



Presidential Infrastructure Development Fund (PIDF) Quarterly Progress Report for the Utilization of the Recovered Assets

Q3 2021

Confidential

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Summary of Ongoing Projects

- On 25th February 2018, His Excellency President Muhammadu Buhari (GCFR) approved the establishment of the Presidential Infrastructure Development Fund (“PIDF”) to accelerate the execution of strategic infrastructure projects essential to the rapid growth and modernization of Nigeria’s economy.
- The Nigeria Sovereign Investment Authority (“NSIA”) is currently acting as the Fund Manager for PIDF and is responsible for overseeing the development of the Ongoing Projects which include (i) Lagos-Ibadan Expressway (“LIE”), (ii) Second Niger Bridge Project (“2NB”), and (iii) Abuja-Kaduna-Zaria-Kano Road (“AKR”).
- LIE and 2NB are expected to be completed by 2022, while AKR is expected to be completed in 2024 given the additional scope.
- The Ongoing Projects will be commercialized through tolling, concessions, marketing and other revenue generating strategies, with LIE forecasted to be the most lucrative due to its heavy traffic count and location.
- Dar Al-Handasah Consultants Limited in consortium with TSL Engineering Limited (“Dar and TSL”) has been engaged as the Technical Adviser (“TA”) on LIE and is in the process of being engaged as the TA on 2NB.
- The engagement of Ondur Engineering Limited & Hancock Ogundiya & Partners Limited as the TA on AKR is being finalised. In the meantime, Dar and TSL is playing the role of TA on AKR.

Project	Contract Sum (₦'bn)	Recovered Funds Allocated (₦'bn)	Recovered Funds Disbursed (₦'bn)	Total Funds Disbursed by PIDF (₦'bn)	Project Completion Status
LIE	311.4	42	0	92.1	70.4%
2NB	206.2	42	4.8	142.1	72%
AKR	155.7	42	2.1	119.9	99% REBEME and 19% ABEME
Total	673.3	126	6.9	354.1	

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₦311.4 Billion	₦0 Billion	₦92.1 Billion	July 2022	JBN & RCC
Contract Sum	Recovered Funds Disbursed	Total Funds Disbursed	Est. Completion Date	Contractors

Overview

- The Lagos-Ibadan Expressway ("LIE") is a 127.6 km-long expressway widely regarded as the busiest interstate in the country and the major connection route between the northern, southern and eastern parts of Nigeria.
- The project is being executed in two sections; Section I (Lagos-Shagamu) is constructed by Julius Berger Nigeria Plc ("JBN"), while Section II (Shagamu-Ibadan) is by Reynolds Construction Company ("RCC")

Contractor	Original Contract Sum (₦'bn)	Augmentation (₦'bn)	Revised Project Cost (₦'bn)
JBN - Section 1	70.8	64.1	134.9
RCC - Section 2	96.3	80.2	176.5
Total	167.1	144.3	311.4

Current Status

- Section 1 - 74% of LIE Section 1 which is being handled by JBN has been completed to date and ~~₦~~₦37.3 bn has been disbursed to JBN for works done on this project.
- Section 2 – 66.89% of LIE Section 2 which is being handled by RCC has been completed to date and ~~₦~~₦54.8 bn has been disbursed to JBN for works done on this project.
- During a recent site visit, JBN and RCC indicated that the cost of the LIE project is being revised and a proposal for augmented cost has been submitted to the Federal Ministry of Works and Housing ("FMWH") for approval.
- The PIDF has requested for a copy of the augmentation proposal from FMWH, to enable NSIA determine the potential impact of the proposed revisions on the PIDF and its funding plan.

Lagos-Ibadan Expressway Pictures



₦206.2 Billion	₦4.8 Billion	₦142.1 Billion	November 2022	JBN
Contract Sum	Recovered Funds Disbursed	Total Funds Disbursed	Est. Completion Date	Contractors

Overview

- The Second Niger Bridge project involves the construction of a 1.6km bridge across the River Niger, with two separate superstructures and 10.3km roads, linking Anambra and Delta States, in the southeast of the country.
- The project is being executed by JBN.

Current Status

- 72% of 2NB has been completed to date and ₦142.1 bn has been disbursed to JBN for works done on this project.

Second Niger Bridge Pictures



₦155.7 Billion	₦2.1 Billion	₦119.9 Billion	Q1 2024 (ABEME)	JBN
Contract Sum	Recovered Funds Disbursed	Total Funds Disbursed	Est. Completion Date	Contractors

Overview

- The Abuja–Kaduna–Kano road original project involves the rehabilitation, expansion and construction of 92.5km (25%) of the 375.9km dual carriageway.
- The scope of the project changed from a rehabilitation to the full reconstruction of 375km as directed by Mr. President in June 2020, with total project cost at ₦655.2bn
- The project is being executed by JBN.

Current Status

- 99% Revised BEME (REBEME2) and 19% Augmentation BEME (ABEME) of the AKR scope has been completed to date and ₦119.9 bn has been disbursed to JBN for works done on this project.

Abuja Kano Road Pictures



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Project	Project Cost (₦'bn)	Recovered Funds Disbursements (₦'bn)	Balance of Recovered Funds (₦'bn)
Lagos-Ibadan Expressway - Section 1	134,861,795,702.80	-	21,000,000,000.00
Lagos-Ibadan Expressway - Section 2	176,503,909,310.20	-	21,000,000,000.00
Second Niger Bridge	206,151,693,014.87	4,788,379,066.37	37,231,620,933.63
Abuja Kano Road	155,740,626,078.07	2,124,332,300.92	39,875,667,699.08
Total	673,258,024,105.93	6,912,711,367.29	119,107,288,632.71

- At the point of execution of the Ongoing Projects' contract, the Value Added Tax ("VAT") and Withholding Tax ("WHT") rates were both 5%.
- Following the passage of the Finance Act 2019 ("Finance Act"), the PIDF engaged tax consultants and the Federal Ministry of Works and Housing ("FMWH"), to ascertain the implication of the Finance Act on the existing contracts for the Ongoing Projects. The PIDF was advised to maintain both WHT and VAT at 5%.
- On August 25, 2021, the Tax Policy and Advisory Department of Federal Inland Revenue Service ("FIRS") provided the following clarification to the PIDF regarding applicable WHT and Tax rates for the construction contracts under the PIDF:
 - i. The directives of the Finance Act and FIRS Clarification on "Sundry Provision of the Finance Act 2019 as it relates to the Companies Income Tax Act (CITA)", Section 81 (2) of the Companies Income Tax Act (as amended) provides that in the case of actual constructions works on roads, bridges, buildings and power plants construction contracts, the WHT rate shall not exceed 2.5%.
 - ii. The Finance Act and FIRS circular no. 2021/08 titled "Clarification on the Implementation of the Value Added Tax (VAT) Provisions in the Finance Act 2019", provides that VAT shall be computed at the rate of 7.5% on the value of all goods and services as determined under sections 5 and 6 of the Act.
- Following this clarification from the FIRS, the PIDF has written and advised the Federal Ministry of Works ("FMWH") that the PIDF will commence application of VAT rate of 7.5% and WHT rate of 2.5% to the Interim Certificates received from the FMWH.

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FEDERAL MINISTRY OF WORKS & HOUSING
HIGHWAYS (BRIDGES & DESIGN) DEPARTMENT
HEADQUARTERS, ABUJA



ENGINEER'S CERTIFICATE

CERTIFICATE NO: TWENTY-SEVEN (27)

CONTRACT: CONSTRUCTION OF THE MAIN WORKS INCLUDING ASSOCIATED INFRASTRUCTURE FOR THE 2ND NIGER BRIDGE LINKING ANAMBRA AND DELTA STATES (CONTRACT NO. 6475)

CONTRACTOR MESSRS. JULIUS BERGER NIGERIA PLC

CONTRACT SUM: N206,151,693,014.87

I hereby certify that

MESSRS: MESSRS. JULIUS BERGER NIGERIA PLC

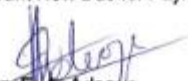
are due the sum of

N4,788,379,066.37 (Four Billion, Seven Hundred and Eighty-Eight Million, Three Hundred and Seventy-Nine Thousand, Sixty-Six Naira, Thirty-Seven Kobo) only (5% VAT Inclusive)

Being payment for works executed for the period ending June, 2021, for the:

CONSTRUCTION OF THE MAIN WORKS INCLUDING ASSOCIATED INFRASTRUCTURE FOR THE 2ND NIGER BRIDGE LINKING ANAMBRA AND DELTA STATES (CONTRACT NO. 6475)

Total Amount Certified to Date:	-	N135,303,983,061.64
Total Amount Previously Certified:	-	N130,743,622,046.05
Total Amount Due (without VAT):	-	N4,580,361,015.59
Amount of V.A.T. Payable (5%):	-	N228,018,050.78
Amount Now Due for Payment:	-	N4,788,379,066.37


Engr. E. A. Adeoye
 Director Highways (Bridges & Design)
 17th August 2021



FEDERAL MINISTRY OF WORKS & HOUSING

HIGHWAYS CONSTRUCTION AND REHABILITATION DEPARTMENT

ENGINEER'S CERTIFICATE

Certificate No: **Thirty-One (31)**

Contract No: 6350: **Rehabilitation of Abuja - Kaduna - Zaria - Kano Road in FCT, Kaduna and Kano States.**

Contractor: **Messrs. Julius Berger Nigeria Plc**
 NO. 10, Shettina A. Munguno Crescent,
 Utako,
 Abuja.

I hereby Certify that:

Messrs Julius Berger Nigeria Plc is due for payment in the sum of **NGN2,124,332,300.92K** for works executed on the project during the period ending June, 2021.

<u>Head</u>	<u>Sub Head</u>
Contract Sum:	NGN 155,740,626,078.07
Total Sum now due:	NGN 114,360,219,871.73
Less Amount previously certified:	NGN 112,337,046,251.81
Amount Payable to Contractor:	NGN 2,023,173,619.92
Add 5% VAT	NGN 101,158,681.00
Total Amount Payable in this Certificate:	NGN 2,124,332,300.92


Engr. F. B. Esan
 Director Highways (Construction and Rehabilitation)
 23rd August, 2021

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Abuja – Kaduna – Zaria - Kano Road

1. Works Done for the Period of June 2021:

- On going Site Works:

- a) Section 1: Abuja – Kaduna

- Earthworks – Filling of embankments near Suleja & Gujeni
- Road markings (Northbound) near Suleja & Gujeni
- Excavation for Concrete Median Drains near Suleja & Tafa
- Casting of Concrete Median Drains near Suleja & Gujeni
- Grass planting at the median near Suleja & Gujeni
- Installation of Box culvert (Northbound and Southbound) near Suleja & Tafa
- installation of PC Chutes at the median near Suleja

- b) Section 2: Kaduna – Zaria

- Site clearing (Northbound) near Maraban Jos/Birnin Yero
- Milling of existing pavement (Northbound) near Maraban Jos/Birnin Yero
- Earthworks – Formation level (Northbound) near Maraban Jos/Birnin Yero and (Southbound) near Jaji
- Soil stabilisation (Southbound) near Jaji & Lamban Zango
- Laying of BSM (Southbound) near Lamban Zango/Dumbe Dutse & Dutsan Abba/Dumbu Rauga
- Laying of Asphaltic Binder Course (with PmB) (Southbound) from Dumbe Dutse to Dumbu Rauga
- Laying of Asphaltic Wearing Course (with PmB) (Southbound) near Dumbu Rauga
- Excavation for Concrete Median Drains near Maraban Jos
- Casting of Concrete Median Drains near Mararaban Jos
- Installation of Box culvert (Northbound) near Maraban Jos and (Southbound) near Maraban Jos & Jaji
- Installation of Precast Concrete Chutes at the median near Unguwan Fate & Lamban Zango
- Laying of kerbstones at U-turn near Maraban Jos & Dumbu Rauga
- Grass planting at the median from Dutsan Abba/Dumbu Rauga
- Sectional road repair works (Northbound) near Sabon Yalwa and (Southbound) near Dogarawa

Abuja – Kaduna – Zaria - Kano Road

c) Section 3: Zaria – Kano

- Site clearing (Southbound) from Kariya to Kafin Mai Yaki and near Kura & Karfi Town
- Scarification of existing shoulders (Southbound) from Kariya to Kafin Mai Yaki and near Kura & Karfi Town
- Milling of existing pavement (Southbound) near from Kariya to Kafin Mai Yaki and near Kura & Karfi Town
- Earthworks – (Southbound) near Kafin Mai Yaki & Karfi; side slope embankment near Kadawa Gate
- Soil stabilization (Southbound) near Bauren Tanko/Imawa & Karfi Town
- Laying of BSM (Northbound) near Chiromawa & Imawa Town (Southbound) from Bauren Tanko to Imawa Town
- Laying of Asphaltic Binder Course (with PmB) (Northbound) near Chiromawa & Imawa Town and (Southbound) near Imawa Town
- Laying of Asphaltic Wearing Course (with PmB) (Northbound) near Chiromawa Town and (Southbound) near Dorawar Sallau Town
- Excavation for Concrete Median Drains near Dakasoye, Kura, Imawa & Karfi Towns and side slope embankment (Northbound) near Dakatsalle & Chiromawa Towns
- Casting of Concrete Median Drains near Dakasoye, Kura, Imawa & Karfi Towns
- Installation of Kerbstones (Southbound) near Chiromawa & Imawa Town
- Painting of kerbstones at U-turn near Yadakwari Town
- Casting of U-turn island near Chiromawa & Kadawa Gate
- Installation of Concrete Box Culvert (Northbound) near Chiromawa Town; and (Southbound) near Karfi Town
- Removal of existing Concrete Median Barriers from Tashar Ango to Kafin Mai Yaki, Kura & Karfi Town
- Grass planting at the embankments (Northbound) near Dakatsalle & Imawa Town
- Demolition of existing culvert (Northbound) near Karfi Town and (Southbound) near Dakasoye Town
- Sectional road repair works (Northbound) near Tashar Taba Sani Town

2. Summary of IC No.31 (June 2021):

- The amounts as calculated and vetted by the Engineer for this period's permanent works are consistent with the works observed at the site inspection, consistent with the amounts claimed by the Contractor, and consistent with the verification calculations.
- The Interim Certificate IC No.31 shows an amount (inclusive of 5% VAT) of ₦ 2,124,332,300.92 (Two Billion, One Hundred Twenty-Four Million, Three Hundred Thirty-Two Thousand, Three Hundred Naira and Ninety-Two Kobo) due to the Contractor (Julius Berger Nigeria Plc.) for the period ending June 2021.
- It is considered that the amount (inclusive of 5% VAT) of ₦ 2,124,332,300.92 (Two Billion, One Hundred Twenty-Four Million, Three Hundred Thirty-Two Thousand, Three Hundred Naira and Ninety-Two Kobo) due to the Contractor (Julius Berger Nigeria Plc.) for the period ending June 2021.

The Second Niger Bridge

1. Works Done for the Period of June 2021:

- On-going Site Works:

- a) Niger Bridge:

- West Approach Bridge Superstructure – Incremental launching:
 - Segment 13 (South) – Launched
 - Segment 14 (South) – Rebar prefabrication
- Main Bridge Superstructure:
 - Axis 250 (North) – Installation of VBC-3
 - Axis 250 (South) – Installation of VBC-4
 - Axis 260 (North) – Removal of equipment and materials
 - Axis 260 (South) – Removal of equipment and materials
 - Axis 270 (North) – Casting of segments 1 (East/West) completed
 - Axis 270 (South) – Installation of VBC-2
 - Axis 280 (North) – Removal of equipment and materials
 - Axis 280 (South) – Removal of equipment and materials
- East Approach Bridge:
 - Installation of drain and filter layer
 - Installation of geotextile upper layer
 - Backfilling of abutment 330

- b) Access Roads:

- Earthworks and road pavement:
 - Sand fill at CH 27+870 to 28+000
 - Removal of surcharge at CH 28+321 to 28+700 completed; CH28+000 to 28+280
 - Compaction and levelling to formation level at CH 29+300 to 29+400 (RHS)
 - Cement stabilization at CH 29+880 to 30+100 and CH 32+590 to 32+900 (LHS)
 - 1st layer crushed stone base at CH 32+100 to 32+32+370 (LHS)
 - 2nd layer crushed stone base and asphalt prime coat at CH 30+980 to 32+890 (RHS)
 - GEC installation at CH 30+400 to 30+730
- Culverts and storm water drainage:
 - Installation of chutes at CH 30+891 to 31+560 (LHS)
 - Installation of gully at CH 30+891 to 31+560 (LHS)
 - Installation of box culvert 30+200
 - Storm drain at CH 33+525 to 33+585, 33+700 to 33+760 and 34+595 to 34+650
 - Backfilling of storm drain at CH 28+995 to 29+410 on-going
 - Procurement of precast concrete pipes and manhole components for culverts
- Amakom Bridge:
 - Stone pitching at Axis 10 embankment (RHS) completed
 - Formwork installation and casting of median barrier
- Electrical works:
 - Laying of cable ducts at 23+000 to 25+525 (RHS) and Installation of street lighting foundation at 25+177 to 25+300 (RHS)
 - Installation of JBL and cable ducts at CH 29+353 and Raising/shifting of 330kV high tension lines at CH 33+380 and 33+80

The Second Niger Bridge

c) Owerri Interchange:

- Earthworks and road pavement:
 - Scarification, clearing, levelling and filling of laterite to formation level of Onitsha-Owerri Expressway
 - Slope cutting and top soiling at CH 34+664 to 34+895 (LHS)
 - Clearing and levelling of quadrant 3
 - Top soiling of slip roads 1, 2, 5 and main road 1 embankments at quadrant 4
 - Grassing and wicker works at quadrant 2 and 4
 - Installation of electrical ducts
 - Installation of street lighting foundation at quadrant 4
- Culverts and storm water drainage:
 - Excavation, formwork and casting of concrete v-drain at Onitsha-Owerri Expressway (RHS) and slip road 3
 - Installation of culvert C2 inlet structure
 - Installation of chutes at Main Road 1
 - Construction of U-channel U-channel at quadrant 2: Connection to C20 done; outlet pending
 - Construction of U-channel connecting culvert C4 to C6
 - Construction of U-channel connecting C7 and C8
- Construction of flyover bridge:
 - Installation of centre parapets and verge completed (LHS/RHS)

d) Toll Station:

- Vehicle Service Building:
 - Block work for walls
 - Plastering of inner walls
 - MEP works
 - Roofing
 - Installation of windows
- O&M Building:
 - MEP works
 - Installation of windows and doors
- Control Building:
 - Reinforcement, formwork and casting of first floor columns and walls
 - Reinforcement and formwork for first floor deck
 - Block work for walls
- Exit Building:
 - Roofing
 - Installation of windows and doors
- Security Building:
 - Roofing
 - MEP works
 - Installation of windows and doors
- Utility Building:
 - Levelling and blinding for foundations
 - Reinforcement installation and formwork placing for strip foundation
- Filling Station:
 - No activity
- Toll booths:
 - MEP works
 - Blinding and reinforcement and casting of booth foundations
 - Reinforcement for walls
- Infrastructure:
 - Casting of concrete pavement
 - Installation of sanitary and air condition pipes
 - Installation of power cable pipes and manholes
 - Installation of closed U-channel, ground piping for roof drains, storm water drains and manholes
 - Prefabrication and production of precast elements

The Second Niger Bridge

2. Summary of IC No.27 (June 2021):

- Dar and TSL confirms that the permanent works reflected in IPC 27 are executed and is aligned with the Schedule version 4 of programme of works.
- IC No.27 was duly vetted by the Federal Ministry of Works and Housing (The Engineer) and further checked by the Technical Advisor (Dar Al-Handasah Consultants Ltd).
- The amounts as calculated and vetted by the Engineer for this period's permanent works are consistent with the works observed at the site inspection, consistent with the amounts claimed by the Contractor, and consistent with the verification calculations.
- The Interim Certificate IC No.27 shows an amount (inclusive of 5% VAT) of ₦ 4,788,379,066.37 (Four Billion, Seven Hundred Eighty-Eight Million, Three Hundred Seventy-Nine Thousand, Sixty-Six Naira and Thirty-Seven Kobo) due to the Contractor (Julius Berger Nigeria Plc.) for the period ending June 2021.
- The FMWH has relied on the cumulative amounts for the permanent works, certified in IC 26, as the basis for calculating the cumulative amounts in IC 27 and hence the amounts due for the permanent works in IC 27.
- It has been observed that for Bill No.1:
 - The Total amount of ₦ 3,446,266,990.89 that was certified, is the total amounts of the previous Certificates for ₦ 3,301,390,437.63, in addition to the current IPC 27 for ₦ 144,876,553.26.
- Therefore, Dar and TSL considers that the amount (inclusive of 5% VAT) of ₦ 4,636,258,685.44 (Four Billion, Six Hundred Thirty-Six Million, Two Hundred Fifty-Eight Thousand, Six Hundred Eighty-Five Naira and Forty-Four Kobo) is due for payment to the Contractor for IC No.27.
- The difference between the amount certified by the Federal Ministry of Works and Housing (The Engineer), and the amount recommended by the Technical Advisor (Dar Al-Handasah Consultants Ltd and TSL Engineering Ltd.) is due to the omission of amounts certified in Bill No.1 for IC No.27 as shown in the table below.

	Accumulated IC 27 June 21 Certified by FMWH	Accumulated IC 27 June 21 Recommended by DAR & TSL
A1 Extent Value of Permanent Works Executed (Bill No.2 to 8)	114,208,000,420.40	114,208,000,420.40
A2 Deduct 10% Retention Up to Limit in Clause 60 (Limit: 5%)	0.00	0.00
A3 Add value Permanent Works	0.00	0.00
A4 Add Reassignment of Retention	0.00	0.00
A Subtotal (A1-A2+A3+A4)	114,208,000,420.40	114,208,000,420.40
B1 ADD Value of Bill No.1	3,446,266,990.80	3,301,390,437.63
B Subtotal (B1)	3,446,266,990.80	3,301,390,437.63
C1 Add Temporary Advance for Material on Site	0.00	0.00
C2 Add Advance Payment	29,450,241,060.33	29,450,241,060.33
C3 Deduct Reassignment of Advance	15,651,085,828.30	15,651,085,828.30
C Subtotal (C1+C2-C3)	13,799,156,031.02	13,799,156,031.02
D1 ADD: Variation in price labour	0.00	0.00
D2 ADD: Variation in price Materials	398,967,505.52	398,967,505.52
D3 ADD: Variation in price CPI	8,860,602,103.01	8,860,602,103.01
D4 ADD: Contingencies	0.00	0.00
D Subtotal (D1+D2+D3)	3,759,569,609.33	3,759,569,609.33
E1 Total Amount to be Certified (A+B+C+D) without VAT	135,967,600,030.64	135,159,108,500.12
E2 DEDUCT: Amount Previously Certified without VAT	130,248,622,046.05	130,248,622,046.05
E Total Amount due This month (E1-E2)	4,569,301,015.56	4,415,484,452.32
F ADD: VAT 5%	228,019,050.78	220,774,223.12
Total Amount due this month with VAT (E+F)	4,788,379,066.37	4,636,258,685.44

The End