

New Port Harcourt, Nigeria

Delta treasure

A brand new city planned at the epicentre of Nigeria's oil-rich area promises construction opportunities for two decades to come, finds *Jason Boswell*.

A new city, which will house over 280 000 people, is about to mushroom in Rivers State, Nigeria. The site of the new city is approximately 25 km north of the Port Harcourt old city at the epicentre of Nigeria's Niger Delta, a world hub for oil trade. This Nigerian powerhouse is about to embark a monumental project to alleviate congestion in the city and raise Nigerian infrastructure into standards that would not be out of place in the world's most metropolitan cities. In 2008, a new master plan was finalised by Gibb for what the governor for Rivers State, Chibuike Amaechi, called, "a new world-class city".

Because of its strategic location, Port Harcourt is the primary source of funds for Nigeria's wealthiest state, but its infrastructure is stretched to capacity. A 2006 census put its population at just under 1.4-million people. The latest estimates put this figure closer to 2-million and the city's ageing infrastructure and size limitations can no longer cope with this growing population.

An anchor to regeneration

Ryno van Wyk, technical coordinator for Gibb in Port Harcourt, says that the new city and the adjacent Port Harcourt International Airport form one of three anchors underpinning the upliftment of Port Harcourt.

"The development of the new city is the first anchor," says Van Wyk, "and it will be linked to the redevelopment of the old city as well as Onne Port." These three "anchors" will be linked by two separate freeways and public transportation systems. Tenders for priority building projects should come out when the construction of supporting services are 50% complete and indications are that these tenders will be issued between January and June 2012.

The Master Plan will ensure spatially coordinated construction of service infrastructure, states Van Wyk. In September 2010, tender applications went out for the construction of the following services: installation of sewage and water reticulation

networks; roads and electrical – these are currently pending authorisation, Administrator of the Greater Port Harcourt City Development Authority (GPHCDA), Dame Aleruchi Cookey-Gam, hopes to have the construction of these basic services completed within the next 24 to 30 months.

Scope of Phase 1

Phase 1 of the master plan for the new Port Harcourt city encompasses a greenfields project of 1 692 ha at an estimated construction value of US\$2.3-billion dollars. This is according to Cookey-Gam, who adds that it is expected to contain over 30 000 residential units. The GPHCDA was formed in April 2009 to facilitate the construction of this ambitious project.

Phase 1 has been divided into four separate phases: 1A; 1B; 1C and 1D. Despite the lack of services for the residential areas, construction has already begun on three new projects within Phase 1A. The overall budget for the 685 ha Phase 1A is about US\$730-million and involves the urgent construction of services for just over 3 000 housing units, according to Cookey-Gam. Construction of Phase 1A is expected to last approximately five years and the entire first phase is expected to be completed by 2026.

This phase is located directly behind the Port Harcourt International Airport Hotel and will mainly comprise private neighbourhoods and mixed-use complexes. Cookey-Gam says that following phases will all follow similar patterns.

Mixed-use a necessity

"We need to tame this city's urban sprawl," says Cookey-Gam, adding that the new development will feature a mixture of low-, medium- and high-density residential areas, as well as areas specifically demarcated for industrial and commercial use.

"Mixed-use developments, in particular those with high-density residential areas, are catching on in Nigeria because they reduce the cost of accommodation," says Cookey-Gam.

Key concepts

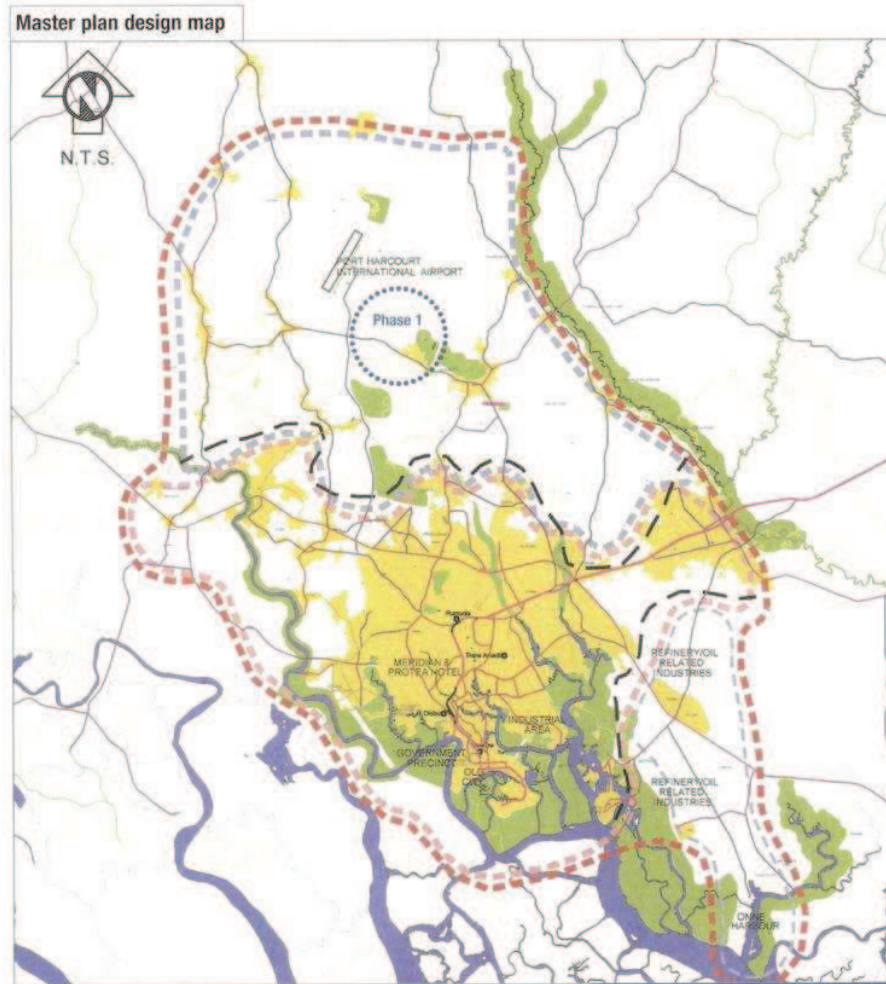
Greater Port Harcourt City Development Authority
Rivers State government
Gibb
Basic infrastructure needed
Mixed-use priority

Overview



- A new city to house over 280 000 people is planned in Rivers State, Nigeria – approximately 25 km north of the Port Harcourt old city.
- Construction of basic services infrastructure, including water and sanitation, transport and electrical reticulation, is expected to begin within three months.
- A phased approach to develop 1 692 ha at a cost of approximately US\$2.3-billion.
- Phase 1A will cost approximately US\$730-million and construction of this mixed-use development is expected to last five years.
- Challenges to potential property developers and contractors include material supply, increased building costs, bureaucracy in dealing with tenders and lack of supporting infrastructure.
- Construction is already under way on three large projects: a hospital, sports precinct and a university.
- Numerous new projects will provide opportunities for construction project teams over the next 20 years.

BOILING ZONE



Tenders for priority building projects for the new Port Harcourt city should come out when the construction of supporting services are 50% complete – probably between January and June 2012.

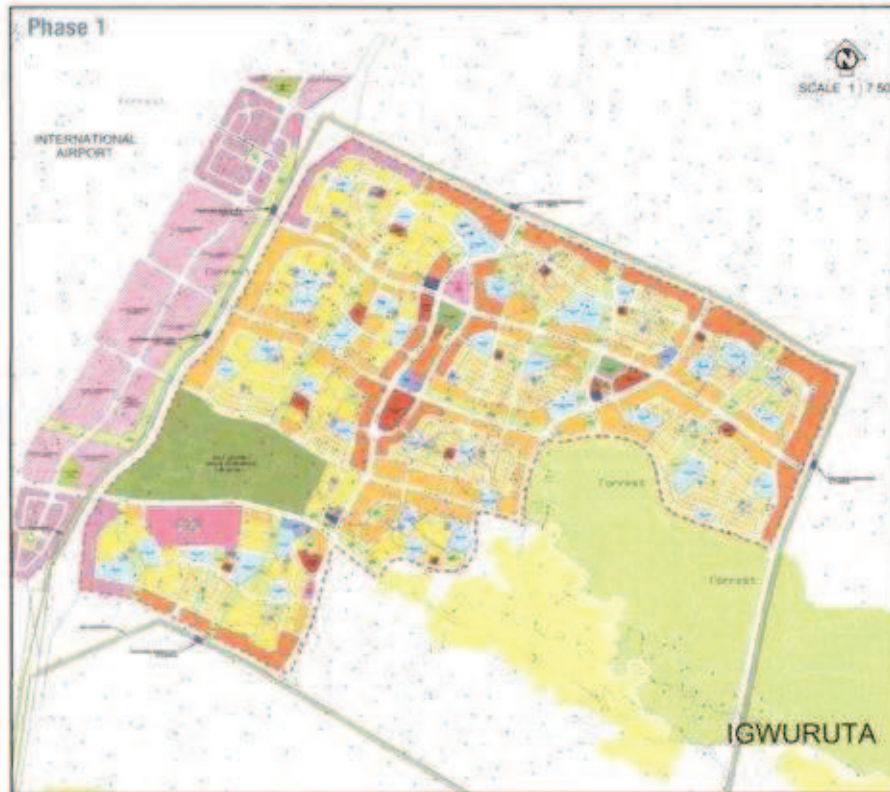


KEY	
	Existing urban area
	New city area
	Existing urban perimeter
	Study area
	Open space



BUILDING AFRICA
01 Apr 2011, p.26

Phase 1



1 2026 vision



2 Multibillion-dollar greenfields

Images courtesy of Gub



BUILDING AFRICA
01 Apr 2011, p.27



3 Five-year construction

1

2026 vision

Phase 1 for the new Port Harcourt city has an estimated construction value of US\$2.3-billion dollars and is expected to be completed by 2026. One of the jewels will be the commercial district and the Rivers State government will be interacting with private businesses to help develop this.

2

Multibillion-dollar greenfields

Phase 1 encompasses a mixed-use greenfields project of 1 692 ha expected to contain over 30 000 residential units.

3

Five-year construction

The 685 ha Phase 1A entails a budget of about US\$730-million with construction expected to last approximately five years. This will include just over 3 000 housing units. Construction on the 1 000-bed Justice Karibi-Whyte hospital has commenced.



BOILING ZONE



1 New sports precinct



2 Four months for construction

Commercial gem

One of the main jewels of the new city will be its commercial district which has already received a detailed layout design from Gubb. Van Wyk says that layout plans for services, including water, transport and electrical networks, are all in place for this district. Cookey-Gam adds that the government will be interacting with private businesses to help develop this part of the new city in particular. "Business will be encouraged to either build or occupy the various pieces of infrastructure or, alternatively, let these buildings out to other businesses," she says.

Montecasino in Nigeria

One of the projects which is in a more advanced stage is the planning and development of an entertainment centre similar to the Montecasino complex in Johannesburg.

However, the main focus of this complex will not be gambling but will rather focus on entertainment facilities such as a large shopping complex, an outdoor entertainment area and a hotel attached to the complex.

"We are negotiating with the architects and we have recently received the first set of drawings for this facility," says Cookey-Gam. She adds that this project will be built with participation from the government as well as from the private sector as a model for future construction in the area.

Van Wyk estimates the size of this new project, which is in an advanced conceptual stage, to be in the region of 30 ha. In addition to this project, Cookey-Gam says the government is

looking to construct a new convention centre directly across from the entertainment centre. She states that Nigerian representatives have been looking at convention centres in South Africa, such as Durban's and Cape Town's, for designs which will fit with the aesthetics of the new city.

Ongoing projects

Although construction of the new city has not yet started, construction of supporting individual projects are under way. According to Cookey-Gam, these projects have been accounted for in the design of the new city.

"Construction on the 1 000-bed Justice, Kanbi-Whyte hospital has also just commenced," says Cookey-Gam, adding that this will also be constructed in various phases.

At the time of writing, construction of a sport precinct in the new city area was proceeding apace. The 50,8 ha precinct will be home to a 25 000-seat stadium and a smaller 5 000-seat stadium, as well as athletes' accommodation and a variety of smaller sports venues. According to Cookey-Gam, construction on the smaller stadium is expected to be complete before June this year in preparation for a national sports festival. There are also plans to construct a new 212 ha facility that will be the new home of the Rivers State University of Science and Technology. Cookey-Gam says that construction on the service infrastructure has already begun; however, no contracts or tenders for the construction of the university have yet been issued.

"In some cases we use generators full-time for up to two weeks."

Material supply challenges

Van Wyk warns that while this project will offer a number of opportunities for developers and contractors, working in Nigeria is not an easy nor a cost-contained task. Building costs in Nigeria can be as much as double what a similar project would cost to build in South Africa. Most basic construction materials are available in Nigeria; due to the sandy nature of the area, however, rock for use in concrete and cement needs to be brought in from quarries near Calabar, approximately 250 km to 300 km away. "As the city is based in the Niger Delta, the terrain itself is extremely flat and very sandy which will make piling for large projects a necessity in this area." He adds that this in turn will push the prices up.

Brick manufacturing is mostly undertaken on site for most local construction projects which indicates that there are no large brick suppliers on which to rely. Another consideration, in terms of material supply, is the absence of a pipe supplier. "The old city does not have a waterborne sewage system, so these materials have never been required in large quantities," says Van Wyk.

Time and energy constraints

In addition to the material supply challenges, construction time frames will be challenged in this tropical region by heavy rains. "Port





3 30 ha entertainment area

Harcourt gets between 2 m and 2.5 m of rain annually," says Van Wyk. "Generally, there are only four good months of construction: November to February." Erratic power supply will exacerbate these time constraints. While plans for an electrical reticulation network and new power station are in the pipeline, Port Harcourt currently experiences up to 30 power outages on a daily basis. "In some cases we use generators full-time for up to two weeks," he says.

Cookey-Gam refutes that outages are as frequent as Van Wyk states, but admits that regular power supply is a challenge. She adds that the Rivers State government has, in the past seven years, made substantial investments in power generation, transmission and distribution. This, according to her, has significantly reduced the frequency of power outages. "With the commissioning of the new 180 MW power plant in the third quarter of 2011 and the ongoing installation of several transformers and substations in Rivers State, it is hoped that we will enjoy a stable power supply," she says.

Waiting game

Another time delay to consider results from procedures for filing tenders in Nigeria. At the time of writing, the tender for service infrastructure had been with the Bureau for Public Procurement for three months. Van Wyk qualifies that it is necessary step in the process to ensure transparency and to curb corruption.

"Gibb evaluated the tenders at the beginning of October last year for urgent service infrastructure within two weeks of receiving them; however, the tenders have to pass through Rivers State Bureau on Public Procurement," says Van Wyk.



4 Costly construction

'Green' vs Maslow

While the country does have environmental legislation, in terms of conducting Environmental Impact Assessments for each project, the green building trend does not feature significantly in the initial designs. Van Wyk says these may yet be incorporated, but he feels that construction in Port Harcourt would follow a building version of Maslow's Hierarchy of Needs, where green building considerations are not top of the priority list as of yet.

Hurdles to the starting-line

Both Van Wyk and Cookey-Gam remain positive on the project. However, it does face some real challenges. Financing of such a large project will depend largely on the successful integration of private enterprise and the government. Encouragingly, the list of large international companies already doing business in Port Harcourt is impressive. Businesses come from a variety of sectors: oil and gas producers, airlines, major banks and various industrial companies. Cookey-Gam believes opportunities on this new development "will be virtually limitless" for developers and contractors.

She adds that even the material supply challenges present opportunities—a major South African cement producer already holds a 35.9% stake in a cement factory in the Calabar area, near Port Harcourt.

While this project presents a cornucopia of building opportunities, these will not happen overnight. Installation of basic infrastructure to support this complex new design is still in its earliest stages, but once this is completed and all the challenges are ironed-out or negotiated, Port Harcourt could very well be one of Africa's major boating zones for the better part of the next two decades. ■

- 1 **New sports precinct**
Construction is proceeding apace around a 50.8 ha sports precinct—home to a 25 000-seat stadium. A smaller 5 000-seat stadium is expected to be completed before June 2011.
- 2 **Four months for construction**
Construction time frames will be challenged by heavy rains—between 2 m and 2.5 m annually—which leaves only four good months of construction: November to February.
- 3 **30 ha entertainment area**
One project which is in a more advanced stage is the planning and development of a 30 ha entertainment centre, similar to the Montecasino complex in Johannesburg, currently in an advanced conceptual stage.
- 4 **Costly construction**
Building costs in Nigeria can be as much as double the amount a similar project would cost in South Africa. Most basic construction materials are available; due to the sandy conditions, however, rock for use in concrete and cement has to be imported from approximately 250 km to 300 km away.