OYO STATE INVESTMENT PROMOTION AND PUBLIC PRIVATE PARTNERSHIP AGENCY

OPERATIONAL MANUAL

Contents

PREFACE

Public-Private Partnerships (PPPs) have become a pivotal instrument for accelerating sustainable infrastructure delivery and strengthening public service performance across modern economies. In Oyo State, the growing demand for resilient infrastructure, efficient service delivery, and innovative financing solutions underscores the need for a clear, coherent, and operational framework to guide PPP development, implementation, and oversight. This Operational Manual has therefore been developed to provide practitioners, ministries, departments, agencies, and private partners with practical guidance on structuring, managing, and governing PPP projects from conception to completion.

In preparing this Manual, careful consideration was given to the most suitable institutional arrangements for managing the State's PPP ecosystem—including the administration of project preparation and facilitation funds. Several institutional options were examined to determine the most effective structure for ensuring transparency, technical rigor, and alignment with Oyo State's development priorities.

Investment promotion structures were recognized for their agility and strong external networks, but their limited technical depth in PPP-specific appraisals and potential overlaps with existing PPP institutions were also noted. The PPP Agency emerged as a natural custodian for PPP pipeline development due to its alignment with the project cycle, technical grounding, and inter-ministerial coordination potential, even as attention was paid to risks of conflict of interest and institutional dependence on political support. The Ministry of Finance was likewise evaluated for its fiscal prudence and credibility, balanced against its weaker linkage to technical PPP processes and possible bureaucratic delays. Finally, externally managed models were reviewed for their professional expertise and investor confidence, though their weaker accountability to state structures and limited integration with government planning posed governance challenges.

These insights informed the design of an operational framework that is both context-sensitive and globally aligned. The Manual therefore sets out the principles, processes, roles, and safeguards necessary to ensure that PPPs in Oyo State are fiscally responsible, technically sound, transparently procured, and capable of delivering long-term value for citizens.

It is our expectation that this Operational Manual will serve as a reliable, living reference for all stakeholders, fostering consistency, clarity, and confidence in the delivery of PPPs across Oyo State.

1.1 Background and Context

Oyo State faces increasing demand for modern infrastructure and efficient public services in sectors such as transportation, housing, healthcare, education, energy, agribusiness and tourism. Traditional public financing alone is insufficient to meet these needs at the scale and speed required. Public-Private Partnerships (PPPs) have therefore become a strategic policy tool for mobilising private capital, accessing technical expertise, and fostering innovation in service delivery.

The State has expressed a clear commitment to strengthening its PPP framework as part of a broader effort to enhance economic competitiveness, expand investment opportunities, and ensure sustainable development. To achieve this vision, a practical operational guide is necessary to standardise processes, clarify institutional responsibilities, and ensure that PPP projects are prepared, procured, and implemented in a transparent and fiscally responsible manner.

This Operational Manual provides the procedural foundation for all PPP-related activities in Oyo State. It operationalises the intent of the State's PPP policy framework and serves as a reference for Ministries, Departments, Agencies (MDAs), private investors, development partners, and transaction advisors.

1.2 Purpose of the Manual

The purpose of this Manual is to provide clear, step-by-step guidance for the identification, development, appraisal, procurement, implementation, and monitoring of PPP projects in Oyo State. Specifically, the Manual aims to:

1. **Define the PPP process** from project concept to contract management.
2. **Clarify roles and responsibilities** of all participating institutions across the PPP lifecycle.
3. **Establish transparent procedures** for project preparation, feasibility analysis, procurement and evaluation, and financial close.
4. **Ensure value for money, fiscal responsibility, and risk allocation** in line with state and national guidelines.
5. **Strengthen accountability mechanisms** to protect public interest and enhance investor confidence.
6. **Provide a uniform reference document** for MDAs and private sector stakeholders engaging in PPP transactions.

This Manual is intended to be a living document and may be periodically reviewed to reflect evolving policy directions, legal updates, and practical experience from project implementation.

1.3 Scope of the Manual

The Manual covers the entire PPP lifecycle and sets out procedural requirements applicable to all MDAs and stakeholders involved in PPP development. It includes:

- **Project Identification and Screening**

- **Project Preparation and Feasibility Studies**
- **Institutional Roles and Coordination Mechanisms**
- **Procurement Procedures and Bid Management**
- **Evaluation and Negotiation**
- **Approvals and Oversight**
- **Contract Management and Post-Contract Monitoring**
- **Fiscal Commitment and Contingent Liability Management**
- **Grievance Handling and Stakeholder Engagement**
- **Reporting, Compliance, and Review Requirements**

It further addresses mechanisms for managing project preparation funds, including an assessment of possible institutional custodians—such as investment promotion agencies, the PPP Agency, the Ministry of Finance, or external managers—and the rationale for selecting an arrangement suitable to the State's governance structure.

1.4 Guiding Principles for PPP Implementation in Oyo State

The State is committed to implementing PPPs that are professionally structured, socially inclusive, environmentally sustainable, and fiscally prudent. The following principles guide all PPP actions:

1. **Value for Money:** Optimal balance of cost, quality, and risk.
2. **Public Interest Protection:** Ensuring affordability, accessibility, and quality.
3. **Transparency and Accountability:** Open, competitive processes with clear documentation.
4. **Fair and Competitive Procurement:** Equal opportunity for qualified bidders.
5. **Fiscal Sustainability:** Managing contingent liabilities and long-term budget impact.
6. **Risk Allocation:** Assigning risks to the party best able to manage them.
7. **Stakeholder Engagement:** Incorporating inputs from communities and affected parties.
8. **Institutional Coordination:** Ensuring coherence between all relevant agencies.

1.5 Institutional Context and Rationale

As part of the Manual's development, the State reviewed several institutional options for managing PPP project preparation and facilitation activities. Investment promotion entities were considered for their external networks and flexibility, while the PPP Agency offered technical alignment with the project cycle. The Ministry of Finance provided strong fiscal oversight, and externally managed models brought high technical expertise and credibility. These analyses informed the structural arrangements adopted in subsequent chapters, ensuring that governance of PPPs is grounded in efficiency, competence, and transparency.

1.6 Target Users of the Manual

This Manual is intended for all actors involved in PPP development in Oyo State, including:

- MDAs proposing and sponsoring projects
- The PPP Agency and its technical units
- The Ministry of Finance and budget oversight bodies
- Investment promotion entities
- Private investors, lenders, concessionaires, and operators
- Transaction advisors and consultants
- Legal, financial, and technical experts supporting project development
- Development partners and multilateral agencies

Each stakeholder is expected to follow the procedures described herein to ensure consistency and compliance with the State's PPP governance framework

2.2 Operational and Governance Structure of the PFF

A well-defined operational and governance structure is essential to ensure the credibility, efficiency, transparency, and long-term sustainability of a State-level PFF. Given the sensitivity of managing public and donor resources for early-stage infrastructure project preparation, the institutional setup shall combine strong oversight with professional fund administration and be tailored to each State's governance realities and capacity.

Core Elements of the Operational and Governance Structure:

A. Fund Host Institution

The PFF shall be anchored within or alongside an existing institution with the capacity, mandate, and strategic proximity to project origination and preparation. Four common options include:

i. Investment Promotion Agency (IPA): Particularly suitable where the IPA already coordinates investor relations and infrastructure deal promotion.

9. Public Private Partnership (PPP) Agency: Ideal when the focus is on preparing bankable PPPs and when the office has legal and technical capability.

ii. Ministry of Finance: Appropriate for ensuring close integration with public financial management and budget planning.

iii. Externally Managed Arrangement: Useful where there is need for greater independence, technical capability, or where donor funding conditions require such ringfenced management.

B. Governing Board or Steering Committee

An inter-agency Project Facilitation Fund Steering Committee (or Governing Board) shall be established to provide strategic direction, approve eligible projects, and ensure alignment with State priorities. Where the PPP Agency or the IPA with the mandate to coordinate PPP, serves as the Host of the PFF, the existing Governing Boards of the institution can double to serve the function of the Governing Board/Steering Committee of the Fund. It shall include, at a minimum, representatives from:

- Ministry of Finance
- Ministry of Budget and Economic Planning (where different from the Ministry of Finance)

10. State PPP Agency or Infrastructure Coordination Office

11. Investment Promotion Agency (if different from PPP Agency)

- Any other representative as the State might deem fit based on their peculiarities/context

The Board/Committee's responsibilities include approving the Fund's annual work plan, reviewing funding proposals, overseeing performance, and safeguarding against political interference.

C Fund Management Unit or Secretariat (FMU/S)

A dedicated Fund Management Unit/Secretariat (FMU/S) or team shall be established within the host institution or under contract to manage daily fund operations. Core functions of the FMU/S include:

- Issuing calls for proposals and managing the application process

- Conducting project screening and technical due diligence
- Managing contracts for advisory services and feasibility studies
- Monitoring implementation of supported activities
- Maintaining records and producing periodic financial and performance reports
- Liaising with funders and stakeholders

The FMU/S shall be staffed with professionals in infrastructure finance, legal structuring, procurement, and project management. In some cases, the FMU/S may be supported by an external Fund Manager (firm or consortium) procured through a competitive process, particularly when scale and complexity increase over time.

D. Decision-Making and Accountability Processes

To ensure transparency and efficiency:

- Clear decision-making thresholds shall be defined (e.g., funding requests above a certain threshold require board approval).

12. Operational Guidelines or a Fund Operations Manual shall be prepared, detailing funding limits, proposal submission procedures, eligibility criteria, approval steps including timelines for approvals or rejections, reporting obligations, and fiduciary controls.

- Regular audits (financial and performance) shall be conducted by the State Auditor-General or an independent auditor.

13. In line with existing disclosure framework, public disclosure of approved projects, fund disbursements, and results achieved shall be mandatory to promote trust and accountability.

E. Integration with Budgeting and Planning Systems

The first step in institutionalizing a Project Facilitation Fund is to prepare a comprehensive business plan and funding strategy. This defines the Fund's objectives, governance, and operating model, while outlining clear pathways for capitalization and sustainability.

Although the PFF may operate with ring-fenced funds, its activities shall be closely linked with:

- The Medium-Term Sector Strategy (MTSS) and Medium-Term Expenditure Framework (MTEF);
- The State's Annual Budget, especially for counterpart funding or capital pipeline integration;
- The State Development Plan or infrastructure roadmap, to ensure that projects being prepared align with strategic goals.

3 Structuring the Fund

The structure of a Project Facilitation Fund (PFF) shall be carefully designed to align with its objectives, funding sources, governance model, and legal framework. This includes determining the type of fund, the operational windows or use-cases the fund will support, and the disbursement modalities that ensure transparency, efficiency, and value-for-money in project preparation.

A. Fund Type

i. **Non-Revolving Fund:** This is the most common structure for early-stage project development support, particularly where the fund is grant-based. Funds are disbursed without expectation of repayment, especially for pre-feasibility studies, transaction advisory, and technical assistance. This is ideal when the government or development partners provide budgeted allocations or grants respectively. Non-revolving funds require strong safeguards to prevent misuse or weak commitment to project development. These safeguards include a clear legal and institutional framework, use of ring-fenced accounts, strict eligibility criteria, milestone-based disbursements, and regular audits and disclosures. Additionally, applying sanctions for misuse and introducing performance-linked incentives will help ensure MDAs treat the PFF as a structured pipeline development tool rather than an ad-hoc funding source.

ii. **Revolving Fund:** Under this model, the Fund recovers a portion or all of its support costs once the project reaches financial close. For instance, if a PPP project is successfully procured and reaches commercial close, the Fund may be reimbursed from the transaction success fee or embedded within the financing structure. While more complex to manage, this model can enhance fund sustainability and reduce dependency on repeated budgetary allocation. However, a key concern is that revolving features may reduce the Fund's attractiveness to users and thereby undermine its ability to achieve project development objectives.

Recommendation: States may start with a non-revolving structure and gradually transition to a partial revolving model as the pipeline matures, and more projects reach close. Alternatively, States could operate a hybrid approach, applying revolving features selectively depending on the type of project or activity being funded.

B. Funding Windows

To enhance operational flexibility and ensure responsiveness to different project needs, the PFF shall be organised into distinct funding windows, each with clear objectives, eligibility criteria, and approval processes. Recommended windows include:

i. Window A: Project Preparation Support

Covers early-stage activities such as concept development, pre-feasibility and feasibility studies, Climate Mitigation and Adaptation Screening assessments, environmental and social impact assessments, engineering designs, and financial modelling.

ii. Window B: Transaction Advisory Services

Funds procurement of legal, financial, and technical advisers for PPPs or commercially structured projects.

iii. Window C: Market Sounding and Investor Engagement

Supports investor roundtables, promotion materials, and market testing activities to attract private sector interest.

iv. Window D: Capacity Building and Systems Strengthening

Funds training, systems development, and tools that enhance institutional capacity to originate, appraise, and manage infrastructure projects.

v. Optional – Window E: Support for VGF, Capital Grants, contingent liability and Compensation

Where appropriate, the Fund may support the provision of Viability Gap Funding (VGF), capital grants, and resettlement or compensation costs required to make infrastructure projects financially viable, especially in priority sectors (e.g., affordable housing, rural roads, off-grid energy). These support mechanisms are critical for ensuring commercial bankability while maintaining affordability and equity.

States may initially focus on funding early-to mid-stage activities (Windows A–D), with the option to expand into Window E once institutional readiness, safeguards frameworks, and funding partnerships are in place. Each window shall be backed by specific allocation envelopes and performance indicators.

C. Disbursement Models

The PFF's disbursement model shall balance speed, control, and accountability. Options include:

I. **Direct Procurement by the Fund (Centralised Model):** The Fund selects and procures consultants or firms to deliver preparation services on behalf of MDAs. Advantages include greater control, quality assurance, and reduced risk of fund misuse. Disadvantages include the potential to reduce MDA ownership and responsiveness to project-specific needs.

II. **Cost-Reimbursement Model:** MDAs procure services based on approved guidelines and get reimbursed upon delivery and validation of outputs. Requires strong procurement systems and audit/verification mechanisms.

III. **Grant Agreement or Co-Financing Arrangement:** The Fund enters into agreements with MDAs or donor partners, stipulating co-financing ratios, eligible costs, timelines, and reporting requirements. Suitable for blended finance arrangements or when donor funds are involved.

Note: Disbursement must always be milestone-based, linked to deliverables (e.g., submission of feasibility report, completion of ESIA, or bid documents), and subject to performance audits.

4 Procurement Process and Compliance

Procurement is an essential component of the Fund's integrity and must be handled in a manner that promotes fairness, competition, and value for money. The enabling framework establishing the PFF shall contain clear provisions on how procurement activities related to the Fund will be conducted. One approach is for the law to empower the Fund itself to carry out procurement in accordance with the Public Procurement Act, thereby granting it the autonomy to procure advisory services, studies, and other inputs necessary for its operation.

Alternatively, and perhaps more robustly, the Fund could adopt a collaborative approach by working directly with the State's Bureau of Public Procurement (BPP) to ensure full compliance with procurement regulations. In such a case, the State BPP may second a procurement officer to the Fund's Secretariat to serve as an internal compliance agent, providing guidance on procedures and helping to streamline approvals while maintaining adherence to the law. This setup reinforces credibility, builds confidence, and ensures that all procurement processes undertaken by the Fund meet the highest standards of transparency and accountability. Some key considerations are set out below.

A. Guiding Principles

The PFF procurement process shall be guided by the following core principles:

- Transparency: Open and clear processes to ensure fairness and public confidence.
- Competition: Competitive selection to attract capable service providers and ensure best pricing.
- Value for Money: Optimal use of resources with a focus on quality and cost-effectiveness.
- Accountability: Defined roles and responsibilities with mechanisms for oversight and redress.
- Timeliness: Efficient timelines to avoid delays in project development.

B. Applicable Procurement Frameworks

The PFF may adopt one or a combination of the following frameworks:

14. **State Public Procurement Law:** Where the PFF is housed within a government agency, procurement must comply with the State's Public Procurement Law or Regulations.

i. **PFF-Specific Operational Guidelines:** The Fund may operate under a dedicated Fund Operations Manual, approved by the PFF governing structure, which defines streamlined procurement procedures, thresholds, and controls.

ii. **Development Partner Guidelines:** Where the PFF is co-funded or supported by donors or DFIs, their procurement frameworks may apply (e.g., World Bank, AfDB). These may be harmonised with local systems under a mutually agreed framework.

Note: It is critical to obtain formal clearance from the State Public Procurement Bureau for any deviation or adaptation of standard processes, or alternatively, provide an explicit exemption within the legislation or regulation establishing the Fund.

C. Procurement Models

The procurement process will vary depending on the disbursement and implementation model adopted by the PFF:

i. Centralised Procurement: The Fund Management Unit (FMU) directly procures consultants, advisers, and firms on behalf of government agencies. This ensures quality control and reduces procurement burden on MDAs.

ii. Decentralised or MDA-Led Procurement: MDAs procure services themselves and submit claims for reimbursement. This promotes ownership but requires strong checks and audits.

iii. Framework Agreements or Panels: The PFF may pre-qualify a pool of consulting firms or advisers across key disciplines (legal, technical, financial, environmental), enabling faster engagement through call-offs.

D. Procurement Process Flow

A standard procurement cycle under the PFF would typically follow these steps:

i. Needs Identification: Based on an approved project concept or preparation request.

ii. Terms of Reference (ToR) Development: Clear definition of scope, deliverables, and timelines. iii. Procurement Planning and Approval: Reviewed and approved by the FMU and Steering Committee. iv. Advertisement or Solicitation: Open or selective request for proposals or quotations.

v. Evaluation and Selection: Based on predefined criteria—quality and cost-based selection (QCBS) is often preferred.

vi. Contracting and Mobilisation: Clear contracts signed, with agreed milestones and payment schedules. vii. Performance Monitoring: Linked to deliverables and quality assurance mechanisms.

viii. Disbursement and Reporting: Funds released based on milestone completion and submission of outputs. It is important disclosure requirements such as publications and timelines for disclosures are adhered to.

E. Compliance and Oversight Mechanisms

To ensure integrity and adherence to standards, the following measures shall be instituted:

- Independent Review Panel or Procurement Committee: To oversee large-value or strategic procurements.
- Audit Trail: Full documentation of all procurement actions, decisions, and contracts.
- Financial and Technical Audits: Periodic audits conducted by the Auditor-General or an independent firm.
- Grievance Redress Mechanism: A clear, accessible channel for bidders to challenge procurement decisions or raise concerns.
- Public Disclosure: Publication of procurement plans, awarded contracts, and implementing firms to ensure transparency.

F. Capacity Strengthening

Given the technical nature of project preparation, States may need to invest in:

- Training of FMU staff and MDAs on procurement best practices; • Development of standard ToRs, evaluation templates, and checklists;
- Use of e-procurement tools where feasible.

5 Fund Access and Application Procedures

To ensure that the Project Facilitation Fund (PFF) operates efficiently, transparently, and in a manner that supports the State's infrastructure objectives, it is essential to establish a robust and clearly articulated access framework. This framework serves as the governing set of rules and procedures that determine eligibility, define the application process, and specify the conditions under which financial or technical support may be granted.

A well-designed access framework does more than simply regulate entry—it strengthens the credibility and integrity of the Fund, promotes fairness among participating Ministries, Departments, and Agencies (MDAs), and guarantees that resources are deployed toward projects that offer the highest developmental and socioeconomic impact

A. Eligible Applicants

The following institutions may be eligible to access the PFF:

- State Ministries, Departments, and Agencies (MDAs) proposing infrastructure or PPP projects.
- State-Owned Enterprises (SOEs) and Special Purpose Entities with government ownership or mandate.
- Private Sector Project Sponsors, only for specific windows (e.g., viability gap grant or co-financing) and subject to strict eligibility criteria. However, this shall apply to solicited PPPs only or where Development Partner-Funded Projects aligned with State priorities require counterpart preparation support.

Note: A clear policy/guideline shall define access criteria, safeguards or cost-recovery terms.

B. Eligibility Criteria for Projects

To access funding, projects must meet minimum eligibility thresholds, such as:

- Alignment with State Development Plans, Sector Strategies, or Infrastructure Roadmaps; • Demonstrated public interest, potential for private sector participation, or socio-economic impact;
- Demonstrated potential value for money impact.
- Clear indication of budgetary commitment (e.g., for counterpart funding or capital investment);
- Not already fully funded by another source;
- Maturity level appropriate for the proposed support (e.g., concept note available for pre-feasibility, or preliminary studies completed for transaction support).

C. Application Process

The Fund Management Unit (FMU) or host institution shall design a streamlined, multi-stage application process. See a sample below:

Table 3: Sample Application Process for Accessing the PFF

Stage	Activity	Description	Responsibility
Stage 1	Expression of Interest (EOI) / Concept Note Submission	Applicant submits a brief concept note outlining project objectives, stage of development, estimated cost, and type of support requested.	Applicant (e.g., MDA, SOE)
Stage 2	Preliminary Screening	The Fund Management Unit (FMU) screens for eligibility, strategic alignment, and completeness. Shortlisted applicants are invited to submit a full application.	FMU
Stage 3	Full Application Submission	Detailed applications are submitted using a standard template, including project rationale, technical scope, estimated budget, and preliminary work done.	Applicant
Stage 4	Technical Review and Due Diligence	FMU conducts internal/external assessment of project quality, readiness, and value-for-money. May include input from independent reviewers or technical panels.	FMU and Technical Review Team
Stage 5	Approval Process	Recommendation is submitted to the PFF Steering Committee or Governing Board for formal approval.	FMU & Steering Committee
Stage 6	Funding Agreement Signing	A Funding Agreement or Memorandum of Support is signed, outlining deliveries, disbursement schedule, compliance, and reporting obligations.	FMU & Applicant
Stage 7	Disbursement of Funds	Funds are disbursed based on agreed milestones or deliverables. It can be direct to service providers or to the implementing agency under strict conditions.	FMU
Stage 8	Monitoring and Reporting	Beneficiary provides regular technical and financial updates. FMU verifies progress and provides technical oversight.	Applicant & FMU
Stage 9	Support Close-Out & Readiness Assessment	Outputs are reviewed, lessons documented, and projects are assessed for next-stage financing (PPP procurement, budget inclusion, DFI support).	FMU

D. Disbursement Procedures

Disbursement of funds shall be milestone-based and performance-linked. Typical disbursement conditions include:

i. Submission of inception reports or detailed ToRs;

ii. Achievement of agreed milestones (e.g., completion of afeasibility study);

iii. Satisfactory review and approval of outputs by the FMU;

iv. Compliance with procurement and financial management protocols.

Disbursements may be made:

i. Directly to consultants or service providers (centralised procurement model); or

ii. To the MDA or project sponsor, based on verified expenditure and performance (reimbursable model).

E. Monitoring, Reporting, and Close-Out

Fund beneficiaries are required to submit regular progress reports and participate in review meetings. Upon completion, projects undergo a close-out review to assess:

i. Achievement of objectives ii. Lessons learned iii. Readiness for next-stage

financing (e.g., PPP procurement, budget inclusion, DFI engagement)

Outputs shall be properly documented and, where appropriate, made available for broader knowledge sharing.

E. Reapplication and Cost Recovery

i. Reapplication may be allowed for multi-stage support (e.g., a project may access pre-feasibility and later apply for transaction structuring).

ii. A cost-recovery mechanism may be applied in cases where:

- A private proponent benefits from the Fund;

15. The project achieves financial close and public resources have been used to catalyse preparation.

Cost Recovery - To safeguard PFF resources, MDAs accessing the Fund shall demonstrate commitment to advancing projects through co-funding or commitment fees, with disbursements released in tranches tied to clear milestones. Where a project is discontinued without justifiable cause, clawback provisions shall apply, allowing recovery of disbursed amounts from the MDA's budget allocations. Unused funds are to revert to the PFF, while repeated misuse could attract sanctions, including restricted future access. These measures ensure accountability, deter waste, and preserve the PFF for genuine PPP pipeline development.

6 Monitoring, Evaluation, and Reporting (MER)

States establishing a Project Facilitation Fund (PFF) shall incorporate a fit-for-purpose Monitoring, Evaluation, and Reporting (MER) framework that tracks both fund-level performance and project-level progress. The MER system shall be designed to promote accountability, learning, and continuous improvement, with clearly defined indicators linked to project readiness milestones, disbursement conditions, and expected outcomes. States are encouraged to adopt periodic reporting cycles, integrate independent verification mechanisms, and ensure transparency through public disclosure of key metrics. Where possible, digital tools and dashboards can be leveraged to streamline data collection, enhance real-time oversight, and support evidence-based decision-making.

7 Risk Management and Safeguards

A strong risk management and safeguards approach is essential to protect the credibility, sustainability, and developmental impact of the PFF. States shall anticipate and address risks across financial, institutional, operational, and environmental domains, while embedding clear procedures for due diligence, fiduciary oversight, and stakeholder engagement. It is recommended that safeguards be aligned with national regulatory frameworks and, where applicable, global standards such as the World Bank Environmental and Social Framework or IFC Performance Standards. Establishing internal control systems, grievance mechanisms, and independent audit functions will further strengthen the Fund's integrity and public confidence. The risk management approach shall be adaptive, with periodic reviews to reflect emerging realities and evolving project pipelines.

8 Conclusion

This Operational Manual provides the foundation for a transparent, efficient, and sustainable Public-Private Partnership (PPP) framework in Oyo State. It sets out a clear, standardised process for project identification, preparation, procurement, and contract management—ensuring that all PPP initiatives are developed with rigor, fiscal responsibility, and alignment to State priorities. By clarifying institutional roles and introducing structured mechanisms for project preparation, oversight, and stakeholder engagement, the Manual strengthens the State's capacity to deliver high-quality infrastructure and public services through partnerships that create long-term value.

The Manual underscores the importance of disciplined project preparation, competitive procurement, sound risk allocation, and continuous monitoring. It also reflects the State's careful consideration of various institutional models and its commitment to adopting arrangements that balance technical excellence, fiscal prudence, and operational efficiency. With these provisions, Oyo State is better positioned to build a robust pipeline of bankable projects, attract credible private investors, and safeguard public interest throughout the PPP lifecycle.

Successful implementation of the procedures outlined in this Manual will require the active participation, collaboration, and professionalism of all Ministries, Departments, Agencies, and private sector partners. As a living document, it will be periodically reviewed to incorporate emerging trends, lessons from implementation, and evolving policy priorities.

By adhering to this Manual, Oyo State reaffirms its commitment to good governance, sustainable development, and innovative financing—ensuring that PPPs contribute meaningfully to inclusive growth and improved quality of life for all residents of the State.

Dated this **1st** day of **December** 2025

DIRECTOR-GENERAL
OYO STATE INVESTMENT AND PUBLIC-PRIVATE PARTNERSHIP AGENCY