.4 Management of Funding Applications

Applications shall follow a structured process involving submission, appraisal, scoring, due diligence, and Board approval. Applications for support under the PFF shall be submitted using the standard Application Form set out in Annexure 3

5.4.1 Access to the PFF by Eligible Entities

Eligible Applicants - Access to the PFF shall be open to the following entities:

- i. Contracting MDAs designated under the PPP framework;
- ii. State-Owned Enterprises (SOEs) undertaking PPP or infrastructure projects;
- iii. Special Purpose Vehicles (SPVs) established for approved PPP projects;

EKDIPA, for institutional strengthening and pipeline development activities

5.4.2 Approval Lines and Decision-making Authority

- i. Fund Management Secretariat (FMS)
 - Conducts screening, appraisal, and prepares recommendations.
- ii. Technical / Appraisal Committee (where established)
 - Reviews appraisal findings and advises the Board.

iii. PFF Board (Fund Management Committee)

- Approves or rejects applications;
- Approves funding amounts, instruments, and disbursement schedules;
- Approves significant disbursements and VGF support.

iv. State Executive Council (ExCo)

- Approval required only where mandated by law or fiscal thresholds.

5.5 Funding Agreement

All approved PFF support shall be formalised through a Funding Agreement executed between EKDIPA (acting on behalf of the PFF) and the beneficiary entity.

5.5.1 Key Provisions of the Funding Agreement

The Funding Agreement shall include, at a minimum:

- i. purpose and scope of funding;
- ii. approved funding amount and financing modality;
- iii. milestones, deliverables, and timelines;
- iv. disbursement schedule and conditions precedent;
- v. procurement and safeguards obligations;
- vi. reporting, audit, and access-to-information rights;
- vii. recovery and refund provisions (where applicable);
- viii. suspension and termination clauses;
- ix. dispute resolution mechanism.

All approved support shall be formalised through a Funding Agreement substantially in the form set out in Annexure 2 (Funding Agreement Template).

5.6 Fund Disbursement

i. Milestone-Based Disbursement

Disbursements shall be released in tranches linked to verifiable milestones and approved deliverables.

- ii. Conditions for Disbursement
 - a. execution of a Funding Agreement;
 - b. compliance with procurement and safeguards requirements;
 - c. certification of deliverables by the FMS.
- iii. Authorisation
 - a. routine disbursements: delegated authority;
 - b. significant disbursements: PFF Board approval.
- iv. Payment Method
 - a. direct payment to service providers or beneficiaries, as appropriate;
 - b. use of designated accounts where required.

5.7 Access Modalities by Funding Window

5.7.1 Project Preparation Window

Eligible entities may apply for funding to support:

- project identification and screening;
- feasibility studies, business cases, safeguards instruments;
- transaction structuring and procurement documentation.

Access Process

- i. Submission of a formal PFF Application Form with supporting documentation;
- ii. Evidence of project alignment with State plans or PPP pipeline;
- iii. Confirmation of MDA readiness and counterpart commitment, where applicable.

5.7.2 EKDIPA Capacity Support Window

Access shall be limited to EKDIPA and, where approved, designated MDAs.

Access Process

- Submission of an annual or project-specific capacity support proposal;

- Demonstration of relevance to PPP institutional strengthening.

5.7.3 Viability Gap Funding (VGF) Window

Access shall be restricted to projects that:

- have completed feasibility and business case stages;
- demonstrate strong economic justification but financial shortfall.

Access Process

- Submission of a VGF request supported by financial models, affordability analysis, and VfM assessment;
- Clearance by the Ministry of Finance and Debt Management Department.

5.7.4 Contingent Liability Support Window

Access shall be limited to:

- PPP projects approved under the PPP Law;
- obligations arising from approved PPP contracts.

Access Process

- Formal request supported by contract provisions and fiscal risk assessment;
- Prior endorsement by the Ministry of Finance.

5.8 Application Review and Assessment Criteria

All applications to the PFF shall be assessed using transparent and standardised criteria, including:

5.8.1 Eligibility Screening

- Compliance with PPP Law and PFF objectives;
- Applicant eligibility;
- Completeness of documentation.

5.8.2 Technical and Strategic Assessment

- Alignment with State development priorities;
- Technical soundness and feasibility;
- Institutional capacity of the applicant.

5.8.3 Financial and Economic Assessment

- Economic justification and development impact;
- Financial viability and affordability;
- Value-for-money considerations.

5.8.4 Risk and Safeguards Assessment

- Identification and mitigation of key risks
- Compliance with environmental and social safeguards;
- Legal and regulatory readiness

5.9 Monitoring, Reporting, and Contract Management

- i. Beneficiaries shall submit periodic technical and financial reports;
- ii. The FMS shall monitor performance, verify outputs, and manage contracts;
- iii. Non-performance or misuse of funds shall trigger remedial actions, suspension, or recovery.

5.10 Funding Agreement - Dispute Resolution

1. Any dispute, controversy, or claim arising out of or in connection with this Funding Agreement, including its interpretation, implementation, suspension, termination, or validity, shall be resolved in accordance with section 7.7 (Dispute Resolution Mechanism) of the PPF Governance and Operations Manual, as may be amended from time to time.
2. Amicable Resolution: Parties shall first seek to resolve disputes through good-faith consultations in accordance with Section 7.7.2. For this purpose, a written notice of dispute shall be submitted to the Secretariat

3. Escalation to the PFF Board: where unresolved within thirty (30) days, the dispute shall be escalated to the PFF Board for review in accordance with Section 7.7.3. The decision of the PFF Board shall be binding on the Fund Secretariat and shall guide the continued administration of this Agreement, without prejudice to the rights of the parties.
4. Arbitration: Where a dispute remains unresolved following escalation to the PFF Board, such dispute shall be finally resolved by arbitration, in accordance with Section 7.7.4 and the applicable arbitration laws in force in Nigeria. The seat of arbitration shall be Nigeria, and the arbitral award shall be final and binding on the Parties. State or national arbitration laws, with the seat of arbitration in Nigeria.
5. Suspension of Disbursements: Without prejudice to any other rights under this Agreement, the PFF may, in accordance with Section 7.7.5, suspend disbursements relating to the subject matter of the dispute pending its resolution.
6. Preservation of Rights: Nothing in this Article shall limit the PFF's right to take urgent measures to protect public funds or prevent the Parties from seeking interim relief from a court of competent jurisdiction, as provided under Section 7.7.6 of this Manual.

6. Procurement and Contract Management

In accordance with the provisions set forth by the Ekiti State Public Procurement Law, all procurement activities must adhere to established regulations ensuring transparency, accountability, and fairness in the selection process. This framework aims to promote efficient use of public funds, facilitate competitive bidding, and uphold the integrity of the procurement system within the state.

6.1 Procurement Principles

Transparency, fairness, competitiveness, and value for money are essential principles that underpin effective governance and ethical business practices. Ensuring transparency involves providing clear and accessible information about decision-making processes, allowing all stakeholders to understand how choices are made and resources are allocated. Fairness emphasizes equitable treatment and impartiality, promoting inclusivity and preventing discrimination in all transactions and interactions. Competitiveness drives innovation and

efficiency, encouraging organizations to continuously improve their offerings in order to meet the evolving needs of consumers. Finally, delivering value for money means offering products and services that maximize quality and utility relative to their cost, ensuring that investments lead to beneficial outcomes for all parties involved. Together, these principles foster trust, build long-term relationships, and contribute to sustainable success.

6.2 Procurement Responsibilities

The Secretariat is responsible for overseeing the procurement processes associated with services financed under the PFF. This includes managing the selection and engagement of suppliers, ensuring compliance with established regulations, and maintaining transparency throughout the procurement cycle. The Secretariat also collaborates with various stakeholders to assess service needs, evaluate proposals, and ensure that the allocated funds are utilized effectively and efficiently in alignment with the framework's objectives.

6.3 Thresholds and Planning

Annual procurement plans must be meticulously developed to outline the strategic sourcing and purchasing needs of the organization for the upcoming year. These plans should encompass a comprehensive analysis of anticipated requirements, budget considerations, and potential suppliers. Following their development, the plans are to be presented to the Board for review and formal approval to ensure alignment with the organization's overall objectives and compliance with regulatory standards.

6.4 Engagement of Consultants and Transaction Advisers

Adhere to competitive procurement practices in all circumstances, unless there is a well-documented justification for selecting a single-source vendor. This justification should include a detailed explanation of the unique capabilities or qualifications of the single-source provider that cannot be met by other suppliers, along with an assessment of any potential advantages or efficiencies gained from this choice.

6.5 Contract Management

The process involves comprehensive monitoring of deliverables to ensure they meet specified quality standards and are completed within designated timelines. This includes regularly

assessing performance indicators to gauge efficiency and effectiveness, as well as tracking any variations in the contract terms to ensure compliance and alignment with project objectives. Additionally, consistent communication with stakeholders is maintained to provide updates and address any issues that may arise during implementation.

6.6 Records and Documentation

It is essential to maintain comprehensive and meticulously organized records to ensure thorough audit trails and facilitate accountability. These records should encompass all relevant transactions, decisions, and activities, accompanied by appropriate documentation that verifies their accuracy and compliance with established standards. Regular reviews and updates of these records will further enhance their reliability and accessibility during audits, ensuring a transparent and accountable process.

6.7 Procurement Monitoring and Reporting

The quarterly procurement reports shall be meticulously compiled and submitted to the Board, detailing the organization's purchasing activities. These reports include comprehensive analyses of procurement trends, budget allocations, supplier performance, and any challenges encountered during the purchasing process, ensuring transparency and informed decision-making for the Board members.

7. Audit and Internal Control

7.1 Internal Control Framework

Implementing robust systems for risk management is crucial to identify, assess, and mitigate potential threats to the Fund's operations. This includes establishing clear protocols for segregating duties, ensuring that no single individual has control over all aspects of any critical transaction or process.

Moreover, comprehensive authorization controls are essential to confirm that all transactions and activities are executed only after obtaining the necessary approvals from designated personnel, thereby reducing the likelihood of errors or fraud.

Additionally, conducting regular reconciliations is vital to verify the accuracy of financial records and data across different systems, ensuring that discrepancies are promptly identified and addressed. These elements work together to create a secure and efficient framework for managing risks within an organization.

The Project Facilitation Fund (PFF) shall operate a robust internal control framework designed to safeguard Fund resources, ensure efficient operations, promote compliance with applicable laws and policies, and mitigate financial, operational, and fiduciary risks.

7.1.1 Control Environment

- i. The PFF Board shall have overall responsibility for establishing and overseeing the internal control framework of the Fund.
- ii. The Board shall approve internal control policies, including financial management, procurement, risk management, and conflict-of-interest policies.

7.1.2 Segregation of Duties

- i. The Fund Management Secretariat (FMS) shall ensure clear segregation of duties among: application appraisal, procurement coordination, contract management, payment processing, and financial reporting.
- ii. No single officer shall control more than one critical stage of a transaction.

7.1.3 Financial Controls

- i. The Finance Unit within the FMS shall be responsible for:
 - a. maintaining accurate accounting records;
 - b. processing payments in line with approved budgets and Funding Agreements;
 - c. operating designated and core PFF accounts;
 - d. conducting monthly bank reconciliations.
- ii. All payments shall be subject to verification of deliverables, confirmation of budget availability, and approval in accordance with the approved delegation of authority.

7.1.4 Procurement Controls

The procurement function within EKDIPA, acting in support of the FMS, shall:

- i. ensure all procurement financed by the PFF complies with applicable procurement laws and guidelines;
- ii. maintain procurement plans and records;
- iii. manage competitive selection processes for consultants and advisers.

7.1.5 Risk Management and Compliance

The FMS shall maintain a PFF Risk Register covering financial, operational, legal, and reputational risks. The Ministry of Finance and Debt Management Department shall provide oversight on fiscal risks, including contingent liabilities.

7.1.6 Internal Audit

The Internal Audit Unit of EKDIPA or the designated State Internal Audit body shall:

- i. conduct periodic audits of PFF operations;
- ii. assess the adequacy and effectiveness of internal controls;
- iii. report audit findings directly to the PFF Board.

7.2 Internal Audit

Quarterly audits shall be meticulously carried out by EKDIPA's internal audit team to ensure compliance with financial regulations and organizational policies. These audits shall involve a comprehensive evaluation of financial statements, operational procedures, and risk management systems. The audit team shall utilize a robust methodology to identify discrepancies, assess internal controls, and recommend improvements, thereby bolstering the integrity and efficiency of EKDIPA's operations.

7.3 External Audit

Annual audits will be conducted by the Auditor-General or qualified independent auditors who have been approved for this purpose. These audits are comprehensive financial examinations aimed at ensuring transparency, accountability, and compliance with relevant laws and regulations. The process will involve a thorough review of the financial statements, internal controls, and overall financial practices of the organization, providing stakeholders with an accurate assessment of its fiscal health and integrity.

7.4 Fraud and Financial Irregularity

7.4.1 Mechanisms for reporting, investigation, sanctions, and remediation are essential components of a comprehensive framework designed to address misconduct and ensure accountability.

1. Reporting Mechanisms: Establish clear and accessible channels for individuals to report concerns, which may include anonymous hotlines, online reporting forms, and designated personnel. It is crucial to provide guidance on the types of incidents to report, ensuring that individuals feel safe and supported when coming forward.

2. Investigation Procedures: Implement systematic procedures for investigating reports, which involve gathering evidence, interviewing witnesses, and analyzing relevant documentation. Investigations should be conducted by trained professionals to ensure objectivity and thoroughness while maintaining confidentiality to protect all parties involved.

3. Sanctioning Protocols: Develop a standardized set of consequences for confirmed violations, which may involve disciplinary actions ranging from warnings to termination, depending on the severity of the misconduct. The process should be transparent, ensuring that those who are subject to sanctions understand the reasons and the basis for their specific consequences.

4. Remediation Strategies: Establish processes to address the impact of misconduct on affected parties, including support services, counselling, and restorative practices aimed at rebuilding trust and repairing relationships. This may also involve revising policies or providing training to prevent future incidents.

7.4.2 Allocation of Roles and Responsibilities

a. PFF Board - The PFF Board shall be responsible for:

- i. providing strategic oversight and policy direction;
- ii. approving the Business Plan, Financial Plan, and annual budget;
- iii. approving funding applications, financing modalities, and significant disbursements;
- iv. overseeing internal controls, risk management, and audit processes;
- v. approving corrective actions in response to audit findings.

b. Fund Management Secretariat (FMS)

The FMS shall be responsible for day-to-day management and operation of the PFF, including:

- i. receiving and screening funding applications;
- ii. conducting technical, financial, and safeguards appraisal;
- iii. coordinating procurement processes;
- iv. managing Funding Agreements and contracts;
- v. verifying milestones and deliverables;
- vi. initiating and processing disbursements;
- vii. maintaining financial records and preparing reports;
- viii. monitoring project performance and compliance.

c. Ministry of Finance and Debt Management Department. These entities shall be responsible for:

- i. reviewing fiscal affordability and budget alignment;
- ii. assessing and approving contingent liability exposures;
- iii. overseeing compliance with State financial management rules.

d. EKDIPA - EKDIPA shall:

- i. host the Fund Management Secretariat;
- ii. provide administrative and institutional support to the PFF Board;
- iii. support project origination and investor engagement activities;
- iv. ensure alignment between PFF operations and State investment promotion objectives.

e. Contracting Authorities / Beneficiary Entities

Beneficiary MDAs, SOEs, or SPVs shall be responsible for:

- i. implementing approved activities in line with Funding Agreements;
 - ii. complying with procurement, safeguards, and reporting obligations;
 - iii. providing timely and accurate information to the FMS;
 - iv. ensuring proper use of PFF resources.
- d. Internal and External Auditors
 - i. Internal Auditors shall review compliance, controls, and risk management.
 - ii. External Auditors / Auditor-General shall conduct annual independent audits of the PFF.

7.5 Monitoring and Continuous Improvement

The process incorporates a systematic and regular assessment of the Fund's procedures to ensure their effectiveness, compliance with regulatory standards, and alignment with best practices. This periodic review aims to identify areas for improvement, adapt to changing circumstances, and enhance overall operational efficiency. Each review will involve thorough documentation, stakeholder feedback, and data analysis to facilitate informed decision-making and continuous improvement within the Fund's operations.

7.6 Financial Reporting, Disclosure, and Oversight

7.6.1 Financial Reporting Obligations

The Project Facilitation Fund (PFF) shall maintain comprehensive, accurate, and timely financial records and reporting systems to ensure transparency, accountability, and effective oversight of Fund resources.

The Fund Management Secretariat (FMS) shall be responsible for preparing and maintaining all financial reports relating to the operations of the PFF.

7.6.2 Types and Periodicity of Financial Reports

The following financial reports shall be prepared and submitted in accordance with the timelines set out below:

- a. Monthly Financial Reports prepared internally by the Secretariat for management purposes, covering: fund inflows and outflows, disbursements by funding window and project, and cash balances and commitments.
- b. Quarterly Financial Reports submitted to the PFF Board within thirty (30) days of the end of each quarter, covering: quarterly financial statements, budget performance against approved annual budget, status of commitments, disbursements, and recoverable advances; contingent liabilities and fiscal exposure arising from PPP projects.
- c. Annual Financial Statements prepared at the end of each financial year and covering: statement of financial position; statement of income and expenditure; cash flow statement; and notes to the accounts.

Annual financial statements shall be prepared in accordance with applicable public sector accounting standards and State financial regulations.

7.6.3 Oversight and Review Authority

1. The PFF Board shall:
 - a. review and approve quarterly financial reports;
 - b. review annual financial statements prior to audit;
 - c. ensure that management responds promptly to audit findings and financial control issues.
2. The Ministry of Finance shall exercise fiscal oversight, including:
 - a. review of budget execution and affordability;
 - b. oversight of contingent liabilities and fiscal risks;
 - c. alignment with State budgetary and treasury requirements.
3. The Internal Audit Function shall conduct periodic reviews of financial controls, compliance, and risk management.

4. The External Auditor / Auditor-General shall conduct annual independent audits of the Fund.

7.6.4 Disclosure and Transparency

Subject to applicable laws on confidentiality:

- summary annual financial information shall be included in the PFF Annual Report²;
- audited financial statements may be published on the official website of the State Government or host institution to promote transparency.

7.6.5 Corrective Actions

Where material weaknesses, irregularities, or non-compliance are identified through financial reports or audits:

- the PFF Board shall direct appropriate corrective actions;
- management shall prepare and implement a corrective action plan; and
- progress on implementation shall be reported to the Board.

7.7 Dispute Resolution Mechanism

7.71 Scope of Disputes

This Section shall apply to all disputes arising from or in connection with:

- a. the administration and operation of the Project Facilitation Fund (PFF);
- b. Funding Agreements executed under the PFF;
- c. disbursement decisions, suspension, termination, or recovery of funds; and

² See annexure 5 for the Annual Report Template

d. interpretation of this Regulation or the PFF Governance and Operations Manual.

7.7.2 Amicable Resolution

Any dispute shall, in the first instance, be resolved through good-faith consultations between the parties. The Fund Management Secretariat (FMS) shall convene a dispute resolution meeting within fourteen (14) days of receipt of a written notice of dispute.

Parties shall make reasonable efforts to resolve the dispute within thirty (30) days of such notice.

7.7.3 Escalation to the PFF Board

Where a dispute is not resolved at the operational level within the period specified in Section 7.7.2, the matter shall be escalated to the PFF Board.

The Board shall:

- a. review submissions from the parties;
- b. seek technical or legal advice where necessary; and
- c. issue a reasoned decision within thirty (30) days.

The Board's decision shall be binding on PFF management, without prejudice to further remedies available under law.

7.7.4 Arbitration

Where a dispute arises from a Funding Agreement and is not resolved through Board escalation, such dispute shall be referred to arbitration in accordance with applicable arbitration laws in Nigeria. The seat of arbitration shall be in Nigeria, and the arbitral tribunal shall consist of a single arbitrator, unless otherwise agreed by the parties. The arbitral award shall be final and binding on the parties.

7.7.5 Suspension of Disbursements

Pending resolution of a dispute, the PFF Board may suspend further disbursements related to the disputed matter; and such suspension shall not be deemed a breach of the Funding Agreement.

7.7.6 Preservation of Rights

Nothing in this Section shall:

- i. prevent the PFF from taking urgent action to safeguard public funds; or
- ii. limit the right of any party to seek interim relief from a competent court where necessary.

8. Anti-Fraud, Corruption, and Safeguard Measures

The Fund shall operate within a strict accountability and integrity framework consistent with the Ekiti State Wealth Fund Law 2023, the PFF Regulation 2025, the Ekiti State Public Procurement Law, and internationally accepted fiduciary and safeguards standards. Anti-fraud, corruption prevention, transparency, and environmental and social safeguards are central to the Fund's governance and operations.

8.1 Anti-Fraud and Anti-Corruption Policy

The Fund adopts a zero-tolerance stance toward fraud, corruption, bribery, collusion, extortion, conflicts of interest, misuse of funds, and any form of financial misconduct. All stakeholders—including Board members, EKDIPA staff, MDAs, consultants, contractors, and external advisers—shall adhere to the following principles:

- i. **Integrity:** All Fund-related decisions and actions must be taken ethically and transparently.
- ii. **Disclosure:** Any conflict of interest must be declared and documented before participating in Fund activities.
- iii. **Whistleblowing:** A confidential reporting mechanism shall be established in EKDIPA for reporting fraud, corruption, or abuse of funds.
- iv. **Investigations:** Allegations of misconduct shall be investigated promptly, independently, and fairly.

- v. **Sanctions:** Proven cases shall attract administrative, civil, and criminal penalties as applicable under State laws.

8.2 Environmental and Social Safeguards

All projects supported by the Fund must comply with applicable environmental and social (E&S) standards consistent with:

- i. Ekiti State Environmental Protection Laws;
- ii. National Environmental Standards and Regulations Enforcement Agency (NESREA) guidelines;
- iii. International best practices for PPP and infrastructure safeguards.

Safeguard requirements include:

- i. Environmental and Social Impact Assessments (ESIAs);
- ii. Environmental and Social Management Plans (ESMPs);
- iii. Resettlement Action Plans (RAPs), where applicable;
- iv. Public consultation and disclosure procedures;
- v. Monitoring and reporting obligations.

No disbursement shall be made for any project until relevant safeguards instruments have been prepared and approved.

8.3 Anti-Fraud, Corruption, and Safeguards Charter

The Fund shall adopt an Accountability and Safeguards Charter that sets out:

- i. Core integrity principles;
- ii. Ethical standards for all Fund stakeholders;
- iii. Expected behaviour and fiduciary responsibility of staff, consultants, and MDAs;
- iv. Prohibited practices and sanctions;
- v. Mandatory compliance requirements.

All personnel and consultants engaged under the Fund must sign a statement of adherence to the Charter.

8.4 Institutional Responsibilities

- i. **PFF Board:** Ensures oversight of anti-fraud, corruption, and safeguards compliance; approves policies and reviews breaches.
- ii. **Director-General/EKDIPA:** Ensures operational compliance, maintains reporting channels, and escalates verified incidents.
- iii. **PFF Secretariat:** Screens applications for safeguards compliance, documents risks, and monitors adherence.
- iv. **MDAs:** Ensure project compliance with safeguards instruments and report incidents promptly.
- v. **Internal and External Auditors:** Conduct compliance audits and issue recommendations.
- vi. **External Advisers/Consultants:** Must comply with all safeguards and anti-fraud requirements as a contractual obligation.

9. Duration and Winding Up of the Fund

9.1 Permanence and Review Cycle

The Fund is a permanent financing mechanism established under the Ekiti State Wealth Fund Law 2023. However, its structure, operational guidelines, and investment plan shall be reviewed every **three (3) years** to ensure continued relevance and alignment with State development priorities.

9.2 Conditions for Winding Up or Restructuring

The Fund may be restructured, merged, or wound up only under the following conditions:

- i. A State law or Executive approval mandates restructuring;
- ii. The Fund no longer aligns with State development strategies;
- iii. A superior financing mechanism replaces the Fund;
- iv. Persistent financial irregularities that deem the Fund unsustainable.

Any proposal for restructuring must be approved by the Board and the Governor.

9.3 Treatment of Outstanding Commitments

In the event of restructuring or winding up:

- i. All contractual commitments shall continue until obligations are fully discharged;
- ii. Recoverable advances must be refunded to the State Treasury;
- iii. VGF obligations shall be honoured until the expiration of project agreements;
- iv. Consultant contracts shall be closed out following due process.

9.4 Institutional Transition Arrangements

If the Fund is restructured or transferred:

- i. All records, accounts, assets, and liabilities shall be formally handed over to the successor entity;
- ii. The Secretariat shall prepare a Transition Report and updated asset register;
- iii. All ongoing monitoring and reporting requirements shall be transferred intact.

10. Fund Performance Management Framework

The Fund shall implement a comprehensive performance management and accountability system to measure results, strengthen transparency, and improve operational efficiency.

10.1 Key Performance Areas (KPA's)

1. **Fund Allocation Efficiency:** Timeliness of processing applications and disbursements.
2. **Project Preparation Quality:** Degree to which funded studies achieve investment readiness.
3. **Pipeline Strengthening:** Number and quality of projects entering procurement or financial close.
4. **Institutional Capacity Enhancement:** Improvements in EKDIPA and MDA PPP capabilities.
5. **Value for Money:** Cost efficiency achieved through competitive procurement.
6. **Safeguards Compliance:** Adherence to ESIA, ESMP, RAP, and other safeguards requirements.

10.2 Performance Indicators

Performance indicators shall include (but are not limited to):

- i. Number of feasibility studies completed;
- ii. Percentage of funded projects reaching the procurement stage;
- iii. Percentage reduction in project preparation timelines;
- iv. Number of MDAs trained through the Fund;
- v. Volume of private investment leveraged;
- vi. Ratio of project preparation cost to total project value;
- vii. Compliance rate with procurement, audit, and safeguards requirements.

10.3 Monitoring and Reporting Cycle

The performance monitoring cycle shall consist of:

- i. **Quarterly internal progress reports** prepared by the Secretariat;
- ii. **Bi-annual Board performance review sessions**;
- iii. **Annual performance report** submitted to the Governor and State House of Assembly;
- iv. Continuous monitoring through digital dashboards and field verification missions.

10.4 Independent Evaluation

The Fund shall undergo:

- i. A **mid-term evaluation** every three years;
- ii. A **comprehensive independent evaluation** every five years³;
- iii. Thematic evaluations focusing on VGF utilisation, safeguards compliance, and cost efficiency.

These evaluations shall be conducted by independent external experts.

10.5 Feedback and Adaptive Learning

Findings from monitoring, audits, and evaluations shall feed into:

- i. Review of funding criteria and processes;

³ See annexure 4 for the sample of the project evaluation template

- ii. Updates to operational guidelines and templates;
- iii. Capacity building for MDAs and Secretariat staff;
- iv. Lessons-learned publications for stakeholders.

10.6 Integration with State-Level Monitoring Systems

The Fund shall integrate with the State M&E system through:

- Alignment with EKDIPA's M&E framework;
- Integration with State digital reporting platforms;
- Submission of performance data to the Ministry of Finance and the Ministry of Budget, Economic Planning, and Performance Management.

Dated this day of the 24th December, 2025.



DIRECTOR-GENERAL

**EKITI STATE DEVELOPMENT AND INVESTMENT PROMOTION
AGENCY**

Annexures and Appendices

Annexure 1: TERMS OF REFERENCE FOR THE PROJECT FACILITATION FUND SECRETARIAT

1. Introduction

The PFF Secretariat is the operational arm of the Project Facilitation Fund, hosted within the Ekiti State Development and Investment Promotion Agency (EKDIPA). It provides administrative, technical, fiduciary, and coordination support to the PFF Board.

2. Purpose

The Secretariat ensures effective management of the Fund, efficient processing of applications, compliance with legal and regulatory frameworks, and transparent reporting of Fund utilisation.

3. Key Responsibilities

3.1 Administrative Functions

- a) Coordinate meetings of the PFF Board and sub-committees.
- b) Maintain Fund records, documentation, registers, and correspondence.
- c) Facilitate communication between the PFF Board, MDAs, consultants, and external stakeholders.

3.2 Fund Management and Operations

- a) Receive and review funding applications.
- b) Conduct preliminary due diligence and eligibility checks.
- c) Prepare appraisal reports and recommendations for the Board.
- d) Manage the disbursement schedule and ensure milestone-based release of funds.
- e) Monitor utilisation through field visits, review of deliverables, and audits.

3.3 Procurement and Contract Management

- a) Prepare procurement plans for Fund activities.
- b) Facilitate the hiring of consultants, transaction advisers, and experts.
- c) Manage contract performance, ensure deliverables meet standards, and advise on variations.

3.4 Financial Management

- a) Maintain financial records in accordance with State financial regulations.
- b) Prepare quarterly and annual financial reports.
- c) Support external and internal audits.

3.5 Safeguards and Compliance

- a) Ensure environmental and social safeguards compliance for all supported projects.
- b) Track and report on anti-fraud and anti-corruption measures.
- c) Maintain a risk register and update it quarterly.

4. Staffing Requirements

- a) PFF Coordinator / Lead Manager
- b) Financial Management Specialist
- c) Procurement Specialist
- d) PPP/Infrastructure Analyst
- e) Safeguards Specialist (Environment & Social)
- f) Monitoring and Evaluation Officer
- g) Administrative Officer

5. Reporting Line

The Secretariat reports to the Director-General of EKDIPA, who in turn reports to the PFF Board.

Appendix 2: SAMPLE PROJECT FACILITATION FUNDING AGREEMENT

(Template)

THIS PROJECT FACILITATION FUNDING AGREEMENT is made on the ____ day of _____ 20__ between:

Ekiti State Development and Investment Promotion Agency (EKDIPA)

Acting on behalf of the State Infrastructure and Investment Facilitation Fund (PFF), hereinafter referred to as the “**Fund**”, and

[Beneficiary MDA / SOE / SPV], hereinafter referred to as the “Recipient.”

1. Purpose of Funding

The Fund hereby agrees to provide financial support for the preparation and development of the following project:

- Project Title: _____
- Project Type: _____
- Funding Window: _____

2. Amount and Disbursement Terms

- Total approved funding: ₦_____
- Disbursement shall be milestone-based as follows:
 - Tranche 1: _____
 - Tranche 2: _____
 - Tranche 3: _____
- Disbursements are subject to submission and approval of deliverables.

3. Obligations of the Recipient

The Recipient shall:

- a) Use funds solely for approved activities;
- b) Submit progress and financial reports as required;
- c) Ensure compliance with procurement, safeguards, and audit requirements;
- d) Refund recoverable amounts as stated in this Agreement.

4. Procurement and Contracting

All procurement must comply with the Ekiti State Public Procurement Law and Fund guidelines.

5. Reporting and Monitoring

The Recipient shall submit:

- a) Monthly progress updates;
- b) Quarterly technical and financial reports;
- c) Final completion report.

6. Safeguards Compliance

The Recipient shall comply with all environmental and social safeguards instruments including ESIA, ESMP, and RAP.

7. Audit and Access to Information

The Fund may audit the project at any time and require unrestricted access to project documentation.

8. Termination

The Fund may terminate this Agreement for:

- a) Fraud or corruption;
- b) Misuse of funds;
- c) Non-performance or breach of contractual obligations.

Signed: _____ (Director-General, EKDIPA)

Signed: _____ (Recipient MDA/Entity)

Annexure 3: SAMPLE PROJECT FACILITATION FUND (PFF)

APPLICATION FORM TEMPLATE

(Template)

SECTION A: APPLICANT INFORMATION

- Name of MDA/SOE/SPV: _____
- Contact Person and Title: _____
- Phone/Email: _____

SECTION B: PROJECT INFORMATION

- Project Title: _____
- Project Description: _____
- Sector: _____
- PPP Type (if applicable): _____
- Stage of Project Development: _____

SECTION C: FUNDING REQUEST

- Funding Window Requested:
 - ☐ Window 1 – Project Preparation
 - ☐ Window 2 – EKDIPA Support
 - ☐ Window 3 – Viability Gap Funding
 - ☐ Window 4 – Contingent Liability Support
- Amount Requested: ₦ _____
- Breakdown of Activities and Costs:
 1. _____ – ₦ _____
 2. _____ – ₦ _____
 3. _____ – ₦ _____

SECTION D: JUSTIFICATION FOR SUPPORT

- Describe the need for funding: _____
- Expected outcomes: _____
- Public interest and socio-economic impact: _____

SECTION E: REQUIRED ATTACHMENTS

- Concept note or feasibility summary
- Initial screening report by EKDIPA (if available)
- Procurement plan
- Environmental and social screening form

Declaration and Signature

Name / Designation / Date

Annexure 4: SAMPLE PROJECT EVALUATION AND SCORING TEMPLATE

1. Project Eligibility Screening

S/N	Criteria	Yes/No	Remarks
1	Alignment with the State development plan		
2	Identified in PPP pipeline		
3	MDA readiness		
4	Preliminary economic justification		

2. Technical Evaluation (Total Score: 100)

A. Strategic Relevance (20 marks)

- Addresses priority infrastructure gap – 10
- Supports socio-economic development – 10

B. Technical Soundness (20 marks)

- Robust feasibility study – 10
- Adequate technical justification – 10

C. Financial and Economic Viability (25 marks)

- Clear financial model – 10
- Affordability – 5
- Economic rate of return – 10

D. Institutional Capacity (15 marks)

- MDA capacity to implement – 10
- Availability of project team – 5

E. Environmental and Social Safeguards (10 marks)

- ESIA/ESMP requirements – 10

F. Risk Assessment (10 marks)

- Risk identification and mitigation – 10

Scoring Summary

Category	Score Awarded
Strategic relevance	
Technical soundness	
Financial viability	
Institutional capacity	
Safeguards	
Risk profile	
Total	/100

Annexure 5: SAMPLE ANNUAL REPORT TEMPLATE

1. Executive Summary

- Overview of Fund operations
- Summary of projects supported
- Key achievements and challenges

2. Financial Performance

- Total inflows and sources of funds
- Disbursements by funding window
- Financial statements summary

3. Project Portfolio Overview

- Number of applications received
- Approved projects and amounts
- Status of ongoing projects

4. Procurement and Contracting

- Summary of procurement activities
- Consultant performance review

5. Safeguards and Compliance

- ESIA/ESMP implementation status
- Anti-fraud and corruption actions taken

6. Monitoring and Evaluation

- Key performance indicators
- Value-for-money assessment

- Lessons learned

7. Audit Summary

- Internal audit findings
- External audit observations
- Corrective action plan

8. Outlook for the Next Fiscal Year

- Strategic priorities
- Planned projects
- Funding requirements

End of Annexures and Appendices