



**Presentation at the Food and Agriculture
Organisation (FAO) Technical Workshop
and Roundtable Meeting on Promoting
Investment in Agribusiness
Rome, Italy, 12-14 December, 2011
By
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Presentation Outline

- 1 SLIEPA's Operation and Key Activities
- 2 Investment Promotion Strategies
- 3 Investment Promotion Process



1 SLIEPA's Operation and Key Activities



SLIEPA's Operation

SLIEPA was established by an Act of Parliament in May 2007 (SLIEPA Act No. 3, 2007) as a successor to the Sierra Leone Export Development and Investment Corporation (SLEDIC)

Became operational in May 2008

Supervised by a Board of Directors (5 from the Private sector & 4 from Public sector- including the Ministry of Agriculture, Forestry & Food Security)

The Ministry of Trade & Industry provides both Cabinet & parliamentary papers

SLIEPA is funded by the Government of Sierra Leone and Development Partners through diverse projects support



SLIEPA's Key Activities

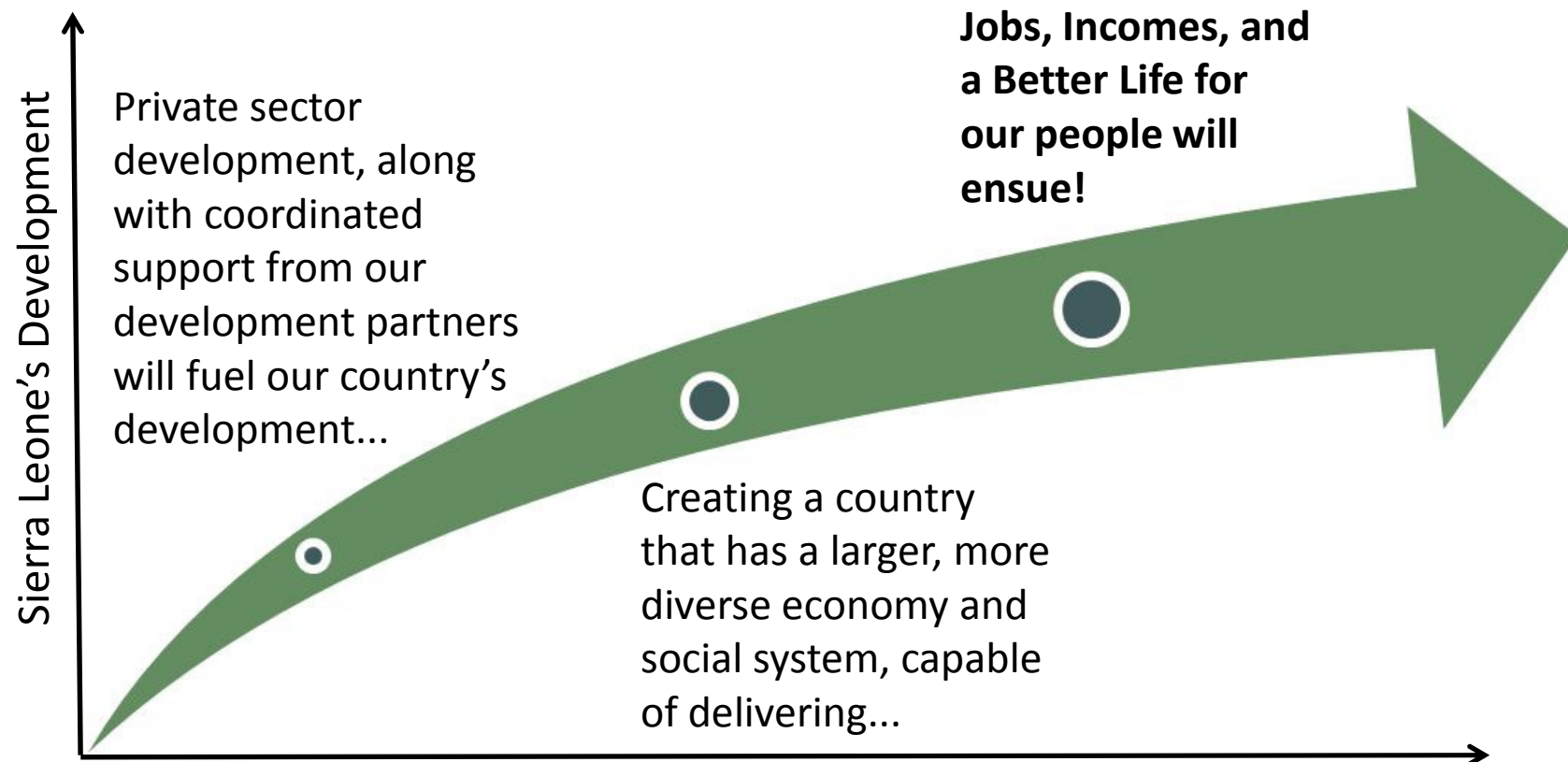
SLIEPA is the Government/Country's official Agency, generally responsible for:

- The co-ordination, encouragement, promotion and generation of investments through providing **Information, intelligence and connections**, which lead to opportunities for investors/exporters
- The development of traditional and non-traditional exports, diversification of exports, value addition projects and the provision of support for the SME's

Investors/Exporters have a Partner in **SLIEPA**

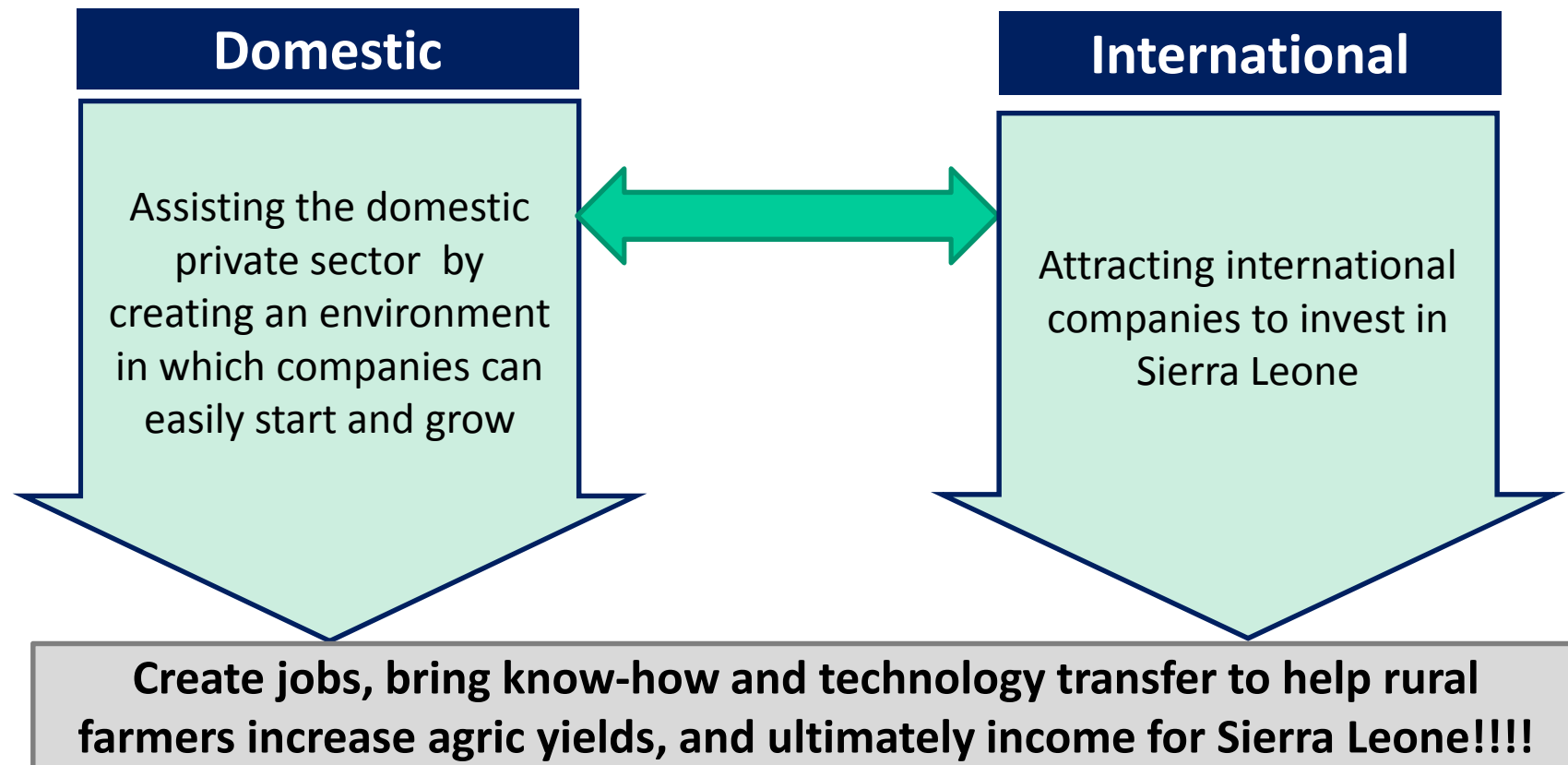


The Government of Sierra Leone's priority is to create jobs and income through Private Sector Development....



Private Sector Development can be viewed in two ways:

Private sector development in Sierra Leone can be viewed in two complementary strands, which lead to one goal:



..... And SLIEPA has a critical part to play

Marketing and Image building: ensures that investors and exporters are aware of Sierra Leone's comparative/competitive advantages and SLIEPA

Investment Promotion and Outreach: proactively targets investors to encourage them to consider investing in Sierra Leone

Investor Facilitation: help investors to understand how to set up operations in Sierra Leone

Investor Execution: finalise the deal with Government of Sierra Leone so production can begin
[conducted with key Min. Dep'ts & Agencies]

Companies start to operate successfully

When an investor begins to export, they may tap into the domestic value chain

Export Promotion: attracts exporters to SLIEPA and the Trade Information Centre to find out more about how to export

Export Development: supports value chain development and value addition in priority sectors through implementing the National Export Strategy -SL

Companies increase exports

Creates Jobs and Incomes



2 Investment Promotion Strategies and Processes



SLIEPA's Investment Promotion Strategies

Consistent with the National Development Priority and Agenda:

1. **The Agenda for Change**, is the overarching poverty reduction strategy for Sierra Leone, 2008 – 2012, and has four priorities:
 1. Enhancing National Electricity
 2. Developing the National Transportation Network
 3. **Enhancing Productivity in Agriculture and Fisheries**
 4. Sustaining Human Development

Private sector development cuts across these priorities

2. Presidential Private Sector Development Stocktakes & Presidential Taskforce on Agriculture & Investments: Numerous investment climate reforms being pursued under this umbrella initiative. Also set out an action plan for specific PSD priorities:

1. Ministries of Trade & Industry, and Agriculture, Forestry & Food Security: Facilitate game-changing Agribusiness investments
2. Investment Promotion: Close most deals and continue investment promotion and execution efforts
3. Work with development Partners to improve domestic opportunities in the private sector



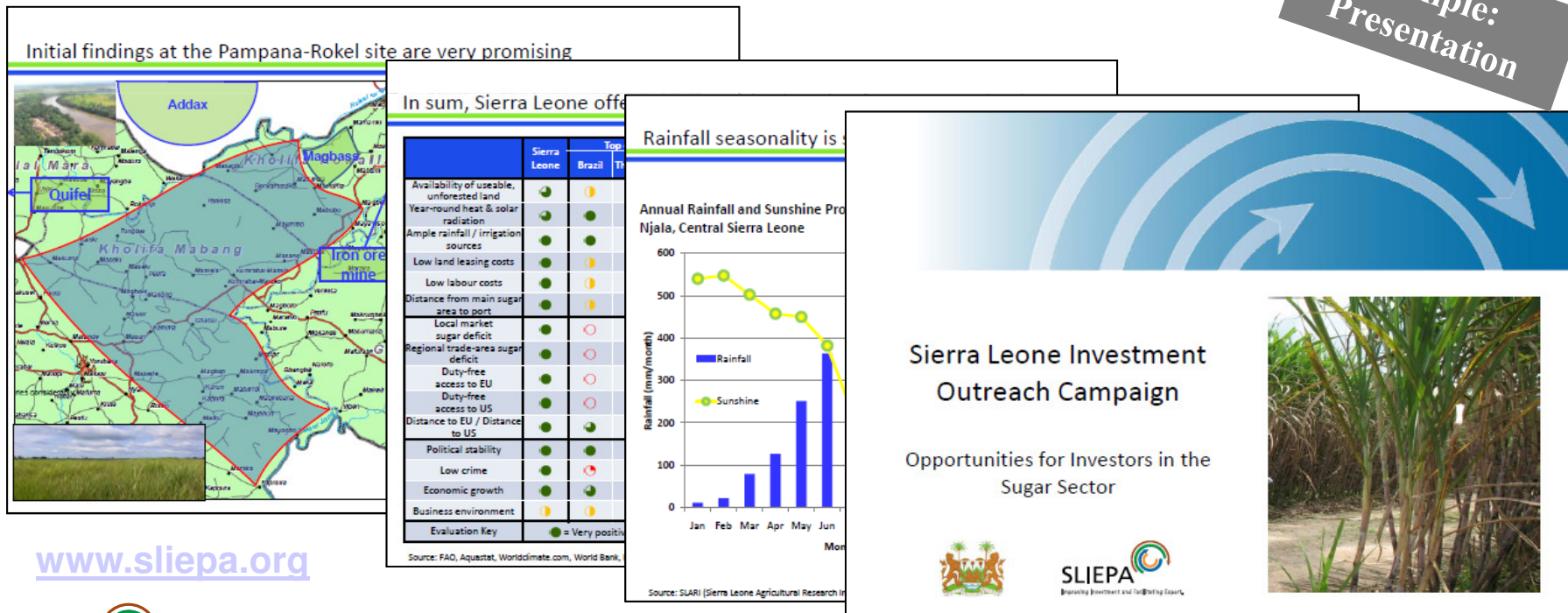
Agribusiness Investment Promotion Strategies

ACTIVITY	OBJECTIVES
Step 1: Develop promotional/marketing materials	Customized presentations through detailed sector information, business case
Step 2: Launch outreach and promotion activities	Target key investors
Wave 1: Present Marketing Materials to Local Audiences and Champions	inform local stakeholders to be ambassadors and also introduce local investors to the opportunities
Wave 2: Upload investment opportunities presentations onto relevant websites	Since target investors often start their research online nowadays, broad web presence and viral-marketing is critical
Wave 3: Direct emails and follow-up calls to all target companies	Target investors fully aware of and discuss the opportunities
wave 4: In collaboration with foreign delegations, donors and associations, organize outbound/inbound missions to/from key investor markets	Present the opportunities and get them to visit Serra Leone to find out for themselves
Step 4: Push forward policy recommendations for the attention of the Government of Sierra Leone	work with identified agencies to keep things moving ahead

SLIEPA's Investment Promotion Strategies

Tailored materials and Customized presentations present agribusiness investment opportunities through detailed sector information, business case, comparative/competitive advantages, and specific investment site information for investors

Sample:
Presentation



SLIEPA begins distribution of these materials to target investors

Priority audiences to be targeted by SLIEPA

Sample:
Sierra Leone

Priority	Category	Comments
1	Current investors	Several companies have already begun to develop sugar and oil-palm in Sierra Leone; SLIEPA's first priority must be to ensure that these projects move ahead and have maximum impact on job creation, infrastructure development and so on
2	Sierra Leone-based organizations	- Sierra Leone-based business groups, who may be interested in investing in sugar or oil-palm or being local partners to international firms - Sierra Leone-based associations, embassies, donors and others who can act as channels to introduce Sierra Leone's proposition to foreign investors
3	Active leads	Companies which have already been contacted or are known to be interested in sugar and oil-palm opportunities in Sierra Leone; provide them with update on opportunities in these sectors and follow up as appropriate
4	Sugar and Oil-Palm Associations	Associations representing farmers & processors: introduce proposition and assess interest of their members in new locations; follow up as appropriate
5	Priority large firms	Large sugar and oil-palm firms with interests in Africa/similar markets: introduce proposition and assess their interest in new locations; follow up as appropriate
6	Other large firms	Other large sugar and oil-palm firms, but with no known interests in in Africa / similar markets: introduce proposition and assess their interest in new locations; follow up as appropriate



Detailed action plans are put in place.....

Wave 3: Direct emails and follow-up calls to all target companies

*Sample:
Sierra Leone*

ACTIVITY	WHO	BY WHEN
Provide any edits to template letters	All	Feb 15
Pending launch of CRM, create basic tracker for tracking all letters sent and responses received, (get input from others)	Victor	Feb 15
Input edits to template letters	Victor	Feb 16
Input any edits and send out first wave of emails already prepared to target companies	Victor	Feb 17
Send out follow up emails to target companies	Victor	Feb 17
Research and send out 20 more emails	Victor	Feb 19
Research and send out 40 more emails	Victor	Feb 26
Research and send out any remaining emails	Victor	Mar 5
Make follow up calls to all organizations who have not replied to original email	Victor	Mar 31

Sample Extracts from the Target Investor Database: Priority Sugar firms

Sample:
Sierra Leone

Organization	Contact information	Comments	Actions
Tongaat-Hulett Limited	Peter Staude. CEO Amanzimnyama Hill Road P O Box 3, Tongaat 4400 KwaZulu-Natal, South Africa Tel: +27 32 439 4000 Fax: +27 32 945 3333	■ #3 African sugar producer after Illovo and TSB ■ Over last 10 years, has established or acquired sugar operations in Botswana, Namibia, Swaziland, Mozambique and Zimbabwe	■ Send Sugar Investor Proposition to CEO and to Simon Cleasby; encourage them to visit SL and see Pampana and other sites as soon as possible
Cosan	Marcelo Eduardo Martins, CFO Av. Juscelino Kubitscheck, 1726 – 6º Itaim Bibi – São Paulo – SP, Brazil T: (11) 3897-9797	■ Leading Brazilian sugar & ethanol producer; largest bagasse electricity generator in world ■ No operations outside Brazil currently, but strategy says company will pursue growth opportunities through strategic acquisitions	■ Send Sugar Investor Proposition to Mr. Martins; encourage senior management to visit SL to see Pampana and other sites as soon as possible
E.D. & F. Man Holdings Ltd.	Rafael Muguiro, CEO Cottons Centre, Hay's Lane LONDON, SE1 2QE, UK Tel: +44 20 7089 8000 Fax: +44 20 7089 8171	■ Leading trader of sugar, molasses, animal feed, oils, biofuels, coffee; operates sugar refineries in Russia, Ukraine, Mexico, Chile and Venezuela ■ Unlikely to invest directly in plantation, but may be willing to provide financing and expertise alongside local or regional operating partner	■ Send Sugar Investor Proposition to Mr. Muguiro; encourage senior management to visit SL to see Pampana and other sites as soon as possible

Agribusiness Investment Promotion Process: Leasing Agricultural Land in Sierra Leone

- In most countries in the world, including in developed markets, securing land for large projects is a time-consuming process which involves lengthy negotiations with affected communities; mostly because the rules governing land follow traditional patterns, and investors are not familiar with the local customs
- The document helps new investors navigate through the land acquisition process in Sierra Leone in line with existing Sierra Leone laws and applicable policies, and draws heavily on emerging good practice by recent agricultural investors in Sierra Leone
- A draft template lease agreement and other useful documents are included in annex, in line with this recommended process

Leasing Agricultural Land in Sierra Leone: Information for Investors



SLIEPA's Investor Pre-Due Diligence Assessment

Why do we undertake investor diligence?:

- To ensure that the investor is trustworthy and the deal will be good for the country
- To make sure we use our limited time most effectively

Process: fill in the form for each new investor and record in the tracker

SLIEPA Pre-due diligence assessment					
	Investor Assessment				
	1	2	3	4	Score
Strategic alignment with SLIEPA and GoSL	No job creation, plan to train local, transfer knowledge, or CSR, and very small economic impact	Limited economic impact. Very few jobs created, no training or knowledge transfer plan, limited CSR	Job creation and long term approach but no clear plan to develop local resources	Job creation, Long term approach, knowledge transfer, training, CSR	
Reputation	Negative press, multiple lawsuits, previous financial crimes by management or shareholders. History of bankruptcy	No litigation or past financial mismanagement but some cases of bad press and/or past bad faith activities	Verifiable track records	Well-established company. Good track records. No skeletons in the closet	
Transparency	No information available at all. No website. Little collaboration with SLIEPA	Reluctant to provide detailed information on financial strength, management, business plans, etc.	Provide information in timely manner as requested. Fully collaboration with SLIEPA	Proactively provide all information on management, financial strength, business structure and plans. Thoroughly developed website. Press releases	
Readiness	No specific project proposal. No preparation. Willing to invest in any sector. Ask SLIEPA or GoSL to assist with financing	No vague idea of investment plan. Only gathered very general high-level information. Financing not yet secured	No time spent on the ground but identified project proposal. Specific information gathered. Identified major issues and challenges. Ask targeted, informed questions. In the process of securing financing	Came prepared with specific project proposal. Gathered relevant information. Met relevant stakeholders. Spent time on the ground. Financing already secured	
Sophistication	Back channel approach. Relying on M.O.U. No clear interlocutor, multiple or unaffiliated middlemen. Poorly qualified management. No skills and/or experience in project identified	Investor trying to activate same back channel. Either relying on not demonstrating enough interest i.e. not being responsive. Multiple middlemen. Qualification and experience unclear	Following SLIEPA's procedures. Interlocutor clearly identified. Qualified management, some experience	Interlocutor clearly identified. Following SLIEPA's procedures. Highly qualified management. Have the skills and experience to the project they're considering	
Comments					•

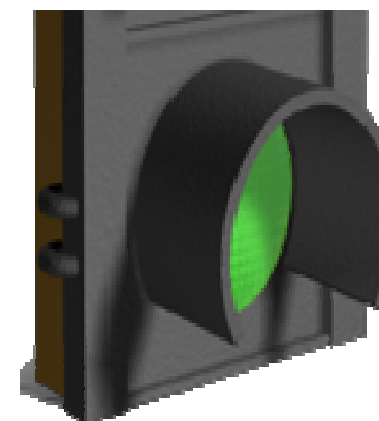
A formal screening toll is used to prioritize interested Investors

XYX Company Ltd

Survey Qu.	indicator	points	weight	Final score
Is sector/ sub-sector a GoSL priority?	Yes = 1 No = 0	1	3	3
Is sponsor listed in top 100 global companies for sector	Yes = 1 No = 0	1	3	3
Market cap (or other measure of equity?)	> \$US 500mn = 2 > \$US 150mn = 1 < \$US 150mn = 0	2	2	4
Number of employees	> 500,000 = 2 > 150,000 = 1 < 150,000 = 0	2	1	2
Industry experience	> 20 Years of operation = 2 > 5 yrs = 1 < 5 yrs = 0	2	3	6
Experience in Africa	Incorporated in > 5 countries = 2 Incorporated in > 1 = 1 Not in Africa = 0	2	2	4
Absence of any obvious negatives/scandals	Internet trawl reveals > 15 separate incidences of bad practice = 0 5 separate incidences = 1 0 incidences = 2	1	2	2
Relationship to SL (Diaspora? SL national? Never visited?)	Diaspora/National = 1 Never visited = 0 At least 1 visit = 1	0	1	0
TOTAL			17	24

Example:
Sierra Leone

XYZ Company Ltd
Scores: 24/27 –
a green light...



1-13 = RED light, 14-20 = ORANGE light, 21-27 = GREEN light



We engage the local communities as well.....

Consistent with international practices with Free, Fair and Informed Consent (the Equator Principles)

Get to know more about opportunities and ease of doing large scale agribusiness investment in Sierra Leone

[Agribusiness Investment Task Force for Sierra Leone](#)

[Video](#) -

(<http://www.youtube.com/watch?v=8ciPu4oErZw>)



Thank You for your attention

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