



Invest today and bring Nigeria closer to the world

A world class investment opportunity

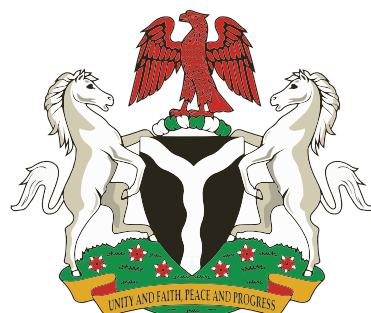
The Federal Government of Nigeria (FGN) is seeking a strategic partner to invest in, develop, operate and manage a new National Carrier. The airline will be world class, with domestic, regional and international operations.

The new airline will have national carrier status and be jointly owned with the private sector, but managed fully by the private sector and run on a purely commercial basis. The FGN will assist in start-up and initial capitalisation, and facilitate the process for opening up the capital of the airline to private sector financial investors. The FGN will not be involved in management decisions and control of the airline.

Nigeria has a substantial but under-served market for air transport services. There is a population of over 180 million, a growing middle class, and the current air traffic market of over 10 million passengers is conservatively expected to grow at 5% compounded annually through to 2036.

There are a significant number of un/under-used Bilateral Air Service Agreements (BASA), and the substantial opportunity of the Africa Single Air Transport Market (SAATM). There is currently no significant, viable Nigerian carrier with regional and international services.

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The new airline will serve domestic, regional and international routes. By Year 5, it is expected to be carrying over 4 million passengers and have a fleet of 30 modern narrow- and wide-body aircraft. Nigerian hubs will include Abuja and Lagos. High service quality will be delivered, operationally and to customers.

The strategic partner's role is to manage, operate and invest in the National Carrier. They are to be world class in capability, reputation and financial standing. It is expected that the strategic partner will increasingly invest in the airline over time, Government having invested the initial capital and de-risked the start-up phase. The goal is to develop and operate an airline that can be sustained, on a commercial basis, over the long run.

The role of FGN will be to assist with start-up, provide initial capital, let the private sector operator manage the airline without interference, and facilitate the process for opening up the capital of the airline to private sector financial investors. The initial capital is likely to be in the range of \$US 150 to 300 million, invested in tranches over time from start up through the first few years of operation.

The FGN will also enhance the enabling environment for aviation businesses in Nigeria. It has already embarked on a programme of improving multiple elements in the aviation value chain, including airport infrastructure,

concessions airports, strengthening safety and security, and facilitating the establishment of a Maintenance, Repair and Overhaul (MRO) centre. In addition, FGN is positively inclined to improve the commercial environment for the aviation sector by revising the tax regime, investment incentives and selected aviation sector regulations.

The private sector strategic partner is being sought through a Public Private Partnership (PPP). The process is scheduled to be completed by the end of 2018, with Request for Qualifications (RFQ) being issued by the end of July. The PPP process is being undertaken by the Federal Ministry of Transportation (Aviation) under the regulatory guidance of the Infrastructure Concession Regulatory Commission (ICRC).

For further information, to express interest and/or obtain the RFQ documentation, please contact any of the following:

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