THE ROLE OF PUBLIC-PRIVATE PARTNERSHIP (PPP) ON INFRASTRUCTURAL DEVELOPMENT IN NIGERIA

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Abstract

This paper examines the role of public-private partnership in infrastructural development in Nigeria. The high level of infrastructural deficit with its concomitant effect on socio-economic development in Nigeria has made the government search for an alternative means of providing infrastructure for the teeming population, and not only that, but there is also the problem of inadequate resources on the part of the government as well as the penchant of some public officials to divert public fund to private pockets. All these factors made the federal government of Nigeria to adopt the public-private partnership model to provide infrastructure development for the use of the people. It is expected that when there is a high level of infrastructural development in the country, there would be an increase in economic activities amongst the populace, which would invariably contribute positively to their well being. This paper is qualitative in nature, and data for the study were sourced through secondary means. The paper adopts the analytic/descriptive method of data analysis. The Stakeholder Theory was used as the theoretical framework. The paper recommends that an adequate legal framework be put in place in the implementation of public-private partnership projects to guide against abandonment when there is a leadership change in the country.

Keywords: Concession, Infrastructural Development, Public-Private Partnership, PPT, Stakeholder, Socio-Economic Development

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1. Introduction

Infrastructure has been known as a catalyst for the economic process. Thus, Public-private Partnership (PPPs) is a credible vehicle for the development of the Nation’s infrastructure. The level of infrastructural development of any country is one of the bases for assessing the achievements of democratic leaders and the therefore foundation of good democratic governance of that country.

All over the world, the demand for basic infrastructure services has grown over the years, quickly outstripping the availability capacity of existing assets. Nigeria just like most other developing countries of the world is faced with increasing demand to finance the rising expectation of their citizens (Ibrahim et al, 2007). Regardless of the economic resources at the disposal of the government, it is a social and political responsibility to provide basic services to the citizens. The need to make massive investments beyond the means available to government in order to close its yawning infrastructural gap account for government involvement of the private sector. The Government believes that the private sector can play an important role in providing some of this new investment through the formation of PPPs (Ibrahim et al, 2007).

The imperativeness of PPP is to finance; management and maintenance choice for development of infrastructure which has recognized in recent times as governments world over are looking for possible improvement. These forms of partnership bring public and private sectors together in a long run partnership for mutual benefit. This has brought about as a result of government’s recognition that there are some things that the private sector does best and others where the public sector has a lot to offer. The old argument, as to whether or not public ownership was invariably best or whether privatization was the only answer, is simply outdated; the best observe is to engage both public and private sectors and Nigeria is no exception. The starting point is, therefore, the recognition of the contributions that the general public and private sectors can each bring to the partnership in other to foster development of the society.

Government go into PPPs with the aimed of delivering significantly improved public services, by contributing to increase the quality and quantity of investment; to release the full potential of public sector assets, including state-owned businesses, and thus, provide value for the taxpayer and wider benefits for the economy; and to allow stakeholders to receive a good
share of the benefits of the PPPs. The stakeholders in this aspect include customers and users of the service being provided, the taxpayers and employees at each level of the organization.

According to Adekunle, (2007:p 12) there are two basic assumptions underlining PPP initiative in Nigeria namely: more efficient social service delivery by the non-public sector which is imbued with better risk management; and declining revenue accruing to government occasioned by financial crisis currently troubling the globe economy. He went further to that PPPs initiative in Nigeria can be described in four ways in which, and they include: infrastructure development and management, revenue generation in which private sector institutions mobilized revenue on behalf of the government (specially state and local government level), waste and technical management.

Prior to independence, financing of infrastructures are carried out by the public sector in Nigeria, which the nationalists leaders took over from the colonial government after independence. This development strategy of that period essentially meant that the public sector was the only financier of infrastructure development. In Nigeria, Obasanjo’s administration with the privatization of some public enterprises, deregulation and the monetization of some Ministries, Department and Agencies (MDAs) of government. The Infrastructure Concession Regulatory Commission (ICRC) by the late President Umar Yar’Adua in 2009, when the Infrastructure Concession Regulatory Act was sign by the Obasanjo’s Government in 2005, was given power to act.

The PPP initiative in Nigeria include the following projects; Terminal II of the Murtala Muhammed Airport Lagos state, which was rehabilitated under the Build, Operate and Transfer (BOT) scheme, Messer Bi-Courteney Consortium as the private sector managers. It has be the first to be executed under the PPP initiative. Also financed was the restoration of two main gateways in the Federal Capital Territory of Nigeria; the Airport Expressway and the Outer Northern Expressway which runs from Zuba to Kubwa and to Asokoro. While the federal government provides 40%, the contractors sourced for 60% of the costs of the projects which when completed suppose to generate employment opportunities and boost commercial hubs around the Federal Capital Territory (Adekunle, 2007). Other projects financed through the initiative includes but not restricted to Shagamu-Benin road, Lagos- Badagry road as well as Abuja-Kaduna-Kano roads etc. The major objective of this paper is to analyze the role of Private Public Partnership in infrastructural development of Nigerian state. It is in line with the
above, that this paper seeks to interrogate the role, by taking cursory look at PPP in Infrastructural development of the Nigerian State.

2. Statement of the Problem

The traditional approach to Infrastructure development has always been that government invests in these essential infrastructures, while others including the community, individuals, and other private sector roles were seen in terms of paying taxes or other service charged for services rendered. It is in view of this that necessitated the evaluation of public-private partnership on infrastructural development in Lagos, using Ibeji-Lekki as a case study.

In line with the Nigeria infrastructure concession regulatory commission (ICRC) 2010, the main reasons that prompt governments to involve deeply in PPP for infrastructural development and service propagation are:

(i) For optimal utilization of available resources and efficiency in services.

(ii) To improve on the standing organizational plans and policies that will pave more ways for transparency and fairness assessment.

(iii) To attract more skilled force with competitive flair and orientation on efficient performance. (iv) To reform sectors through a reallocation of roles, incentives and improve accountability.

However, despite the increasing adoption of PPP, the experience in Nigeria is not perpetually positive due to controversies, failures, delays, and revocation of concessions agreement that characterized its successful implementation, notably in developing countries. According to Yang et al. (2010) infrastructure partnerships between the public and private sectors in recent time are yet to promote successful completion of such projects. For instance, the failure of two BOT (Build-Operate-Transfer) projects in Thailand (Ogunlana, 1997). The failure of privatized national sewerage project in Malaysia (Abdul-Aziz, 2001) among others.

In Nigeria, PPP which is globally regarded as the panacea for infrastructure development has become an issue problematic. This has caused diminishing interests of both the local and foreign private investors, such as the Lagos-Ibadan Expressway which was awarded in 2009 under a BOT model that was revoked in November 2012. The concession of
Murtala Mohammed Airport Terminal 2 (MMA 2) in Lagos, Nigeria that was commissioned in April 2007 has been enmeshed in controversy till today over the concession during between the federal government of Nigeria and the concessionaire. Also, the concession of Nnamdi Azikiwe Airport, Abuja was later revoked (Lucas, 2011). The question that agitates mind is why has PPP which is assumed to be a credible vehicle for the development of the nation’s infrastructure and which has been successful in the UK, Australia, other developed countries, and emerging market economies such as China, India, South Africa, among others become controversial in Nigeria? These appalling situations have been subjected to the debate by stakeholders, who have expressed worries about the inability of the government to address the situation. Therefore, there is a need to create efficient and transparent operational strategies to enable PPP play a vital role in the process of infrastructural development. This necessitated this paper to critically investigate factors that have significantly hindered PPPs from carrying out its role in infrastructural development of the Nigerian state.

3. Conceptual Clarifications

3.1. Public-private Partnership (PPP)

Public-private Partnership is a recent development in the management of public sector particularly in developing countries like Nigeria. The concept came into being as a result of the reforms that greeted the public sector in recent times. The need to have an effective and efficient public sector necessitated the reforms. PPP therefore is one of the new strategies introduced in public sector management to bring about improved public service delivery. According to Olaopa (2012) the partnership between the private and the public sectors is just another component of New Public Management (NPM) aimed at reforming public sector organizations for better public service delivery. This position was in line with David Osborne and Ted Gaebler cited in Olaopa (2012) aver that “it makes sense to put the delivery of many public services in private hands, if by doing so, a government can get more effectiveness, efficiency, equity or accountability and not a grand ideology of privatizing government.”

The concept “Public-private Partnership” has attracted a plethora of definitions from different scholars. Akintoye et al cited in Anayo and Okon (2011) consider Public-private Partnerships to be any “contractual arrangement between a public sector agency and a profit driven private sector concern, where resources and risks are shared for the purpose of
delivery of a public service or development of public infrastructure”. Anayo and Okon (2011;p 28) aver that PPP refers to a long-term contractual relationship between the public and private sector agencies, specifically targeted towards financing, designing, and implementation. Such collaborative ventures are built around the expertise and capacity of the project partners and are based on a contractual agreement, which ensures appropriate and mutually agreed allocation of resource, risks and returns.

According to Okoli cited in Amujiri (2011;p 34), “PPPs is a partnership when government enters into a form of memorandum of understanding with companies or individuals to provide for the public. The nature of the agreement or understanding, the composition or membership of the partnership, the sharing of responsibilities or profits, and the contribution of funds and other inputs are clearly point out in the agreement and they also depend critically on the projects or services to be rendered.

On this note, it is very obvious that there is a symbiotic relationship between government and the private sector organization engaged in public-private partnership in the sense that each of the partners is expected to benefit in relation to its objectives and goals for engaging in such partnership. According to Okoye & Oghoghomeh (2011;p 74) PPP is a contract between a public sector institution or municipality and a private party, in which the private party assumes part of finances, and technical risks in building and operation of a public project. Ferreira and Khatami cited in Okoye & Oghoghomeh (2011) PPP is a good option for improving public service delivery in developing countries like Nigeria because:

➢ It provides significant sub-contracting opportunities for small enterprises where early cash flow benefits can be derived as delivery commences.
➢ It creates job opportunities for economic growth and development.
➢ The long-term nature of PPP provides an opportune instrument to grow equity and management over-time.
➢ Risk is clearly identified in PPPs, and allocated so the participants know in advance what they are committing to.
➢ There is an increasingly strongly demand for professionals as transaction advisors to both public institutions and private parties in PPP.
➢ Principal equity sponsors in a PPP are often also first-tier sub-contractors, building initiatives for optimal risk management
The formation of private consortium in the form of special purpose vehicles (SPV) for many PPPs, facilitates long-term beneficial partnership between new enterprises management both at the private party (SPVS) and sub contracting levels.

According to Centre for Sustainability in Mining and Industry (2012) and Afolabi (2011) cited in Uwem and Abubakar (2013) the commonly used PPP terminologies (forms) are explained in the summarized Table 1 below.

**Table 1: Public-private Partnership (Type) Terminologies**

<table>
<thead>
<tr>
<th>Commonly Used Terminology</th>
<th>Meaning</th>
</tr>
</thead>
<tbody>
<tr>
<td>BOT - Build-Operate-Transfer</td>
<td>It means private investor builds a facility, sells the output to the public sector, and transfers it at the end of the contract.</td>
</tr>
<tr>
<td>BRT - Build-Rent-Transfer</td>
<td>It means private investor builds facility, rents it out, and transfer at the end of contract.</td>
</tr>
<tr>
<td>BTO - Build-Transfer-Operate</td>
<td>It means private vendor builds facility, transfers to government, who either operates directly or contract out.</td>
</tr>
<tr>
<td>CONCESSION</td>
<td>It means private vendor (concessionaire) may or may not build facility, but is allowed to manage the facility and charge users a fee for use of the facility.</td>
</tr>
<tr>
<td>DBB - Design-Bid-Build</td>
<td>Here government agency provides design, puts out tenders and winner builds the facility.</td>
</tr>
<tr>
<td>DBFO - Design, Build, Finance and Operate,</td>
<td>It means government designs the facility; private vendor finances building and operates for cost recovery.</td>
</tr>
<tr>
<td>DBMF - Design, Construct, Maintain and Finance</td>
<td>It means government designs, private sector constructs and maintains, and government finances.</td>
</tr>
<tr>
<td>EPC CONTRACT - Engineering, Procurement and Construction</td>
<td>It means contractor proves a complete installation to specification, at a fixed price and to a fixed schedule.</td>
</tr>
<tr>
<td>FRANCHISE</td>
<td>Here the service provider is allowed to charge a service fee for the use of the infrastructure or service which has already been built.</td>
</tr>
<tr>
<td>Lease/Maintain</td>
<td>It mean private vendor pays rent for facility and utilizes the resources</td>
</tr>
</tbody>
</table>
Output specification | It means government agency specifies "outputs," and private vendor designs, finances and builds the infrastructure.
---|---
RLT - Rehabilitate-Lease-Transfer | It means vendor rehabilitates a facility, signs lease agreement on facility with government agency, and transfers at the end of contract.
ROT- Rehabilitate-Operate-Transfer | It means private entity rehabilitate facility operates to the extent of full cost recovery, and transfers.


3.2. Infrastructural Development (ID)

The concept infrastructure development embraces two key word, infrastructure and development. Infrastructure is public investment in physical assets and social services. Infrastructure is a fundamental facilities and systems serving a country, city, or an institution, including the services and facilities necessary for its efficient functions. It typically characterizes technical structure such as roads, bridges, tunnels, water supply, sewers, electrical grids, telecommunications, and so forth, and can be defined as “the physical components of interrelated systems providing commodities and services essential to enhance societal living conditions”, while development is a process of bringing out the capabilities of possibilities of a phenomenon to more advanced effective state. Development can be measured with indictors, which include; advanced infrastructure, education, training, affordable cost of living, greater employment opportunities, reduction of wasteful economic and organizational practices.

For the purpose of this paper, infrastructure development is viewed as a splendid parameter by which a country’s level of development could be judged in terms of infrastructure, which is the driving force of national growth, as the availability of infrastructural facilities determines the nature of the country’s development (Diugwu, Mohammed and Baba, 2015). Abumere (2002; p;28) also argued that infrastructure development to include the system of physical, human, and institutional forms of capital which enables residents to better perform their production, processing and distribution activities, as well as help to improve the overall quality of life. The physical infrastructure component is composed of public and private physical structures such as buildings for offices, roads, railways, bridges, tunnels, water supply, sewers, and telecommunications. In line with this Oluwafemi (2012; p42) also asserted
that infrastructures development are the basic physical structure needed for the operation of a society these may include industries, buildings, roads bridges, health services, and governance, just to mention a few. He further avert that Infrastructure in developing countries like Nigeria connotes road, electricity networks, sewers and transport infrastructures etc. Provision of infrastructure has been the conventional responsibility of the government using taxpayer’s money through budgetary allocations.

The term public-private partnership (PPP) has no definite meaning rather various texts on the subject view it long term collaborative matrix between the public and private sectors for providing public service delivery (mainly public infrastructures). The concept of PPP in which the private sector is allowed a long term obligation to yield public service delivery for profit was first introduced in the United Kingdom (U.K.) around 1992. It is an arrangement between government and private sector entities for the purpose of providing public infrastructure, community facilities and related services. Such partnerships are characterized by the sharing of investment, risk, responsibility and reward between the partners. Generally, these partnerships involve the financing, design, construction, operation, maintenance of public infrastructure and services (Ministry of Municipal Affairs, 1999).

According to Gerrard (2001), Public-private partnerships (PPP) combine the deployment of private sector capital and, sometimes, public sector capital to improve public services or the management of public sector assets. By focusing on public service outputs, they offer a more sophisticated and cost-effective approach to the management of risk by the public sector than is generally achieved by traditional input-based public sector procurement. The discipline of drawing up a PPP contract between a public sector client and a private sector contractor, on the one hand, obliges the public sector to articulate its long-term service needs (which could be the provision of, for example, transport, education, or health sector services) and, on the other hand, ensures that the private sector will not put its capital at risk to deliver these services unless and until it is satisfied about the PPP's long-term sustainable performance. As such, PPP can be an effective antidote to the temptations of short-termism in both the public and the private sector (Gerrard, 2001).

The above capture Infrastructural challenges for increasing economic progress and reducing poverty. To date, limited progress has been made in expanding infrastructure access in the vast majority of Nigerian. Several factors justify why there has been such restricted progress in addressing the economic and environmental challenges of infrastructure service
provision. Economically, infrastructure is expensive, requires substantial upfront capital for benefits that are spread over time, and is plagued with difficulties with cost-recovery.

4. Theoretical Framework

The theoretical framework is anchored on Stakeholder Theory. The concept “Stakeholder” was first used in 1963 in an internal memorandum at the Stanford Research Institute. According to its first usage, stakeholders are groups who support the organizations needs so as to remain in existence. The terms was developed into a theory and championed by Edward Freeman in the 1980s (Freeman & Reed, 1983, p. 89).

The stakeholder theory argues that a corporation has stakeholders who are generally the groups and individuals that benefit from, or are harmed by the corporation’s actions. The rights of parties can either be violated or respected by the corporation (Hartman, 2005). The theory identifies the groups and individuals relative to a corporation. It also describes as well as recommends methods by which the interests of each party can be catered for by the management of the corporation (Freeman & Reed, 1983). According to Philips (2004) the question of who is and who is not a stakeholder has been discussed for years. The questions that appear relevant to a proper conceptualization here are: will stakeholder status be a reserved right for constituencies having close relationship with the organization? Should the status be seen to apply broadly to all groups that can affect or be affected by the organization activists, competitors, natural environment or even the media be classified as stakeholders? In a response to these questions, Freeman & Reed (1983) explain that the narrow definition only includes the groups that are vital to the survival and success such organization, while broad perspective accommodates all groups that can be affected by the actions of the corporation.

Based on the above Dougherty (1992) and Ray (1999), went further to identified and classified four groups; enabling publics, functional publics, normative publics and the diffused publics. In line with this, Stephens, Malone & Bailey (2005, p. 395) explain that enabling publics provide leadership for the organization and also control the resources that allow it to exist and among them are shareholders, regulatory bodies and boards of directors. The functional publics are individual that exchange inputs in an organization for outputs such as the employees, unions, suppliers and customers who provide labour or make use of the organization’s products and services. Normative publics involve individual with shared values or similar problems such as trade unions and professional societies. The last group is referred
to as the diffused publics, which emerge when external consequences result from an organization’s activities; these include the media, environmentalists, residents, and the community, among others.

In applying Stakeholder theory to PPPs on infrastructural development in Nigeria, it provides a robust approach by the government to involve the private sector on targeted investment on infrastructure for economic diversification and growth using PPPs strategy. PPP helps government and the private sector to realize that by carrying out values infrastructural development for it citizen and encourage participatory project execution (PPE) by respective stakeholder. In the public sector it act as facilitator and supervisor-“steering and not rowing.” While the private sector the role is innovation, modernization, cost effectiveness and delivering of services (Egonmwan 2018p; 222-223). This could be buttressed by the fact that negligence of their duties as stakeholders worsened infrastructural development in the country.

Thus, blueprint produced by the National Assembly in Nigeria set up to work out the modus operandi of PPP is cumbersome, confusing, unyielding and contains certain n contradiction in terms of implementation, checks and balances. There is contention that, in 1999 Obasanjo brought Pent-scope to manage NITEL, such arrangement was characterized with endemic corruption and inefficiency of a monumental proportion because public funds/organization was placed in individuals not elected or appointed; worst still, those implicated for wrong doing (i.e. failed management organizations) were never punished. The success or failure of the PPPs lies in the hands of the various components of both the private and the public sector that operate as stakeholders. Any form of dysfunctionality from any of the stakeholder will amount to the total failure of the entire project.

5. The Roles of Public-private Partnership and Infrastructural Development in Nigeria

It is a fundamental fact that the provision of public services and infrastructure has always been the exclusive responsibility of the government, but the increasing population density, urbanization and developmental desires which restrained the government from adequately addressing the much-expected infrastructural development of the people (Dominic et al., 2015). This has compelled Nigerian government to adapt the policy PPPs as a tool for the development of infrastructure. The merit of PPP has been well recognized among practitioners. PPPs mobilize further financing sources for infrastructure and defer payment to
the future, which the private sector undertakes the risk of funding public infrastructure projects to make profit (Fadeyi et al., 2016).

The benefits of PPPs in terms of infrastructural development cannot be over emphasized. They supply better infrastructure solutions than any initiative that is wholly public or wholly private giving every participant the opportunity to do what it does best. The positive impact of is faster project completions and reduced delays on infrastructure projects as well as time-to-completion as a measure of performance and accountability.

PPPs return on investment (ROI) is greater than projects with traditional, all-private or all-government fulfillment. Innovative design and financing approaches become available when the two entities work along. Risks are fully appraised early on to determine project feasibility. Private partner serve as a check against unrealistic government promises or expectations. The operational and project execution risks are transferred from the government to the private sector, which usually has more experience in cost containment and management.

PPPs encourage early completion bonuses that more increase efficiency, which reduce change order costs as well. The efficiency of the government's investment, allows government funds to be redirected to other important socio-economic areas, which PPPs reduces government budgets and budget deficits. High-quality standards are better obtained and maintained throughout the life cycle of the project. PPPs that reduce costs potentially can lead to lower taxes and benefits of the projects can vary depending on the assumed risk, the level of competition, and the complexity and scope of such project. The expertise in the partnership lies heavily on the private side, the government is at an inherent demerit. For instance, it might be unable to accurately assess the proposed costs.

6. Selected Infrastructural Projects under the Auspices of Public-private Partnership in Nigeria

According to Infrastructure Concession Regulatory Commission (ICRC), web-site there is 73 PPP projects status as at September 2020. Table 2 clearly shows the projects, government agency, concessionaire, duration and status in Nigeria.
### Table 2: Infrastructural Projects by Public-private Partnership in Nigeria

<table>
<thead>
<tr>
<th>S/N</th>
<th>PROJECTS</th>
<th>GOVERNMENT AGENCY</th>
<th>CONCESSIONAIRE</th>
<th>DURATION</th>
<th>STATUS</th>
</tr>
</thead>
<tbody>
<tr>
<td>5</td>
<td>Concession for the Operation, Management and Provision of Primary, Secondary and Tertiary Health Care at the Garki Hospital Abuja</td>
<td>FCTA</td>
<td>NISA Premier Hospital Ltd</td>
<td>March 2007 - March, 2022</td>
<td>Under Implementation</td>
</tr>
<tr>
<td>6</td>
<td>Concession for Build, Own, and Operate a Container Freight Station of Inland Container Depot (Katsina State)</td>
<td>Nigerian Shippers Council (NSC)</td>
<td>Equatorial Marine Oil and Gas Company Ltd</td>
<td>2007</td>
<td>Implementation is On-going.</td>
</tr>
<tr>
<td>7</td>
<td>Concession Agreements for the Operation, Maintenance, Design and Sales of</td>
<td>Kainji Hydro Electricity Plc</td>
<td>Mainstream Energy Solutions Ltd</td>
<td>21st Feb 2013</td>
<td>Contract Under Implementation</td>
</tr>
</tbody>
</table>
Table 1: Examples of PPP Projects in Nigeria

<table>
<thead>
<tr>
<th></th>
<th>Description</th>
<th>Contractor/Contractor Details</th>
<th>Duration</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>10.</td>
<td>Development and Operation of Deep-Water Port (Lekki, Lagos)</td>
<td>Lekki Port LFTZ Enterprise</td>
<td>The Nigerian Ports Authority/Lagos State Government</td>
<td>(April 21\textsuperscript{st} 2011 – April 21\textsuperscript{st} 2056)</td>
</tr>
<tr>
<td>12.</td>
<td>Concession Agreements for the Operation, Maintenance, Design and Sales of electricity produce – Niger State</td>
<td>Shiroro Hydro Electric Plc</td>
<td>North South Power company Ltd</td>
<td>30 years from 21\textsuperscript{st} February 2013</td>
</tr>
</tbody>
</table>


The above stated projects if properly implemented and the relevant stakeholders played the role expected of them, the country as a whole and help to solve Nigeria infrastructural challenges. Furthermore, potential investors will be attracted to the country to get involved in
This partnership of convenience. According to Dabak (2014) the following benefits that can be accrued from PPP initiatives in Nigeria include; value for money, quicker delivery of project, risk transfer, increased investment, increased budget/financing certainty, improved service delivery, political benefit, private sector growth and stability and elimination of corruption.

7. Challenges of Public-private Partnership for Infrastructural Development in Nigeria

Despite the huge recognition of PPPs and their increasing usage in infrastructure development, the experience of both the public and private sector with PPP has not always been positive (Kwak et al., 2009). This PPP projects are either held up or terminated. This is corroborated by Yuan et al. (2009) that PPPs have been widely applied in the global construction market but a number of factors affected its performance resulting in inefficiency and ineffectiveness of the projects. Jefferies et al. (2002) argue that some infrastructure partnerships between the public and private sectors in the past are yet to provide evidence of successful completion. For instance, Akintoye et al. (2003) identified lack of relevant experience, provision of incomprehensive up-front project information, slow negotiations, less open communication, inconsistent risk assessment and management among others as problems for achieving best value in PPP projects. Ogunlana (1997) also identifies political instability, the inadequate experience of PPPs among others as barriers. Abdul-Aziz (2001) identifies absence of competition, the inefficiencies and management blunders of concessionaires as barriers responsible for the failure of PPPs projects in some instances.

Therefore, it becomes imperative to identify and assess the barriers to PPP projects implementation in Nigeria. This will enable the governments and other stakeholders, particularly potential local and foreign private investors to recognize significant barriers in the implementation of PPP projects in Nigeria. The results of the paper are expected to help them strategize for penetrating Nigeria PPP market successfully.

The challenges hindering effective implementation of the public-private partnership for better infrastructural development in Nigeria include but not limited to: Inadequate consultation with stakeholders to create greater acceptance of PPPs, low trust between public and private sector, weak/poor regulatory frameworks and enforcement, problems of administrative procedures and guidelines, weak institutional capacity and PPPs strategy, weak judicial framework for resolving PPP disputes, difficulties in securing credit facility from banks, perceptions of a country/nation as high-risk economy by foreign investors, delays due
to lengthy bureaucratic procedures, poor coordination between different public sector departments, accusations of corruption and corrupt tendencies, lack of experience and expertise in both the public sector and private investors, provision of incomprehensive up-front project information by public sector, inefficiencies and management blunders of the concessionaire, Lack of transparency and accountability and a whole lots of others. In his view Egonmwan (2018;p 224) outline the following challenges confronting most PPPs projects in Nigeria;

➢ Lack of regulatory mechanism.
➢ Reluctance of the private sector to invest capital for long gestation period.
➢ Lack of competence on the part of government to negotiate quality of service.
➢ Lack of will on the part of the consumer that they have to pay.
➢ Lack of infrastructure and issues of environmental concerns.
➢ Lack of political will.
➢ Inadequate acceptability.
➢ Always done for soft option.

The term public-private partnership (PPP) has no definite meaning rather various texts on the subject view it long term collaborative matrix between the public and private sectors for providing public service delivery (mainly public infrastructures). The concept of PPP in which the private sector is allowed a long term obligation to yield public service delivery for profit was first introduced in the United Kingdom (U.K.) around 1992. It is an arrangement between government and private sector entities for the purpose of providing public infrastructure, community facilities and related services. Such partnerships are characterized by the sharing of investment, risk, responsibility and reward between the partners. Generally, these partnerships involve the financing, design, construction, operation, maintenance of public infrastructure and services (Ministry of Municipal Affairs, 1999).

According to Gerrard (2001), Public-private partnerships (PPP) combine the deployment of private sector capital and, sometimes, public sector capital to improve public services or the management of public sector assets. By focusing on public service outputs, they offer a more sophisticated and cost-effective approach to the management of risk by the public sector than is generally achieved by traditional input-based public sector procurement. The discipline of drawing up a PPP contract between a public sector client and a private
sector contractor, on the one hand, obliges the public sector to articulate its long-term service needs (which could be the provision of, for example, transport, education, or health sector services) and, on the other hand, ensures that the private sector will not put its capital at risk to deliver these services unless and until it is satisfied about the PPP's long-term sustainable performance. As such, PPP can be an effective antidote to the temptations of short-termism in both the public and the private sector (Gerrard, 2001).

8. Conclusion and Recommendations

Public-private Partnership is a model of New Public Management advocating for private sector involvement in the core function of government, especially social service delivery and infrasctura development.

Nigeria is faced with huge infrastructural deficiency. Infrastructure gap results to unaddressed developmental needs which negatively affect the economic growth. Infrastructure in terms of electricity, water, road, transport, and telecommunication etc, are indispensible to ensuring a nation’s growth and development and can be easily achieved with enabling environment for PPP in the provision of infrastructure services. The success or failure of a PPP project is dependent on the competency of the government in establishing legal and regulatory framework that can facilitate willingness to implement PPP contract, showcase transparency and accountability, fight against any vices that will impede the implementation of PPP project in Nigeria. In view of the problems affecting the practice of PPP in Nigeria, the following recommendations are offered for its improvement:

1- Government should establish a strong legal and regulatory framework that will facilitate the success of PPP arrangement in Nigeria, the framework will ensure that PPP projects are well implemented in accordance with specified agreement.

2- Also government should propose amendment of existing legislation or legal framework that will ensure that public authorities are empowered to enter into agreements for the implementation of privately financed infrastructure projects and also ensure that the regulation or legal framework is transparent, and effective, this will facilitate the success of PPP arrangement in the country.
3- Government at all levels, Federal, State and Local should develop a moral will power or justification and capacity to enforce the laws, monitor and ensure that the parties complied with the set standard.

4- There should be transparency and accountability in the execution of PPP projects to ensure trust and confidence of both the public and private sectors.

5- There is the need to guard against incessant policy changes by formulating long term policies in support of PPP in order to boost the confidence of stakeholders to participate in PPP projects.

6- There is the need for the creation of a sustainable long term financing mechanism dedicated for PPP projects so as to facilitate access to long term funds by developers.

7- Government should create an accessible data bank on stakeholders’ experience in PPP in order to educate partners and to facilitate quicker assimilation and dissemination of best practices among stakeholders.

8- Finally, adequate consideration should be given to the identified critical success factors by both parties (public and Private) to ensure successful implementation and to boost the prospects of PPP as a procurement model.

REFERENCES


