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INFRASTRUCTURAL DEVELOPMENT AND ADMINISTRATION IN AKWA IBOM STATE: PUBLIC PRIVATE PARTNERSHIP (PPP) OPTION

by

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ABSTRACT

Availability of infrastructure is a matter of serious concern to any nation since development cannot take place without it. In spite of the fact that infrastructure is sine-qua-non for the development of any nation it is observed that most developing countries due to lack of fund find it, difficult to provide even basic infrastructure to their steaming population. This work examined the possibility of exploring public private partnership (PPP) for development and administration of infrastructure in Akwa Ibom State. The work is of the view that the success of adopting public private partnership in development and administration of infrastructure in Akwa Ibom is a function of understanding and commitment by the parties involved in the partnership. It adopted descriptive method and relied on secondary data for information to beef up the result. The findings revealed that Akwa Ibom State has enormous potentials to develop and administer infrastructure through the use of PPP. Mentions are made of some of the areas in which the states can maximize the use of PPP for the benefits of the citizens

Key words: Public-Private, Partnership, Infrastructure, Commitment

1. INTRODUCTION

Basic infrastructure constitutes the bedrock of economic activities in any country given that it serves as primary inputs in most economic activities. Any country that wants to achieve economic success must modernize and maintain roads, bridges, water system, electricity etc. It is only when such infrastructural facilities are available that such country is opened for business to operate productively and grow and this

in turn will create economic opportunity for citizens. Due to lack or deteriorated level of infrastructure most people are drinking untreated water from untreated wells, untreated surface water and contaminated water from rivers, lakes and ponds which has led to increase in water borne diseases. The same could be said of other infrastructure such as electricity, health, educational and communication. Available statistical data on infrastructural de-

velopment in the country reveal that existing infrastructure is either inadequate, unavailable, or of poor quality. Despite the cost and inconvenience imposed by unavailability or inadequate or decrepit infrastructure, outlays for both capital investment and operation and maintenance made by governments at various levels for provisions of these basic facilities have in recent time declined. Many governments are confronted by fiscal constraints that force them to carefully prioritize and restrict public expenditures on provision of infrastructure services. In recent times inadequate cost recovery mechanisms, the tariffs or user-charges for electricity, water supply, telephone, and other publicly-provided services have been a contentious issue. Yet efficient provision for operation and maintenance of facilities requires full-cost pricing of services. In the other hand, Nigerians generally prefer that the services be subsidized.

All along, it had always been government primary responsibility to provide basic infrastructure for its citizens. The need to reverse poor state of infrastructure in the country due to years of underinvestment in this area, calls for a rethink on how to create, manage and maintain infrastructure investment. Many governments do not want or cannot afford to assume full financial responsibility for their infrastructure projects. They may also lack the personnel and expertise necessary to develop and manage these projects. The privatization of the project however, may not be desired or appropriate (for example, for roads, highways and bridges or for assets that may have national security implications). As a result, some governments are pursuing the third option and are increasingly using PPPs to develop their infrastruc-

ture. Public-private partnerships (PPP) is one form of joint venture between the state and private sector organizations in the provision/financing of infrastructure. This work seeks to provide some insights into the advantages of PPP in infrastructure provision/financing in Akwa Ibom State.

2. CONCEPTUAL ISSUES

Infrastructure are basic essential services that are put in place to enable development to occur. Expanding more on the subject, Ilori (2002) Estache (2004) Espiritu (2005) conceive infrastructure as an umbrella term for many activities and basic structures and facilities necessary for a country to function efficiently. They agree that the term infrastructure in economic parlance is synonymous with social overheads. The scholars mention among other things, buildings, transport, energy resources, roads, telecommunications, pipe borne water supply, railways, urban transport, ports, waterways as well as airport as constituting infrastructure. They see infrastructure as the totality of basic physical facilities upon which all other economic activities in a system depend.

The other concept, Public Private Partnership is defined as institutionalized cooperation and viable and politically attractive mechanisms between the public and private sectors which is likely to evolve as its context changes (Houghton, 2010). Consequently, Public Private Partnership (PPP) emerged as solution to enable collaboration between both sectors in several areas, including, ICT and advance technology (Hosman, 2011).

A public private partnership is a legally binding contract between the Government and private operator for delivery of public services through pro-

vision of assets and division of risks. In general the private sector undertakes the functions of project design, construction, technology, financing and operations, while the Government ensures that there is proper legislation in place for allowing the private operators to get involved.

During the last two decades, government around the world in both developed and developing countries started considering PPP, mainly, as a mean of reforming public sector. For instance, in the 1990s the UK governments reform its health sector through replacing the National Health Services (NHS) to a market-driven one through collaborating with private sector (Collins et al., 2000). In similar fashion, developing countries, such as, Lebanon adopted PPPs in several fields to enhance the growth of private sector activity by participating in infrastructure, manufacturing and services such as telecommunications and energy sectors in the country (Jamali and Olayan, 2004).

3. THE INFRASTRUCTURAL DEVELOPMENT AND ADMINISTRATION: WHOSE RESPONSIBILITY?

Infrastructure provision has traditionally been undertaken by the public sector. The initiation, planning, implementation, operations and maintenance of the projects have been traditional responsibilities of the public sector. The facilities are normally financed largely by tax revenues and managed by public sector agencies. For examples, Umoh (1981), Ilori ((2002), Akanji (1999), Fanoluni (2002) and Rostow (1973) agree that the provision of infrastructure for development rests on government. It is incumbent upon the state to provide its citizens with infrastructures. Government as Aquinas says and quoted by Tom (2015) is to

Lay the foundation of human happiness by maintaining peace and order; to preserve it by seeing that all the needful service of public administration, of judicature, and defence are performed, and to improve it by correcting abuses whenever they occur and by removing all the hindrances to the good life.

Rostow (1973) contains that in the early stages of development, government is seen to provide infrastructure such as overheads transportation, and telecommunications. At the maturing stage, for example, there is a shift to areas such as education, health and welfare services. Stage of mass consumption significantly witness income programmes and distributive welfare policies.

Similarly, Ilori (2002) claims that if it is to overcome the rigidities inherent mostly in developing countries, it is universally recognized that the state must play a positive role in infrastructural development. The scholar argues that the problems of infrastructural development in developing countries such as Nigeria are of such magnitude that they cannot be left to the free interplay of the economic forces. For this reason the author admits that state action is, therefore, indispensable for the economic development of such countries. The current realities in infrastructural development in the country the author include the lack of commercial orientation in service production, excessive regulation leading to high cost of services, poor maintenance of equipment, inadequate investment in modern equipment, inadequate and inefficient delivery of services in relative to demand and lastly undue interference of supervising ministries in the af-

fairs of the utility parastatals. The author notes that Nigeria's infrastructural system had decayed particularly in the areas of transport services, electricity, health care delivery, education and water supply. He argues that since the key services that will facilitate manufacturing and competitiveness are seriously lacking the productive sector continued to suffer. He, however, agrees that increasing private sector participation in the provision of infrastructural facilities through privatization, commercialization, management contracts, stronger cost recovery and effective regulation would improve the general and overall poor state of infrastructures in Nigeria.

According to world wide data base, during 1999-2002 private sector commitments to infrastructure in developing countries totaled ₦805 billion, or \$62 billion a year (Estache, 2004). The private commitment to infrastructure financing, however, dropped to \$47 billion, the lowest level since 1994. Currently as Estache (2004) observes private investment accounted for only 10-15 percent of estimated investment needs. Espiritu (2005) has advanced some reasons why private investment in infrastructure will not increase. One of such reasons is that infrastructure subjects private investors to major risks because the investments are often large and their costs can be recouped only over long period of time. The author contends that two additional special features of infrastructure create additional risks. These risks are first the investments are largely sunk which most of the times entails that the assets cannot be used elsewhere. Another special feature of infrastructure projects often provide services that are considered essential to the population, including the poor, besides the pricing

of infrastructure services becomes a sensitive issue in which the rate of return that is attractive to private investors is weighed against a rate that is affordable to the general population. These factors as the author observes make the returns from infrastructure projects vulnerable and uncertain. Therefore, Espiritu (2005) concludes that attracting private investment in infrastructure development often requires guarantees against such risks which are not forthcoming in a systematic manner from existing institutions.

4. THE TREND IN NIGERIA

According to Ebong (2008) in Nigeria, infrastructure services have typically been developed and managed by the government. The projects have been financed using general government revenues, loans from domestic and foreign commercial banks, bonds floatation, and bilateral/multilateral agency loans. Some of the existing infrastructure projects, such as the railways and the ports, were inherited from the colonial government. However, the bulk of the existing road network, bridges, airports, water and power systems were built by the post-independence Nigerian governments.

Government's efforts toward infrastructural development was boosted by the oil boom of the 1970s and the 1980s and greatly facilitated expansion of infrastructure investments. The oil boom also facilitated investment on infrastructure by enhancing the country's credit worthiness, thus making it possible for it to raise jumbo loans from the international capital market. These funds were used to finance the construction of petroleum refineries, the petroleum products pipeline distribution network, the failed steel mills and irrigation pro-

jects. However, the downturn in the international oil market as from the latter half of the 1980s up to the mid-1990s drastically reduced government revenues and saddled it with foreign debt servicing difficulties that subsisted until the 2006/2007 debt deals. This development took its toll on investments on infrastructure (Ebong, 2008).

Given the limited investment on new infrastructure and for the repair and maintenance of existing ones, lack of skilled manpower, and mismanagement, it is not difficult to comprehend the present dilapidated state of the infrastructural facilities in the nation. This happened even with the improvement in government's fiscal position following the increase in the price of oil in the global market in the past years. The fact that government with its improved fiscal position was unable to single-handedly provide infrastructure to its steaming population was a pointer that the public sector alone could not fund all the infrastructure projects required to achieve desired rate of economic growth in the country. Infrastructural development and administration by the public especially the Nigerian government has certain shortcomings which include;

- I. Inadequate infrastructure supply due to budgetary constraints.
- II. Delays in project completion schedules, with attendant cost overruns, and sometimes outright project abandonment.
- III. Poor quality service delivery.
- IV. Mismanagement and poor maintenance of facilities.
- V. Decrease in the price of oil which is the main source of revenue for the nation

In recognition of its limitation in provision and administration of infra-

structure singlehandedly the government of the federation had made several attempts and used several strategies aimed at provision of infrastructure for its steaming population. For example as part of their reorganization of the mode of infrastructure provision and administration in Nigeria, the Federal and State governments have attempted various forms of privatization for publicly-owned and managed infrastructure projects, such as:

- I. The sale of the government's telecommunications monopoly NITEL/MTEL, and the deregulation of the telecommunications sector. The revolution in this sector since 2001 has seen the number of telephone lines rising from about 500,000 to over 36 million in 2008.
- II. The concessioning of the sea ports in Lagos.
- III. Concessioning of power projects.
- IV. Proposed concessioning of major bridges, highways and the railways.
- V. The enactment of the necessary legislation for infrastructure concessioning and PPPs in the last few years, including the take-off of the Infrastructure Concession and Regulatory Commission in August 2008.

Such efforts of government towards infrastructural development and administration are yet to make noticeable impact.

5. INFRASTRUCTURAL DEVELOPMENT AND ADMINISTRATION: THE RELEVANCE OF PUBLIC PRIVATE PARTNERSHIP

PPP arrangements encompass a wide range of social and economic infrastructure projects; however, they have mainly been employed to build

and operate hospitals, schools, prisons, roads, bridges and tunnels, light rail networks, air traffic control systems, and water and sanitation plants.

PPPs emerged in the late 1990s in Europe and North America as privatization lost momentum and infrastructure needs grew. The degree to which the private sector assumes responsibility - including financial risk - differs from one project to another. There are many different PPP structures; some lend themselves to the development of new facilities otherwise known as Greenfield and some to the operation or expansion of existing assets sometimes referred to as Brownfield. There are also hybrid approaches.

Any Government aims to deliver quality services to its citizens. Due to the constraint size of the Government on one hand, it becomes impossible for the Government to meet all needs (Harris, 2003). Therefore, improving service delivery drives both the Government and private sector to do what they can do best. Infrastructure investments require huge capital for which the Government finances up to a certain amount. Therefore private sector participation smoothes the capital constraint taking into consideration that private sector has a more flexible access to recourses. This is especially a necessity in those countries that lack capital market and as a result private investment increases flow of capital, which otherwise would be difficult to be obtained.

The private sector brings in an advanced technology know-how because of experiences it acquires in other countries. As a result, public services are delivered with a more cost-efficiency than traditional approaches. In the case of PPPs projects in infrastructure in USA and UK the savings

amount to 15-30 percent and can be attributed to more efficient project management by the private investor, shorter construction time, as well as lower administrative expenses (Nkohma-Mbawa, 2006). But there are critics based on empirical studies that question the efficiency aspect of PPPs toward public sector due to the difficulty of balancing the interest of the poor against the interest of the private sector, because the last aims at profit maximization.

Harris et al. (2003) have shown that PPP increases access to services, efficiency, provide better quality services and have positive fiscal impacts. Andres et al. (2006) agreed that PPP can generate significant improvements in labour productivity, efficiency and product/service quality of the electricity firms. Nickson and Franceys (2003) provided evidence which suggests that the general public perception about the affordability of privately managed utility is not correct, as there are clear evidences that the utilities can significantly improve access to basic services to poor at affordable price. Joha and Janssen (2010) compared the strategic intents and motives for PPP in three projects using the case study method. Their findings indicated that PPPs were focused on developing new and innovative services and the projects were able to accomplish most of their intents at the expense of higher risks. Investments in hospitals, schools, highways, power plants, etc bear risks and by including private sector in such investments lowers public sector risk as the risk is shared among different private operators.

Also, public sector benefits from highly skilled risk management of the private sector, which is more efficient and innovative. Transferring risk to the

private sector reduces the potential for government cost overruns from unforeseen circumstances during project implementation giving the government budget certainty. According to a study made by Edwards and Shaoul (2003) the effectiveness of PPPs is analyzed and indicates that very often contractors fail to transfer risk and the public sector has to bear the major cost of the projects, which often lead to failure of PPP projects as in the case of UK.

Public services can be provided at a predictable cost as set out in contract agreements. Therefore, the government budget is improved through the fees collected from the private operators for the services rendered. Another positive aspect is a better public finances management, as the public funds that were planned for public investment can be used elsewhere.

Information is crucial to long term infrastructure projects, especially if information is confidential when private sector has invested to create intangible assets e.g pharmaceutical industry. Therefore, private sector participation becomes even more important due to the information it can offer. One of the last but not least benefits is the one related to asset management. The private operator which brings the technology and know-how uses assets provided by the public sector and as a result makes a better use in the long run.

Other benefits of Public Private Partnerships (PPP's) include the following:

1. Speedy, efficient and cost effective delivery of projects.
2. Value for money for the taxpayer through optimal risk transfer and risk management.
3. Efficiencies from integrating design and construction of public infra-

structure with financing, operation and maintenance/upgrading.

4. Creation of added value through synergies between public authorities and private sector companies, particular, through the integration and cross transfer of public and private sector skills, knowledge and expertise.
5. Alleviation of capacity constraints and bottlenecks in the economy through higher productivity of labour and capital resources in the delivery of projects.
6. Competition and greater construction capacity (including the participation of overseas firms, especially in joint ventures and partnering arrangements).
7. Accountability for the provision and delivery of quality public services through performance incentive management/regulatory regime.
8. Innovation and diversity in the provision of public services.
9. Effective utilization of state assets to the benefit of all users of public services.
10. Faster implementation.

Besides, PPP bring outside resources to bear on areas of local need. It contributes by:

- a) Ensuring sustainability of programmes by enhancing the skills and capacities of local organizations, and by increasing the public's access to unique expertise and core competencies of the private sector.
- b) Facilitating scale of proven, cost-effective interventions through private sector networks and associations.
- c) Expanding the reach of interventions by accessing target populations in their milieu (through workplace programmes) and

d) Sharing programme costs and promoting synergy in programmes. Additional partners contribute in kind - contributions that otherwise would be beyond the reach of implementers.

11. Better management in the private sector, and its capacity to innovate, can lead to increased efficiency. This, in turn, should translate to better quality and lower cost services.

The above mentioned benefits are mostly for the government. The private sector, which is the counterpart in the contractual agreement could also benefit from PPP. PPPs offer an opportunity to the private sector to invest in long-term investment projects that would not have been possible without Government permission. Through their investment in PPPs private sector becomes more experienced in the area/sector they participate, builds a reputation, which allow them to create additional business opportunities. For the private sector, PPPs present business opportunities in areas from which it was previously excluded. Exploitation of synergy through sharing of information and capabilities between the government and private sector project partners.

6. CHALLENGES OF PPP IN NIGERIA

The benefits of exploring the PPP option for provision and administration of infrastructure notwithstanding there are some challenges that must be well managed if PPP is to succeed. Babatunde et al (2012) had identified barriers to PPP that are common to most developing countries including Nigeria to include:

Social barriers: Social barriers, such as public opposition, cultural impediments, societal discontent against the private sector, public resentment due to tariff increases, lack of confidence and mistrust in PPPs among others are inimical to public private partnership. This agrees with Gunnigan and Rajput (2010) findings that social and cultural norms within a nation can significantly alter the behaviours of people, and ultimately affect the PPP operation and structures, and public opposition has led to many cancellations, both before and after the concession award.

Legal barriers: There are also problem of weak and poor enabling policies, poor regulatory frameworks and enforcement, weak institutional capacity and PPPs strategy, weak judicial framework/weak judiciary for resolving PPP disputes among others. These have constituted legal barriers to PPPs implementation in less mature economies. This finding is similar with Li et al., (2005) which identified lack of well-established legal framework as one of barriers to PPPs project implementation.

Economic barriers: Among economic barriers to implementation of PPP in the third world economic are the perceptions of developing countries as high risk economies by foreign investors, inability of local institutions to provide long term financing, difficulty in obtaining foreign exchange/foreign exchange risk and inadequate domestic capital market.

Environmental barriers: Environmental barriers to implementation of PPP include; land acquisition problems, lack of coordination between national and regional governments, lack of transparency and accountability, accusations of corruption and corrupt tendencies among others. Thus is becomes impera-

tive for governments in developing countries to create an enabling environment and favourable investment to make PPPs attractive.

Political barriers: Political renegeing, politicization of the concessions, lengthy delays due to political debate, lack of strong political commitment for PPPs among others were identified as political barriers which are similar to Kwak et al., (2009) findings that inadequate involvement and incapability of governments to manage PPP projects lead to project failures in developing countries.

Technological barriers: Technological barriers include lack of experience and expertise in public sector and private investors, inconsistent risk assessment and management, shortage of professionals to handle PPP projects, provision of incomprehensive up-front project information by public sector among others. The findings are similar with Li et al., (2005) and Mahalingam (2010) that lack of suitable skills and experience, and lack of project preparation capacity on the part of the public sector among others are barriers to PPPs project implementation. This shows that developing countries rely on mature economies professionals' expertise and skills to develop and structure their PPPs.

7. PROSPECT OF PPP IN AKWA IBOM STATE

Akwa Ibom State has great potentials both in human and natural resources to its advantage in application of PPP as an alternative mode for provision of infrastructure. The state has several ailing companies which could be reactivated and put back to use through the use of PPP. These companies include Plasto Crown, Sunshine Battery, Biscuit Company, Quality Ce-

ramic, Qua Steel Company, Qua Hotel, Peacock Company. It has advantage of having enough land mass that can harbour many companies. The State was able to leap out of the economic quagmire which has been the State's abode since its creation. This follows the abrogation of the obnoxious on-shore-offshore oil policy of the Federal Government and with the resulting improvement in the financial position of the State it has financial capability to engage in PPP as it is presently the state that receives the highest amount from federation account.

The state is also experiencing peaceful social condition as well as being blessed with enterprising human resources that can attract investors/partners. Other areas in which the state can use PPP to explore include development of seaport.

The state is ideal for development of a deep sea port because:

- i. Ibaka is deepest natural sea-land interface with minimal siltation (13 ft-draft without dredging) in Nigeria,
- ii. It has advantage of being short, deep and safe channel for international shipping and large vessels,
- iii. It serves as better option as a channel for international shipping mostly as Calabar channel now negatively impacted by the excision of Bakassi from Nigeria. (Usoro, 2008).

Abundance of natural resources bedrock for:

- iv. Maritime Transport and ancillary industries
- v. Agriculture (Fisheries and Forestry)
- vi. Oil and Gas
- vii. Tourism

For instance if Ibaka sea port is well developed, it would serve as regional hub for maritime transport, trading, import and export activities. Beside

Ibaka seaport other areas in which PPP could be employed includes

1. Specialized Fishing Terminal - Oron
2. River/feeder terminals - Ifiayong, Ikot Abasi, Uruan etc.

Deliver on ongoing enabler projects such as:

- 1) Completing Ibom Power Project and release productive power for industry and commerce.
- 2) Completing the Cargo & MRO Airport.

Attracting New Growth Pole Projects:

- 3) 200,000 b/d Refinery Project to AKS.

Aggressively attracting investments:

- 4) Expand Ibaka Port Project into Free Zone
- 5) O&G field Fabrication Yard.
- 6) Pipe Mills.
- 7) Fertilizer Plant.
- 8) Gas processing plants, Gas-to-Liquid (GTL) plants
- 9) Storage depots for petroleum products.

8. SOURCES OF CAPITAL FOR PPP

The ways private sector investors can raise financing for PPP investment include the following:

- i. Bank loans or sale of bonds, using the projected income stream from the project as collateral. The income could be by way of user charges or government purchases of the service.
- ii. Securitisation in the case where government has a claim on future project revenue.
- iii. Use of tax revenue to provide capital for investment.
- iv. Transfer of existing assets.
- v. Provision of a capital subsidy in the form of a one-time grant, so as to make the infrastructure investment more attractive to private investors.

- vi. Providing revenue subsidies, including tax breaks or by providing guaranteed annual revenues for a fixed period.

9. RECOMMENDATIONS

In order for Public Private Partnership to succeed, according to Ebong (2008), Attah (2008) and Usoroh (2008) there are certain conditions that must be met.

- First, it requires good understanding and communication between PPP participants. The establishment of realistic up-front expectations based on thorough economic analysis, and the support structures and flexibility to react and adapt when unforeseen situations occur and are necessary.
- There are also important risks to manage, which call for careful review of the allocation of financial risks and rewards, decision-making mechanisms and responsibilities, and the applicable regulatory and contractual framework. Accordingly, an accurate up-front evaluation of the likely trade-offs and benefit is key to appropriately designing and pro-actively managing of PPP. Such evaluation can uncover risks stemming from an inadequate regulatory framework or low institutional capacity, which may need to be addressed either through special provisions built into the contract or through separate reforms undertaken by the government (e.g. enhancing accreditation systems).
- Monitoring and evaluation mechanisms, performance indicators, targets and outputs, as well as any performance bonuses should be discussed upfront, built into contracts, and refined at the pi-

- lot stages if possible. It is critical that the public partner has sufficient capacity for oversight and for making timely adjustments as needed. External oversight methods can also be utilized (e.g. licenses to practice or to operate a facility or a specific technology, and accreditation according to agreed quality standards). In ensuring continuity in the monitoring and managing of quality and performance, it is helpful that a single task force, advisory board, and/or project management office be established for the duration of the project.
- There are instance where some governments in developing countries undertake PPPs without overall PPP policies which leads to ill-defined goals and a greater likelihood of problems with the projects implementation. It becomes necessary that all the stakeholders' for instance, primary stakeholders in PPPs implementation to identify the public interest goals before embarking on any PPPS project.
 - It is also necessary for governments to create stable economic and financial supports with a view to inducing confidence in both local and foreign PPP investors. Thus, it becomes imperative for governments to create an enabling environment and favourable investment to make PPPs attractive and other necessary conditions that must be taken into consideration to enhance the success of PPP.
 - Accountability for the outcomes of such partnerships should be clear. There is the need to have explicit, transparent and adequate mechanisms which ensure the involvement of all stakeholders in the process. -
- as well as a need to have "public policy towards private sector". Co-ordination across various departments within the government and various implementing agencies is *si-ne quanon*. There must be availability of critical resources such as qualified work force. Appropriate monitoring and governance system should be put in place to enhance sustainability.
- There must be adequate risk transfer from the government to the private sector.
 - The key issue here is that the government should transfer those risks that it believes the private sector can manage better.
 - In order to do this, however, the government needs to price these risks, so that it knows what it has to pay the private sector to assume them.
 - The quality of services has to be contractible.
 - As a PPP is a major commitment or the part of the private sector, it needs to be assured that the politicians are also committed to private involvement in infrastructure provision.
 - This assurance would be provided by a political governance system that is fair and transparent, has good record of credible contract commitment, and abhors corruption in government.
 - Effective legal system to provide assurance to the private sector that contract would be honored and disputes would be efficiently settled. This will sometimes require changes or additions to existing laws. The legal system should also ensure that PPPs face non-discriminatory taxation and regulation regimes.

10. CONCLUSION

Public-private Partnerships are clearly growing in significance across the globe. It is observed that despite the fact that Akwa Ibom State has a good prospect for succeeding if PPP as a mode of infrastructural provision is adopted, the state is yet to make significant move toward this direction. In Akwa Ibom state there is need to adopt and increase the use of Public Private Partnership as an option for infrastruc-

ture development and administration. The paper identified possible areas where the state can partner with private investors in order to provide infrastructure to the steaming population in Akwa Ibom State. It should, however, be noted that PPP as option for provision and maintenance of infrastructure should be explored only where and when advantages and benefits clearly outweigh disadvantages.

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