

EXECUTIVE COUNCIL, OYO STATE OF NIGERIA
CONCLUSION EXTRACT

File Reference: EX.1/78/171

To: HC (Budget & Economic Planning)
15th Meeting of 2025 held on 9th December, 2025

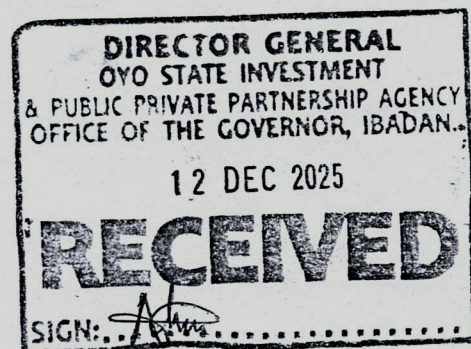
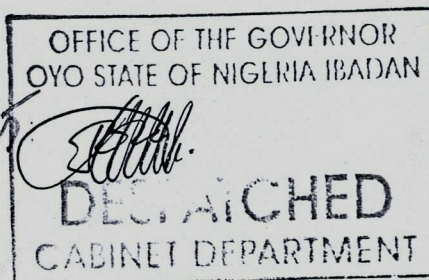
Subject:

Establishment of Project Facilitation Fund (PFF) for Public-Private Partnership and Investment-Driven Projects in Oyo State.

Memorandum O.Y.S.E.M. (2025) by Hon. Commissioner for Budget & Economic Planning

CONCLUSION REFERENCE O.Y.G.E.C. 15 (2025) 7 (I)

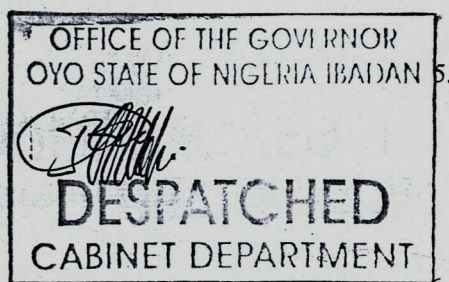
DPPP
FNA
DEC 15, 2025



Establishment of Project Facilitation Fund (PFF) for Public-Private Partnership and Investment-Driven Projects in Oyo State.

Ref: EX.1/78/171

Date: 9th December, 2025.



Conclusion 7 (I)

Council noted:

1. the need the formal establishment and operationalization of the Project Facilitation Fund (PFF) to support the preparation, appraisal, and tendering of Public-Private Partnership (PPP) projects across Oyo State;
2. that the PFF was conceived as a dedicated financing mechanism to strengthen the effective preparation and execution of priority government projects, particularly PPP and other investment-led initiatives;
3. that at present, Oyo State is undertaking several high-impact, investment-driven projects that require standardized project preparation, technical assessments, procurement support, and transaction advisory services;
4. that a major constraint, has been the absence of a dedicated funding structure to finance essential activities such as feasibility studies, engagement of qualified transaction advisors, stakeholder consultations, transaction processing, and preparation of procurement documentation. This gap has historically contributed to prolonged project timelines and suboptimal readiness;
5. that the delivery of well-structured PPP projects depends on the quality of their technical, legal, financial, and commercial documentation. In recognition of this, His Excellency graciously approved the proposal for the creation of the PFF to enhance the capacity of MDAs in developing and managing PPP and investment-oriented initiatives;
6. that under the State Action on Business Enabling Reforms (SABER) Programme—a Performance-for-Results (PforR) initiative—subnational governments are required to demonstrate strengthened PPP systems, streamlined investor-facing processes, and enhanced capacity for implementing business-enabling reforms;
7. that the establishment of the PFF is a mandatory requirement under Disbursement Linked Indicator (DLI 3) for Year 3 (1st January, 2025 – 31st December 2025), with a corresponding incentive of US\$2 million available to the State upon compliance;
8. that the Business Plan, Regulation, and Operational Manual for the PFF have been developed to outline the financial utilization model, governance structures, regulatory parameters, and sustainability framework for the Fund;
9. that the establishment of the PFF will enable the State to:
 - i. support robust project preparation and accelerate implementation timelines;
 - ii. undertake sound project appraisal to assess technical feasibility and developmental impact;
 - iii. enhance compliance with SABER Eligibility Criteria and DLIs;
 - iv. strengthen coordination among MDAs involved in PPP processes;
 - v. develop a structured pipeline of bankable, investment-ready projects; and



- vi. improve the State's prospects of accessing performance-based grants.
10. that the Fund shall be financed through the following sources:
 - i. a 3% charge on the total capital investment of identified PPP pipeline projects with a committed intent, commencing from the 2026 fiscal year;
 - ii. grants, donations, endowments, and aid from multilateral and bilateral development partners, international organizations, and philanthropic institutions;
 - iii. any other funds accruing to the PFF from sources approved by the Governor;
 - iv. improved speed, quality, and coherence of project preparation and delivery.
11. that the expected benefits of the PFF include, but are not limited to:
 - i. improved speed, quality, and coherence of project preparation and delivery;
 - ii. enhanced investor confidence and increased inflow of private capital;
 - iii. more structured documentation and clearer pipelines of bankable projects;
 - iv. strengthened alignment with SABER programme objectives;
 - v. higher likelihood of accessing performance-based grants;
 - vi. improved institutional capacity of OYSIPA and MDAs to manage PPP and investment projects effectively.
12. that the Fund shall be domiciled in the Oyo State Investment and Public-Private Partnership Agency (OYSIPA) and managed in accordance with transparent public financial management procedures consistent with State regulations. Its operationalization imposes no additional recurrent burden on State finances, as the 3% charge will be internally generated from project transactions and ring-fenced strictly for project preparation and facilitation activities;
13. that the establishment of the PFF represents a strategic intervention to improve project delivery, strengthen investor confidence, and enhance the competitiveness of Oyo State;
14. that the PFF will significantly support the State in meeting SABER programme requirements and qualifying for performance-based financing;
15. that the PFF underscores the administration's commitment to building a more efficient, investment-friendly, and development-oriented governance framework.

PRAYERS

The Council was humbly prayed to consider and approve:

- i. the establishment and operationalization of the Project Facilitation Fund (PFF) to Public-Private Partnership (PPP) and investment-driven projects;
- ii. the Project Facilitation Fund (PFF) regulatory governance framework, operational manual, and business and financial plan;
- iii. the designation of Oyo State Investment and Public-Private Partnership Agency (OYSIPA) as the coordinating and managing

- entity for the Fund, responsible for project preparation, transaction advisory services, and related activities; and
- iv. the issuance of a formal circular communicating the establishment and operational modalities of the Fund to MDAs, investors, development partners, and relevant stakeholders.

COUNCIL DECISION

The Council approved the prayers as presented by the Honourable Commissioner for Budget and Economic Planning.

ACTIONED BY: OFFICE OF THE SECRETARY TO THE STATE GOVERNMENT,
MINISTRY OF BUDGET AND ECONOMIC PLANNING,
MINISTRY OF FINANCE,
MINISTRY OF JUSTICE,
✓ OYO STATE INVESTMENT AND PUBLIC-PRIVATE PARTNERSHIP AGENCY (OYSIPA),
OFFICE OF THE ACCOUNTANT-GENERAL.

