Dear Honorable Minister:

Nigeria: Public Private Partnership Project
(Credit No. 4881-NG)
Amendment No. 1 to the Financing Agreement

We refer to the Financing Agreement dated September 25, 2011 (the “Agreement”) for the above-referenced Project, between the Federal Republic of Nigeria (the “Recipient”) and the International Development Association (the “Association”), as amended. We also refer to your letter F11377/S.34/C1606/T2 dated June 30, 2016, requesting the World Bank to cancel US$85 million equivalent from the Public Private Partnership Program (P115386, IDA Credit 4881-NG).

We are pleased to inform you that the Association agrees to your request and, therefore, will process the cancellation of SDR 61,330,929 as of June 30, 2016, as per the revised withdrawal schedule provided in Annex 2 to this letter and proposes to amend the Agreement in respect of the provisions as follows:

1. The name of the Project in the first page of the Financing Agreement is changed to “Public Private Partnership Project”

2. The Preamble to the Agreement is amended to read as follows:

   "AGREEMENT dated September 25, 2011, entered into between FEDERAL REPUBLIC OF NIGERIA (“Recipient”) and INTERNATIONAL DEVELOPMENT ASSOCIATION (“Association”). The Recipient and the Association hereby agree as follows:"

3. Article III, Section 3.01 is amended to read as follows:

   "The Recipient declares its commitment to the objective of the Project. To this end, the Recipient shall carry out the Project in accordance with the provisions of Article IV of the General Conditions."

4. Article IV, Section 4.01(a) is deleted in its entirety and the remaining two sub-paragraphs of Section 4.01 are re-lettered accordingly.

5. Schedule 1 to the Financing Agreement is hereby deleted in its entirety and replaced with the Schedule 1 attached hereto as Annex 1.

6. Section I, Part B of Schedule 2 to the Financing Agreement is amended to state as follows:
B. Project Implementation Unit

1. The Recipient shall maintain, at its Federal Ministry of Finance and at all times during the implementation of the Project, a Project Implementation Unit (PIU) with functions, staffing and resources satisfactory to the Association.

2. Without limitation to the provisions of paragraph 1 of this Part B: (a) the PIU shall be headed by a Project manager and comprise a procurement specialist, an accountant, and an environmental and social safeguard specialist, all with qualifications, experience and terms of reference satisfactory to the Association; and (b) the PIU shall be responsible for preparing Annual Work Plans and Budgets, developing a pipeline of PPP transactions, handling the day-to-day administration of procurement, financial management, environmental and social safeguards management, communication, monitoring and evaluation of Project activities, and reporting to the Project Steering Committee and the Association on all matters pertaining to the implementation of the Project and the use of the proceeds of the Financing.

7. Section I, Part C of Schedule 2 is deleted in its entirety and the remaining Parts are re-lettered accordingly.

8. The table set forth in Section IV, Part A, paragraph 2 of Schedule 2 to the Financing Agreement is deleted in its entirety and replaced with the table in Annex 2 attached hereto.

All other provisions of the Agreement, except amended herein, shall remain in full force and effect.

Please indicate your agreement with the foregoing amendments to the Agreements on behalf of the Recipient by countersigning and dating the two original copies of this letter and returning one countersigned original to us. The amendments to the Agreement shall become effective as of the date of countersignature of this letter.

Sincerely,

[Signature]

Rachid Boumessaooud
Country Director for Nigeria
Africa Region

AGREED:

FEDERAL REPUBLIC OF NIGERIA

By:

[Signature]

Name: Kemi Adecsun (Mrs)
Title: Honourable Minister
Date: 16th November, 2016
SCHEDULE 1

Project Description

The objective of the Project is to establish effective institutional and technical mechanisms and instruments for origination and development of PPP projects.

The Project consists of the following parts:

Part 1: Capacity Building and Regulatory Reform

Provision of technical advisory services, training, equipment and operational support to: (a) the ICRC to strengthen its capacity to carry out its PPP-related responsibilities assigned to it under the ICRC Legislation; (b) selected MDAs to deepen their PPP skills and increase their exposure to PPP international best practices, including among others development of PPP policies, studies and plans, preparation, management, monitoring and evaluation of PPP projects, environmental and social management of PPP projects, and provision of general and subject-specific PPP training for MDA staff; and (c) the ICRC and other relevant federal and state authorities to review and prepare amendments and/or new federal and state laws and regulations governing the operation of PPPs to ensure their alignment with the Recipient's PPP policy.

Part 2: PPP Preparation and Transactional Advisory Support

Provision of technical advisory services, training and operational support to the ICRC, the Recipient's Federal Ministry of Finance, the CBN, MDAs and participating financial institutions to develop commercially viable PPP transactions included in a pipeline acceptable to the Association, including: (a) preparation of outline business cases; (b) provision of transactional advisory and due diligence services to bring proposed PPP projects to commercial and financial closure; (c) carrying out of related environmental and social safeguards due diligence work; and (d) carrying out of related domestic, regional and international market outreach events and programs.

Part 3: Project Implementation and Monitoring and Evaluation

Provision of technical advisory services, training, equipment and operational support to the Federal Ministry of Finance to oversee the activities to be carried out under the Project and to provide financial management, procurement, environmental and social safeguards management, communication, and monitoring and evaluation services, including the carrying out of financial audits.

Annex 1
<table>
<thead>
<tr>
<th>Category</th>
<th>Original Amount of the Financing Allocated (expressed in SDR)</th>
<th>Cancelled Amount (expressed in SDR)</th>
<th>Revised Amount of the Financing Allocated (expressed in SDR)</th>
<th>Percentage of Expenditures to be Financed (inclusive of Taxes)</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) Goods, consultants’ services including audits, and Training, Workshops and Study Tours:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(a) under Part 1 of the Project</td>
<td>25,400,000</td>
<td>22,400,000</td>
<td>3,000,000</td>
<td>100%</td>
</tr>
<tr>
<td>(b) under Part 2 of the Project</td>
<td>40,100,000</td>
<td>33,600,000</td>
<td>6,500,000</td>
<td></td>
</tr>
<tr>
<td>(c) under Part 3 of the Project</td>
<td>4,000,000</td>
<td>3,000,000</td>
<td>1,000,000</td>
<td></td>
</tr>
<tr>
<td>(2) Operating Costs</td>
<td>1,000,000</td>
<td>300,000</td>
<td>700,000</td>
<td>100%</td>
</tr>
<tr>
<td>(3) Refund of Preparation Advance</td>
<td>2,000,000</td>
<td>830,929</td>
<td>1,169,071</td>
<td>Amount payable pursuant to Section 2.07 of the General Conditions</td>
</tr>
<tr>
<td>(4) Unallocated</td>
<td>1,200,000</td>
<td>1,200,000</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td><strong>TOTAL AMOUNT</strong></td>
<td>73,700,000</td>
<td>61,330,929</td>
<td>12,369,071</td>
<td></td>
</tr>
</tbody>
</table>
The Country Director,
World Bank Country Office,
Plot 102, Yakubu Gowon Crescent,
Asokoro,
Abuja.

PUBLIC PRIVATE PARTNERSHIP PROJECT (PPP); FORWARDING THE EXECUTED AMENDMENT No.1 TO THE FINANCING AGREEMENT

I am directed to refer to the above subject and to forward herewith the executed Amendment No. 1 to the Financing Agreement for the Public Private Partnership Project (PPP) for your necessary action.

2. Please, accept the warm regards of the Honourable Minister of Finance.

Haruna Mohammed
Director, International Economic Relations
For: Honourable Minister of Finance