



FEDERAL MINISTRY OF FINANCE

Home Finance

DEPARTMENT

F. 12322/T¹⁰/489

Website: www.fmf.gov.ng

Ref. No. 4th January, 2023

Telephone:

Date:

The Executive Governor,
Office of the Executive Governor,
Lagos State Government House,
Alausa,
Lagos State.

**RE: LAGOS STATE GOVERNMENT – IRREVOCABLE STANDING PAYMENT ORDER
OF UP TO N134,815,000,000.00 SERIES I, II AND III INSTRUMENTS UNDER THE
N1,000,000,000,000.00 DEBT AND HYBRID INSTRUMENT ISSUANCE PROGRAMME
("PROGRAMME 4")**

I am directed to refer to Your Excellency's letter referenced LASG/GOVLAG/2022/VOL II/018 dated 14th November, 2022 on the above subject and convey the approval of the Honourable Minister for the establishment of an Irrevocable Standing Payment Order (ISPO) in respect of N134,815,000,000.00 (One Hundred and Thirty Four Billion, Eight Hundred and Fifteen Million Naira) Issuance of Debt Instruments in three distinct instruments namely; Series I (Bonds), II (Sukuk) and III (Green Bonds) under the N1,000,000,000,000.00 (One Trillion Naira) Hybrid Instruments Issuance Programme (Programme 4).

2. In line with Your Excellency's request, the total sum of N1,200,000,000.00 (One Billion, Two Hundred Million Naira) made up of N850,000,000.00, N200,000,000.00 and N150,000,000.00 will be deducted at source for One Hundred and Twenty (120), Eighty-Four (84) and One Hundred and Fifty (150) consecutive months respectively from the Statutory Allocation of Lagos State Government in favour of the Joint Trustees namely; FBN Quest Trustees Limited, Sterling Asset Management and Trustees Limited, STL Trustees Limited, United Capital Trustees Limited, UTL Trust, APEL, ARM Trustees and Paxhill Minerva respectively.

3. Your Excellency may wish to kindly note that in line with the plans of the Lagos State Government to repay the N134,815,000,000.00 Issuances through deductions from its Statutory Allocation from Federation Accounts Allocation Committee (FAAC) and its Internally Generated Revenue (IGR), breakdown of which is in the table below, the liability

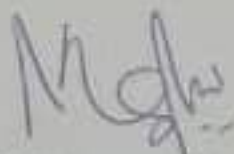
of the Federal Government will be limited to the ISPO for deductions from its FAAC allocations only:

ons Only.

S/N	SOURCE	AMOUNT TO BE REMITTED N	NUMBER OF MONTHS
Series I - Bond			
1	ISPO -FAAC	850,000,000.00	120
2	IGR	422,756,569.00	24
		990,379,635.00	96
Series II - Sukuk			
1	ISPO - FAAC	200,000,000.00	84
2	IGR	55,640,562.00	24
		293,030,940.00	60
Series III - Green Bond			
1	ISPO - FAAC	150,000,000.00	60
2	IGR	40,528,887.00	24
		382,997,263.00	36

4. Your Excellency may further wish to kindly note that this approval is predicated on the Lagos State's compliance with the requirements of the Domestic Borrowing Guidelines and the fact that the proceeds of the loan facility will be utilized to finance infrastructure development projects to improve the standard of living of the citizens of the State.

5. Please, accept Your Excellency, the assurances of the esteemed regards of the Honourable Minister.



Ali Mohammed

Director, Home Finance

for: Honourable Minister of Finance, Budget and National Planning