



Agribusiness Investment Task Force (AITF)

Stakeholder Consultative Meeting



June 21st, 2011



Agenda

11:00 am - 11:05 am	Welcome: Opening Remarks and Prayers
11:05 am - 11:20 am	Background to the Study (SLIEPA)
11:20 am - 11:30 am	Introduction to NBI's team and Agenda for the Meeting (NBI)
11:30 am - 11:40 pm	Introduction to the Research Approach and Methodology: <i>Balancing Sustainability, Suitability and Availability</i> (NBI)
11:40 pm - 12:00 pm	Present and Discuss Research Methodology: Site Selection
12:00 pm - 12:25 pm	Present and Discuss Research Methodology: Land Suitability Assessment
12:25 pm - 12:45 pm	Present and Discuss Research Methodology: Participatory Boundary Mapping
12:45 pm - 1:10 pm	Present and Discuss Research Methodology: Community Sensitization
1:30 pm - 1:50 pm	Present and Discuss Research Methodology: Dissemination and Site Profiles
1:50 pm - 2:00 pm	Closing Remarks

Introductions

- **Who:** NestBuilders International
 - Lead Consultants:
 - **Prince J. Nallo** – Project Manager
 - **Dr. Bob Conteh** – Team Leader / Agricultural Economist
 - **Dr. Edwin Julius Jeblar Momoh** – Lead Agronomist / Land Suitability Assessment Expert
 - **Mr. Andrew Bob Jhonny** – GIS Expert
 - **Mr. Alieu Kamara** – Soil Scientist
 - **Charlene Youssef** – Research Manager
 - **Susan Pinkney** – Field Logistics Manager
- **What:** Stakeholder Consultative Meeting for the AITF - in order to solicit stakeholder input and support for the AITF process

Why the AITF? The possibility for increased large-scale agribusiness activities points to a seismic opportunity to promote economic development and increase investment opportunities in Sierra Leone:

- In the President's Agenda for Change (2008) the Government of Sierra Leone declared agricultural development and food security to be the foundations for the country's economic growth and poverty reduction.
- With its ideal agro-climatic conditions and land availability, Sierra Leone is well poised to capitalize on the global, regional and local demand for cane (sugar, ethanol, etc.) and oilseed products (namely palm oil):

	OIL PALM	SUGAR
GLOBAL	<ul style="list-style-type: none"> ○ Global demand for oilseeds is booming, ○ Global supply of oilseeds is increasingly constrained. ○ Prices for vegetable oils are expected to remain above historical averages over the next 10 years ○ Producers in Sierra Leone have favored access to markets in the EU and US under the Everything But Arms (EBA) & Africa Growth and Opportunity Act (AGOA) provisions 	<ul style="list-style-type: none"> ○ Global demand for cane products (sugar, ethanol, molasses, etc.) is growing at a fast rate ○ Four of the world's five largest producers have changed from exporters to net importers in recent years ○ World prices are projected to remain above historical averages ○ Producers in Sierra Leone have favored access to EU and US markets under EBA and AGOA
REGIONAL	<ul style="list-style-type: none"> ○ ECOWAS countries import \$400+ million of oilseed products every year ○ Producers in Sierra Leone have duty-free access to the whole region under ECOWAS 	<ul style="list-style-type: none"> ○ ECOWAS countries import \$500+ million of sugar and \$100+ million of ethanol every year ○ Producers in Sierra Leone have duty-free access to the whole region under ECOWAS
LOCAL	<ul style="list-style-type: none"> ○ Sierra Leone currently consumes more than 70,000 tons of vegetable oil ○ Potential for biodiesel from palm-oil to replace a portion of the large market for charcoal as cooking fuel and diesel for vehicle fuel ○ Local prices for edible oils and fuel, after duties and transport, exceed world averages ○ Sierra Leone has a large power deficit that could be responded to with renewable 	<ul style="list-style-type: none"> ○ Sierra Leone currently consumes more than 30,000 tons of sugar ○ Sierra Leone also imports more than \$100 million in petroleum products per year ○ Local prices for sugar and fuel, after duties and transport, exceed world averages ○ Sierra Leone has large power deficit that could be responded to with renewable energy sources

Why the AITF?

- Recent economic and political reforms have propelled Sierra Leone up 20 places in the World Bank's annual Doing Business rankings in the last three years
- Sierra Leone is one of the top 5 countries in Sub-Saharan Africa for investor protection and the ease of starting a business
- To tap into the potential of large-scale agribusiness investment in Sierra Leone, substantial preparatory efforts must be made:
 - ❖ Investment outreach campaigns and national assessments of the priority sectors are necessary measures to attract interested investors.

Overview of the Assignment

- The **overall objective** of this assignment is to enable Sierra Leone to increase its relative attractiveness and accelerate investment by:
 - ✓ Gathering detailed information on the suitability of sites for target crops
 - ✓ Accelerating access to suitable sites through conducting a number of basic preparatory steps required to assemble a potential site before investors arrive

Overview of the Assignment

- The AITF is not intended to replace the investor's own mapping and negotiation process
- Focus is on beginning groundwork with local communities, so that
 - a) suitable land is identified for investment and
 - b) communities are better informed and prepared to receive and negotiate with investors.

Key activities of this assignment:

- 1) preliminary land identification
- 2) community sensitization
- 3) detailed land ownership mapping
- 4) land-use planning

Outcomes of the Assignment

1. Detailed land-use plans in GIS format will be developed with and signed off by the Landowners, Chiefs, and other representatives, showing precise boundaries of available plots for investors and their respective ownership.
2. Sensitization workshops with identified communities to ensure free, prior and informed consent of affected communities.
3. Detailed lists of landowners, chiefs, relevant district- and section-level stakeholders signed by Landowners, Chiefs, and other representatives.

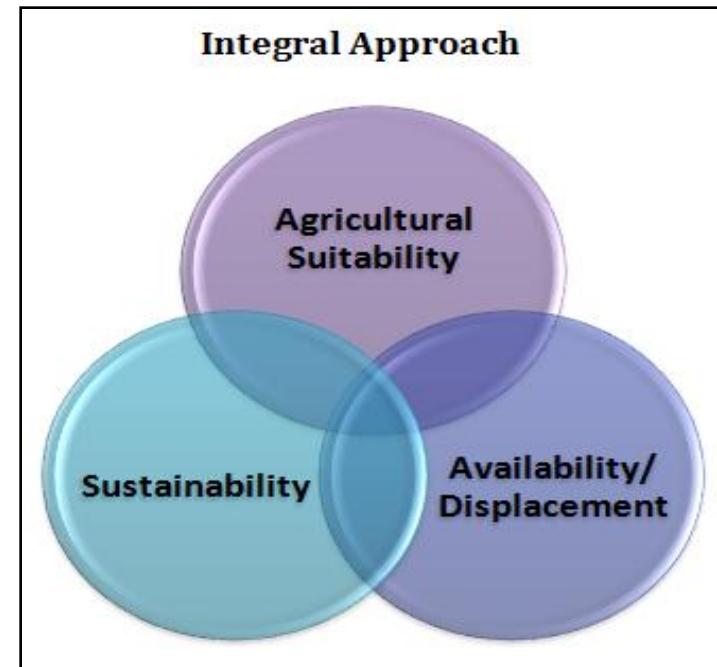
Research Approach and Methodology:

Balancing Sustainability, Suitability and Availability

- A host of factors has recently prompted a sharp increase in investment involving significant use of agricultural land, water, grassland, and forested areas in developing and emerging countries.
- While these investments seem to hold promise of raising productivity and welfare and are consistent with existing strategies for economic development and poverty reduction, it is important to also ensure that they respect the rights of existing users of land, water and other resources, that they protect and improve livelihoods at the household and community level, and that they do no harm to the environment.

NBIs approach

- ❖ potential benefits of agricultural land-use planning is weighted against key factors that will act to minimize potential risks.
- ❖ balance issues of
 - ✓ sustainability,
 - ✓ availability of land for investment (without excessively displacing existing land users), and
 - ✓ agricultural sustainability



Research Approach Guiding Principles

The Equator Principles

- To better spread the benefits and balance opportunities with risks in major investment programs
 - **Key Principles:** Communication with and information to the communities leading to the “free, prior, informed consent of affected communities”

Principles for Responsible Agricultural Investment (RAI)

- Developed by FAO, IFAD, UNCTAD and the World Bank in Feb. 2010
- support for public/private cooperation and private investment, both domestic and foreign, for agriculture and food security in developing countries
- discussion note to contribute to an ongoing global dialogue

Principles for RAI

RESPECTING LAND AND RESOURCE RIGHTS

- **Principle 1:** Existing rights to land and associated natural resources are recognized and respected.

ENSURING FOOD SECURITY

- **Principle 2:** Investments do not jeopardize food security but rather strengthen it.

ENSURING TRANSPARENCY, GOOD GOVERNANCE, AND A PROPER ENABLING ENVIRONMENT

- **Principle 3:** Processes relating to investment in agriculture are transparent, monitored, and ensure accountability by all stakeholders, within a proper business, legal, and regulatory environment.

CONSULTATION AND PARTICIPATION

- **Principle 4:** All those materially affected are consulted, and agreements from consultations are recorded and enforced.

Principles for RAI (con't)

RESPONSIBLE AGRO-ENTERPRISE INVESTING

- **Principle 5:** Investors ensure that projects respect the rule of law, reflect industry best practice, are viable economically, and result in durable shared value.

SOCIAL SUSTAINABILITY

- **Principle 6:** Investments generate desirable social and distributional impacts and do not increase vulnerability

ENVIRONMENTAL SUSTAINABILITY

- **Principle 7:** Environmental impacts of a project are quantified and measures taken to encourage sustainable resource use, while minimizing the risk/magnitude of negative impacts and mitigating them.

The Methodology

Stage 1: Project Initialization

- Initial client meetings
- Literature Review
- Research, prepare and document field methodology
- Engage Project Partners



Stage 2: Site Selection

- Desk-based site assessment using a GIS and multi-criteria evaluation (MCE) method



Stage 3: Land Suitability Assessment

- Ground truthing
- Rapid Soil Survey
- Land Suitability Assessment
- GIS Mapping
- Socio-economic field data collection



Stage 4: Community Boundary Mapping and Sensitization

- Participatory boundary mapping
- Community sensitization workshops



Stage 5: Dissemination

- Full site profiles
- Detailed land-use plans in GIS format
- Final Report

Stage 1: Project Initialization

- A. Research, prepare and document a field methodology that ensures compliance with and reference to Equator Principles.
- B. Present and discuss the field methodology with key development partners.

Stage 2: Site Selection

- A. **Data Acquisition:** Review of secondary data resources and careful selection of relevant data on climate, soils, landforms, water resources (hydrology), length of growing period, roads, settlements, and population.

Data Type	Spatial data
Rainfall	Isoline map
Sunshine hours	Isoline map
Relative humidity	Isoline map
Temperature	Isoline map
Length of growing period	Isoline map
Soil	Soil map
Slope	Slope map
Landform	Landform map
Land cover	Vegetation and land use map
Land use	Vegetation and land use map
Water resources	Drainage map
Roads	Road map
Settlements	Settlement map
Population	Population density map

Stage 2: Site Selection

B. Spatial data processing and suitability analysis using GIS and multi-criteria evaluation (MCE) method

- A spatial weighted overlay will be used to model three categories of suitability: (1) Climate, (2) Biophysical and (3) Socioeconomic.
- Each required spatial data (from previous table) will be transformed into thematic layers in GIS.
- A multi-criteria evaluation approach will be used to assess the different diagnostic variables that influence a particular category.

Multi- Criteria Evaluation for Assessing Climate, Land and Socioeconomic suitability

- The resulting maps of climate, biophysical and socioeconomic suitability will be subjected to overlay operations in GIS to produce land suitability map for each crop.
- Land suitability for each crop will be ranked and the most suitable lands ($\sim 20,000$ ha parcels of land at a map scale of 1:100,000) selected for further studies at the semi-detail level.

Stage 3: Land-Suitability Assessment

After demarcating the 20,000ha parcels of suitable land, site visits to each parcel will be carried out to verify desk findings. To be conducted as follows:

- A. **Base Data Acquisition:** production of base map for the semi-detail soil survey
- B. **Soil Mapping and Sampling:** The conventional approach to soil survey involving the rigid grid procedure will be employed
- C. **Laboratory Studies:** Bulk Density/Porosity Determination and Determination of physical and chemical properties
- D. **Soil Classification and Mapping:** according to the FAO and World Reference Base (WRB) classification schemes
- E. **Physical socio-economic and environmental investigations** will also be carried out to fill in knowledge gaps re: site suitability, availability and sustainability using PRA techniques (focus group discussions, interviews, etc.)

Stage 3: Land-Suitability Assessment

- The suitability of each soil series for sugar cane and oil palm production will be evaluated using the FAO guidelines for land suitability assessment (FAO, 1981).
- Suitability of site taking account of existing land uses (subsistence agriculture, fallow land, and existing cash crops) , the amount of land that can be spared for agriculture investment and an assessment of various socioeconomic variables
- Land suitability will then be calculated using a parametric approach

Stage 3: Land-Suitability Assessment

- The resulting suitability values will be classified into four suitability classes:

Class S1 Highly Suitable:	Land having no significant limitations to sustained application of a given use, or only minor limitations that will not significantly reduce productivity or benefits and will not raise inputs above an acceptable level.
Class S2 Moderately Suitable:	Land having limitations which in aggregate are moderately severe for sustained application of a given use; the limitations will reduce productivity or benefits and increase required inputs to the extent that the overall advantage to be gained from the use, although still attractive, will be appreciably inferior to that expected on Class S1 land.
Class S3 Marginally Suitable:	Land having limitations which in aggregate are severe for sustained application of a given use and will so reduce productivity or benefits, or increase required inputs, that this expenditure will be only marginally justified.
Class N1 Currently Not Suitable:	Land having limitations which may be surmountable in time but which cannot be corrected with existing knowledge at currently acceptable cost; the limitations are so severe as to preclude successful sustained use of the land in the given manner.
Class N2 Permanently Not Suitable:	Land having limitations which appear so severe as to preclude any possibilities of successful sustained use of the land in the given manner.

At this stage in the methodology:

- Findings from the land suitability assessment will be translated into a progress report which will highlight those sites deemed to be suitable for investment in the sugar and oil palm sector.



Stage 4: Community Boundary Mapping and Sensitization

- Once suitable land has been identified the surrounding community will be engaged to ensure their “free, prior, informed consent” as per the Equator Principles.
- Two simultaneous activities will be undertaken:
 - A. Participatory Boundary Mapping
 - B. Community Sensitization

Participatory Boundary Mapping

- NBI will engage community leaders, members and stakeholders in a **participatory identification and mapping exercise** of the identified land
- Participatory mapping is the creation of maps by local communities (See Box 1)

Box 1: Defining Participatory Boundary Mapping

❖ Participatory maps provide valuable visual representation of what a community perceives as its place and the significant features within it. These include depictions of natural features and resources and socio-cultural features known by the community.

❖ Participatory maps most often represent a socially or culturally distinct understanding of landscape and include information that is excluded from mainstream maps

Participatory Boundary Mapping: Hands-on Approach

- Hands-on mapping includes basic mapping methods in which the community members draw their interpretation of the identified site on the ground (ground mapping) using locally procured materials such as sticks, stones, leaves, charcoal, etc.
- What results is a ground map which represents key community-identified features of the site from a bird's eye view.



Boundary Mapping

- Information collected through the ground mapping exercise is then used to inform the boundary mapping of the site.
- Steps for boundary mapping:
 - Conduct GPS trajectory of all parcels of land with the help of land owners and chiefdom heads.
 - GIS mapping of GPS locations
 - Determination of sizes (acreages) of land parcels
 - Database of land parcels and their ownership created

Community Sensitization

For the community sensitization the following steps will be followed:

- Liaise with community leaders and paramount chiefs to mobilize public participation throughout the site characterization process
- Coordinate participatory identification and mapping of parcels of land for development using PLA techniques (see note above)
- Engagement of community members through sensitization workshops on model lease concepts
- Coordinate and organize community meetings/sensitization workshops with key stakeholders to present balanced information on impacts of agribusiness investment applying the Equator Principles
- Extend community messages via local radio stations at each site

Community Sensitization Sessions

- **SESSION ONE:** Developing a common understanding of the concept of agribusiness investment and its importance to the community.
- **SESSION TWO:** Identifying the challenges of land use and agri-business investment in the community.
- **SESSION THREE:** Developing an integrated approach to addressing the challenges of large scale agribusiness investment and the way forward
- **SESSION FOUR:** Presentation and Discussion of Model Lease Concept and Alternative Business Models (leases and management contracts, tenant farming, contract farming, etc.)

Stage 5: Dissemination

The final site profiles report will include:

- Background and detailed information on the research methodology and outcomes.
- Full profiles for sites, including detailed land-use plans in GIS format (ArcMap) developed with and signed off by the Landowners, Chiefs, and other representatives, showing precise boundaries of available plots for investors and their respective ownership
- Detailed lists of landowners, chiefs, relevant district- and section-level stakeholders and minutes of sensitization workshops signed by Landowners, Chiefs, and other representatives.

Feedback, Input and Suggestions

- Does anyone have any questions, comments or input on today's workshop?