



IMO STATE INVESTMENT PROMOTION AGENCY (ISIPA)

Investment Approval Process

Further to the Imo State Investment Promotion (ISIPA) Law 2010 provisions, Law No. 5. Large-scale agricultural investments in Imo State are underpinned by a framework defined by the ISIPA FRILIA Principles. This large-scale agricultural investment process has been designed to align with the principles of FRILIA. It consists of the following six (6) stages:

Process Stage	Responsible Party
<p>Stage 1: Initial Inquiries & Know Your Customer (Due Diligence) Assessments</p> <p>A. ISIPA is the primary entry point for ALL large-scale agricultural investments in Imo State</p> <p>B. ISIPA can be approached by potential investors (or in some cases, an Investment Promotion and Facilitation Officer may reach out to a potential investor</p> <p>C. The Investment Promotion Agency officer, in collaboration with other MDAs, conducts preliminary due diligence on investors and provides them with information about potential investments.</p> <p>D. Possible initial engagement with the community if the area has been preliminarily identified. Less than 14 working days.</p>	<p>Imo State Investment Promotion Agency (ISIPA)</p>

<p>Stage 2: Information Exchange & Site Visits</p> <p>A. ISIPA will provide information and resources the potential investor may need to proceed with the investment. It also coordinates the investor’s interaction with other government agencies and helps the investor locate service providers.</p> <p>B. The Ministry of Agriculture arranges site visits for the investor after notifying local officials and communities of investor interest.</p> <p>C. Ministry of Lands and Ministry of Local Government Affairs notifies local government officials, other ward and community stakeholders to engage in internal consultations and then to respond preliminarily to whether they might welcome the investment. Maximum of 21 working days</p>	<p>ISIPA, Ministries of Agriculture , Ministry of Lands, Ministry of Local Government Affairs, investors, and Stakeholders identified)</p>
<p>Stage 3: Potential Investor Proceeds or Withdraws</p> <p>A. The investor reacts to the community’s initial response to the potential investment and the investor’s assessment of the viability of the investment and potential site. If the investor decides to withdraw, the process stops. If the investor wishes to consider a different location within the State, the process reverts to Stage 2. The process also ends if the community decides not to proceed.</p> <p>B. If the potential investor decides to proceed and the community is supportive, the investor should engage further, build relationships with the community, and get them fully involved. The investor and the community (with legal assistance provided by the Imo State Ministry of Justice and Community Legal Council should begin to discuss a community engagement plan to guide the ongoing consultations. 21 working days</p>	<p>Imo State Ministry of Justice, Imo State Ministry of Lands, investors and Stakeholders identified)</p>
<p>Stage 4: The Investor Enters into a Memorandum of Understanding (“MoU”) with the ISIPA , the Ministry of Lands, the Ministries of Agriculture, and Representatives of the Affected Communities.</p> <p>A. The ISIPA conducts more in-depth due diligence on the investor and shares additional due diligence findings with other stakeholders.</p> <p>B. Consultations with the community continue, and a community engagement plan may be agreed to at this point.</p> <p>C. If all parties continue to be supportive of the proposed investment, they attempt to agree on an MoU that covers the framework of the investment, how much land is required, benefits that may accrue to the community, commitments to ongoing consultation, preparation of an</p>	<p>ISIPA, Ministry of Lands, Ministries of Agriculture, investors and Stakeholders identified)</p>

<p>ESIA, etc. The MoU does not legally commit any party to a final agreement on the proposed investment. 21 working days</p>	
<p>Stage 5: The Investor Completes and Shares a Feasibility Study, Business Plan, and an independent Environmental and Social Impact Assessment (ESIA).</p> <p>A. The Imo State Ministry of Environment determines whether the ESIA is acceptable and notifies the investor within 14 working days of receiving it. B. If not already completed, a community engagement plan should be finished in this stage. C. Land lease discussions can continue (if begun in a previous stage) or begin. Leases should not be finalized and signed until Stage 6. 21 working days</p>	<p>ISIPA, Imo State ministry of Environment, investors and Stakeholders identified</p>
<p>Stage 6: The parties enter into Final Agreements.</p> <p>A. The final agreement is likely to be contained in several individual agreements or could be combined into one document. While the precise requirements will vary, approved investment is likely to include some or all of the following:</p> <ol style="list-style-type: none"> 1. Land lease agreement 2. Outgrower contract(s) 3. Community impact and benefit agreement 4. Community engagement plan 5. Monitoring plan 6. Inclusive, accessible and equitable dispute resolution mechanisms <p>31 working days</p>	<p>ISIPA, Imo State Ministries of Agriculture, Imo State Ministry of Lands, Imo State Local Government Affairs, Imo State Ministry of Justice, investors and Stakeholders identified)</p>

The six (c) stages provide an overarching framework that guides all of FRILIA's toolkits. However, the unpacking of these stages varies from one toolkit to another. Hence, each toolkit has its own approach embedded within the investment project cycle.

**SIGNED
DIRECTOR GENERAL
ISIPA**

22/12/2023