

Edo State Investment Approval Process

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In Accordance with the provisions of the Edo State Investment Promotion Law 2021 & Other Matter Connected & [EDO State Executive Order on FRILIA ... 2024](#)

Large-scale agricultural investments in Edo State are underpinned by a framework defined by the Edo State Investment Promotion Office (ESIPO) FRILIA Principles. This large-scale agricultural investment approval process has been designed to be in line with the principles of FRILIA. It consists of the following 6 stages:

Process Stage	Responsible Party
Stage 1: Initial Inquiries & Know Your Customer (Due Diligence) Assessments A. ESIPO in collaboration with the Ministry of Agriculture & Food Security should be the primary entry point for ALL large-scale agricultural investments in Edo State. B. ESIPO approached by potential investors (or in some cases ESIPO may reach out to a potential investor) C. ESIPO in collaboration with the Ministry of Agriculture & Food Security conducts preliminary due diligence on investors and provides investors with information related to potential investment. D. Possible initial engagement with community if area has been preliminarily identified. Timeline: 14-days	Lead Party: ESIPO. Support Parties: Ministry of Agriculture & Food Security, EDOGIS, Ministry of Local Government, Chieftaincy & Community Affairs, Potential Investor and EIRS

<p>Stage 2: Information Exchange & Site Visits</p> <ul style="list-style-type: none"> A. ESIPO continues to provide information and resources the potential investor may need to proceed with the investment. Also coordinates the investor’s interaction with other government agencies and helps the investor locate service providers. B. ESIPO in collaboration with the Ministry of Agriculture & Food Security arranges site visits for the investor after notifying local officials and communities of investor interest. C. ESIPO notifies local government officials (the Local Government Investment Desk Officer), other ward and community stakeholders to engage in internal consultations and then to respond preliminarily whether they might welcome the investment. <p>Timeline: 14-days.</p>	<p>Lead Party: ESIPO,</p> <p>Support Parties: Ministry of Agriculture & Food Security, EDOGIS, the Local Government council (the Local Government Investment Desk Officer), Potential Investor and Host Community</p>
<p>Stage 3: Potential Investor Proceeds or Withdraws</p> <ul style="list-style-type: none"> A. The investor reacts to the community’s initial response to the potential investment and the investor’s own 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. 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 Ministry of Justice should begin to discuss a community engagement plan to guide the ongoing consultations. <p>Timeline: 14-days</p>	<p>Lead Party: ESIPO,</p> <p>Support Parties: Ministry of Justice, the Local Government council (Investment Desk) Potential Investor Host Community</p>
<p>Stage 4: Investor Enters into a Memorandum of Understanding (“MoU”) with Edo State Government and Representatives of the Affected Communities.</p> <ul style="list-style-type: none"> A. ESIPO in collaboration with the Ministry of Agriculture & Food Security does more in-depth due diligence on the investor and ESIPO shares additional due diligence findings with other stakeholders. B. Consultations with the community continues and a community engagement plan may be agreed to at this point. C. If all parties continue to be supportive of the proposed investment, they attempt to agree on a 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 ESIA, etc. The MoU does not legally commit any party to a final agreement on the proposed investment. 	<p>Lead Party: ESIPO,</p> <p>Support Parties: Ministry of Justice, Ministry of Environment & Sustainability, Ministry of Agriculture & Food Security Potential Investor Host community</p>

Timeline: 6-months; The cost of -statutory fees depend on the investment	
Stage 5: Investor Completes and Shares a Feasibility Study, Business Plan and an independent Environmental and Social Impact Assessment (ESIA). A. The Ministry of Environment & Sustainability makes its determination whether the ESIA is acceptable and notifies the investor within 7-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.	Lead Party: ESIPO. Support Parties: Ministry of Environment, & potential investor
Timeline: 21-days The cost of statutory fees depends on the investment	
Stage 6: The parties enter into Final Agreements. 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: <ol style="list-style-type: none"> 1. Land lease agreement 2. Out grower contract(s) 3. Community impact and benefit agreement 4. Community engagement plan 5. Monitoring plan 6. Inclusive, accessible and equitable dispute resolution mechanisms 	Lead Party: Ministry of Justice, , Support Parties: ESIPO, Ministry of Environment & Sustainability, -Ministry of Agriculture & Food Security, - Potential Investor Host community
Timeline: 14 days [The investment depends on the payment of statutory fees]	

The Investment approval process 6 stages provide an overarching framework that guides all the toolkits of FRILIA. However, the unpacking of these stages varies from one toolkit to another. Hence, each of the FRILIA toolkits has its own approach embedded within the overall investment project cycle.



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