Roadmap for Agribusiness Investment Facilitation

April 2013
GREENFIELD INVESTMENTS
Investor seeks greenfield investment opportunities

Consult the Rwanda Development Board (RDB) in-person (walk-in or by appointment), via email, or telephone.

Attend conference/road-show hosted by the RDB or another entity, in Rwanda or another country.

Visit an RDB nodal office or one of 20+ Rwandan embassies abroad.

Conduct independent identification of market opportunities through research.

Learn of opportunities through personal/professional networks.

Previous contracts with the Rwandan government reveal opportunities of interest.

Receive presentation from investment professional.

Investor is presented with an overview of the general process of investing in Rwanda and the services provided by the RDB, by an Investment Representative (IR)³.

Receive promotional materials².

Investor receives information on key opportunities in their area(s)/sector(s) of interest as well as general information on the investment process, if investor does not already have an investment in mind. At this stage, the IR also provides promotional material, which the investor can take home. These materials include:
- Investor Information Pack
- General Flier
- One-page Sector Flier

Has the investor gathered all the general information required?

YES

Does the investor require technical information?

YES

Investor asks IR technical clarifying questions.

Meeting with relevant institution or government agency.

Investor is connected with institution or government agency which is able to field technical questions; meeting is facilitated by the IR. For example, the Rwanda Agriculture Board (RAB) can provide information on soil types, crop varieties, terrain/agronomic information, farmer locations, etc.

Ask technical clarifying questions.

Investor asks IR technical clarifying questions.

Does investor consult the RDB prior to beginning information gathering?

YES

INVESTOR PROCEEDS TO BUSINESS REGISTRATION

INVESTMENT DECISION

See Investor Internal Process Map

INVESTMENT EVALUATION

See Investor Internal Process

INFORMATION GATHERING

See Investor Internal Process

Notes: ¹ Investment Representatives include: RDB Investment Promotion Officers, RDB Key Account Managers, commercial attaches assigned by the Ministry of Trade and Industry (MINICOM) to Rwandan embassies, counselors in foreign missions; ² Promotional materials are prepared by RDB’s Communications and Public Relations Department; ³ The IPI blue sheet covers key investor information, including: (1) initial RDB or commercial attaché contact, (2) potential project/investment/event details, (3) sector and sub-sector of interest to the investor, (4) investor’s country of origin, (5) planned investment amount, if known, (6) investor contact information, (7) next steps for the meeting host, with a deadline indicated
**INVESTOR PROCEEDS TO BUSINESS REGISTRATION**

Reserve company name and seek approval from the Registrar of Companies. Approval is granted if:
- No other company trades under the same name
- The proposed company name is not offensive to the public or cultural norms
- The proposed company name is not identical or similar to a registered trademark

Is the investor registering the business as an enterprise/sole trader?**

- **YES**
  - Complete domestic company registration application form, in-person or online.
  - Pay registration fee RWF 2,000 (USD 3.35)
- **NO**
  - Complete foreign company registration application form, online.
  - Pay registration fee RWF 15,000 (USD 25)

Is the investor applying online?**

- **YES**
  - Complete foreign company registration application form, online.
  - Submit application form and other required documents.
  - Required Documents/Information:
    - Completed foreign company registration application form
    - ID copy of company representative
- **NO**
  - Submit application form and other required documents in-person or online.
  - Required Documents/Information:
    - Completed company registration application form
    - ID copy of company representative
    - Two completed copies of Article 14 of the Companies Act (Memorandum of Association)

Is the investor local?**

- **YES**
  - Complete domestic company registration application form, in-person or online.
  - Pay registration fee RWF 15,000 (USD 25)
- **NO**
  - Obtain notarized copies of:
    - Duly authenticated certificate of incorporation/registration from country where the company is incorporated
    - Memorandum and Articles of Association
    - Power of Attorney authorizing the representative to act on behalf of the company
  - Obtain copy of:
    - ID of company representative

INVESTOR PROCEEDS TO INVESTMENT CERTIFICATION

Notes: 1 An enterprise (or sole trader) refers to a business whose income is less than RWF 10,000 (USD 17) per day
INVESTOR BEGINS INVESTMENT CERTIFICATION PROCESS

Is the investor local?

YES

NO

Investor not eligible for investment certificate

Will the investment be worth more than RWF 60M (USD 100K)?

YES

NO

Will the investment be worth more than RWF 150M (USD 250K)?

YES

NO

Submit required documents, in-person.

- Application letter addressed to RDB requesting investment certification
- Business plan or feasibility study
- Copy of shareholding structure
- Copy of company registration certificate

Has the investor received a notice of approval from RDB?

YES

NO

Consult the Rwanda Development Board (RDB) and Notice of Refusal to understand what amendments are required in order to receive approval.

Pay application fee and submit proof of payment to RDB. (USD 500).

Will the investor be importing agricultural inputs?

YES

NO

Submit application letter and other relevant documents to RAB.

- Application letter addressed to RAB
- Any other document relevant to quality control of imported products

INVESTOR BEGINS INVESTMENT CERTIFICATION PROCESS

Notes: 1 Only registered investors who old an Investment Certificate are eligible to apply for an input import license
**IMPLEMENTATION (C) – INVESTMENT SITING**

**INVESTOR BEGINS IMPLEMENTATION PROCESS**
- **Consult KAM at RDB** to understand where land suitable for intended use is available.
- **Meeting with MINIRENA representative (or SEZ developer).** Meeting facilitated by KAM.

**LAND IDENTIFICATION PROCESS**
- Identify land of interest, in consultation with Ministry of Natural Resources (MINIRENA). MINIRENA checks land map to see if land is available and what the designated use is.
- Conduct site visit. To confirm that land is as stated; provided identified land is available and the designated use is aligned with intended use.
- Submit project brief1 to the RDB based on prospected land.
- **Is the report approved?**
- Receive Environmental Impact Assessment (EIA) certificate within 20 working days of report submission.
- **Submit appeal with amendments to** the RDB based on EIA assessment.
  - **Is the disapproval on the basis of non-compliance with the TORs?**
  - **Would the investor like to appeal the decision?**
  - Pay an administrative fee to the National Fund for the Environment (FONERWA) Payment is a percentage of the estimated cost of the investment.

**LAND LEASING PROCESS (SEZ/NON-SEZ)**
- **Receive EIA exemption letter.**
- **Submit signed lease to the RDB’s MINELA representative.**
- **Consult KAM at RDB to understand** lease/rental options and to be connected with potential landlords.

**Notes:** 1 Project brief should include: (1) Name, title and address of developer, (2) Name, purpose, objectives and nature of project, including attributes such as size of project, design, activities that shall be undertaken during and after the establishment of the project, products and inputs, sources of inputs, etc., (3) Description of the proposed project site and its surroundings and alternative sites, if any, where the project is to be located, (4) Description of how the proposed project and its location conform to existing laws, regulations and policies governing such project and the use of the site area proposed for its location, (5) Any likely environmental impacts that may arise due to implementing various phases/stages of the project and proposed mitigation measures therefor, (6) Description of any other alternatives, which are being considered (e.g. site selection, technology, construction and operation procedures, sources of raw materials, handling of wastes etc., decommission/closure and site restoration), (7) Any other information that may be useful in determining the level of EIA required. 

**General Implementation Needs:**
- **Open a bank account**
- **Exporting agricultural products**
- **Identifying a location**
- **Connecting utilities**
- **Hiring employees**
- **Opening a bank account**
- **Exporting agricultural products**
- **General implementation needs**

**RDB**
- **Consult the RDB.**
  - **Would the investor like to prepare their own TORs?**
  - Request TO Rs from RDB
  - Request approval from the RDB
- **Submit the environmental impact study to the EIA team at RDB.**
  - Commissioning the study could cost as much as RWF 25M (USD 42K).
  - **Consult an expert – chosen from the expert list provided by the Ministry of Environment and Lands (MINELA) – to conduct an environmental impact study.**
  - **Submit project brief1 to the RDB based on prospected land.**
  - **Is the report approved?**
  - Receive Environmental Impact Assessment (EIA) certificate within 20 working days of report submission.
  - **Submit appeal with amendments to** the RDB based on EIA assessment.
  - **Is the disapproval on the basis of non-compliance with the TORs?**
  - **Would the investor like to appeal the decision?**
  - Pay an administrative fee to the National Fund for the Environment (FONERWA) Payment is a percentage of the estimated cost of the investment.
**LAND ACQUISITION PROCESS BEGINS**

Submit relevant documents to the SEZAR. Response is issued within 30 days.

**Required Documents/Information:**
- Letter of interest addressed to SEZAR
- Copy of certificate of incorporation
- Articles of Incorporation/Bylaws/Memorandum of Association
- Instrument of appointment of current board members, chairman and CEO
- Legal instrument setting the signatory rights
- List of shareholders with respective shareholding
- Corporate instrument authorizing the investment in the Zone (i.e. shareholders’ resolution, board resolution, etc.)
- A detailed description of the planned economic activities
- Verified financial resources and funding plans
- Business plan and preliminary feasibility study
- An action plan including the proposed timeframe to commence activities
- Audited balance sheets if the company has been incorporated for more than a year
- Any other document or information that SEZAR deems suitable to protect the public interest, health, safety, and welfare of Rwanda provided such factors are clearly published

**PAY DEPOSIT TO THE DEVELOPER/OPERATOR TO SECURE SPACE IN THE SEZ.**

**ACTUAL DEPOSIT AMOUNT DEPENDS ON COMMERCIAL ARRANGEMENTS AGREED WITH DEVELOPER/OPERATOR.**

**Is the investor’s application approved?**

**YES**

Receive written correspondence outlining reasons for disapproval.

**NO**

Meet with SEZAR to understand whether any amendments can be made to the application for approval to be granted.

**Does SEZAR suggest amendments?**

**YES**

Pay application fee to Special Economic Zone Authority of Rwanda (SEZAR). Fees reflect the application process and approval.

**Negotiate commercial terms and broad lease terms with the SEZ Developer and/or operator.**

**NON-SEZ LAND LEASING PROCESS**

**NO**

Will land be acquired in a Special Economic Zone (SEZ)?

**YES**

Receive SEZ approval status.

Enter development phase. Development phase includes, but is not limited to:
- Planning
- Design
- Approvals
- Construction
- Submission

**Are suggested amendments possible for the investor to implement?**

**YES**

**Investor exits the SEZ land leasing process**

**NO**

**Sign lease agreement. Receive land use rights**

**Close negotiations with developer/operator.**
The project brief includes information such as: (1) Size of land requested, (2) Intended use of land, (3) Timeframe for land use, (4) Information about any other land owned by applicant, (5) List of other entities who will have rights to the land; their IDs and photos.
INVESTOR BEGINS IMPLEMENTATION PROCESS

1. Identifying a location

2. Connecting utilities

3. Hiring employees

4. Opening a bank account

5. Exporting agricultural products

6. General implementation needs

Submit application for electricity connection. Response received within 2 days. Required Documents/Information:
- Original request letter addressed to the Head of the relevant Energy, Water and Sanitation Authority (EWSA) branch

Consult the Ministry of Infrastructure (MININFRA)
To understand when utilities will be extended to identified site. Although infrastructure plans are set annually, MININFRA may negotiate around this depending on the scale of investment. Once investor has more clarity on timing, application for connection may be resubmitted.

Submit applications for Temporary Residence Permits: B1 – for investors in Agriculture, Animal Husbandry and Related Activities
Applications should be made at the Directorate General or RDB
Required Documents/Information:
- One clear colored passport size photo with white background recently taken without glasses, caps and scarf, (the photo should be attached to the application form by use of glue stick. Stapling and clipping the photo to the application form is not advisable)
- A completed application form
- Permit application letter addressed to the Director General of Immigration and Emigration
- Curriculum Vitae
- Original Police Clearance and Certificate of Good conduct from recognized law enforcing authority from the country you have lived in for the last 6 months
- Investment Certificate
- Business Registration Certificate
- Trading License (Patent)

Consult EWSA for a site visit. Site visit enables EWSA to provide quotation for connection.
Is the investor’s site on the grid?

Consult EWSA to request modification
Does the investor need negotiation assistance?

Send quotation from EWSA. Quotation is issued within 5 days after site visit and is valid for 3 months.
Would the investor like to propose modifications to the quotation?

Pay amount reflected on bill/invoice, per payment schedule agreed on.

Meeting with relevant EWSA branch
Meeting facilitated by KAM.

Consult KAM at RDB
Consult RDB
Meetings with universities, Consulting companies and Employment agencies
Meetings facilitated by KAM

Investor hires employees without RDB assistance

Is the investor newly certified and is the expatriate one of the first three to be hired?

Pay application fee
RWF 50,000 (USD 85)

Pay application fee
RWF 100,000 (USD 170)

Investor employs expatriates?

Will expatriates be employed for 3 months or less?

Pay application fee
RWF 50,000 (USD 85)

Receive Temporary Residence Permit valid for up to 3 years, allowing multiple entry.
(within 1 day, subject to compliance with application requirements and assessment by immigration officials)

Notes:
1. Examples of modifications include payment plan, and changes to actual amount quoted;
2. Cost varies based on complexity of connection works required. If payment is by check, check must be certified;
3. Application fee per person
INVESTOR BEGINS IMPLEMENTATION PROCESS

Identifying a location

Connecting utilities

Hiring employees

Opening a bank account

Exporting agricultural products

General implementation needs

RDB INVESTOR QUERY-HANDLING PROCESS

Submit required documents. Required Documents/Information:
- Completed application form
- Letter addressed to the Managing Director of the bank, asking to open an account in the name of the company. This letter should also indicate all signatories.
- Copy of the Certificate of Incorporation
- Copy of the Investment Certificate
- ID/passport copies
- Passport size photos
- Power of Attorney (if application is on behalf of a company with shareholders)

Submit product sample to MINAGRI.

MINAGRI submits product sample to the Rwanda Bureau of Standards.

Adjust production methods to address issues identified.

Does product meet export standards?

Phytosanitary Certificate issued by RBS for regional exports.

Investor focuses on other implementation processes

YES

Pay RWF 10,000 (USD 17) initial deposit

Receive documents outlining account information within 1 hour of payment.

Does the investor require loan financing?

Investor not eligible for loan

Investor focuses on other implementation processes

YES

Has the investor received the first bank statement?

MINAGRI submits product sample to the Rwanda Bureau of Standards.

Investor proceeds to close the financing deal (contract signing, handover, etc.)

Investor receives a loan rejection letter, outlining:
- The reasons why the loan was not approved
- What amendments are required in order for the investor's future loan applications to be approved

Investor not eligible for loan

YES

Investor focuses on other implementation processes

Notes: 1 Based on Bank of Kigali – RDB branch interview
INVESTOR INTERNAL PROCESS – GREENFIELD (1/3)

### ORIGINATION

- **Investor becomes aware of greenfield investment opportunity**
  - Identify market opportunities through independent research
  - Learn of new opportunities through previous contacts with戈R
  - Attend investor presentation by President, Minister or RDB officials locally or abroad
  - Visit RDB offices to investigate potential opportunities/receive e-mail communication
  - Leverage personal networks of investors who have invested in Rwanda

### INFORMATION GATHERING

- **Form internal project team to gather detailed information to inform the investment decision**
  - **Country-level Information**
    - Macroeconomic information
    - Political stability
    - Ease of doing business
    - Competitiveness compared to other countries in EAC
  - **Investment Siting**
    - Land or lake availability and acquisition or leasing processes
    - Availability of factory/plant sites
    - Existence of special economic zones
  - **Agribusiness Sector**
    - Current investors
    - Supply chains
    - Markets
    - Infrastructure
    - Other technical info.
    - Sources: Analyst reports, Bureau of Statistics, investor’s surveys, research centers, site visits to successful examples locally and abroad; investors’ experience from other countries
  - **Regulations & Incentives**
    - Tax laws
    - Repatriation of funds/exit options
    - Importation of equipment
    - Expatriate staff
    - Types of incentives available
    - Sources: Local tax advisors, lawyers, RDB websites, RDB key account managers, newspapers
  - **General Experience**
    - Details of the benefits and challenges associated with the actual experience of investing in Rwanda in general, and agriculture specifically
    - Sources: Other investors
  - **Business Projections**
    - Financial projections
    - Expected sales
    - Operating costs
    - Sources: Experience from operations in other geographies; company internal analysis

### EVALUATION

- **Project team conducts detailed analysis to establish the viability of the opportunity: proposed model, financial projections, risks and mitigation steps including areas where government assistance is required**
  - **Investor exits process and pursues investment in other countries**
  - **Does Rwanda provide a conducive environment for the investor to do business?**
    - NO
    - YES
  - **Does agri. present an attractive opportunity for the investor?**
    - NO
    - YES
  - **Does the risk/return profile for the opportunity meet investor targets?**
    - NO
    - YES

**Note:** Investors priorities include, but are not limited to: sub-sector focus, value chain stage, size of investment, targeted countries for geographical expansion (in the case of multinationals) based on climatic conditions, ease of doing business, size of markets, etc.

Source: Investor Interviews
INVESTOR INTERNAL PROCESS – GREENFIELD (2/3)

**INVESTOR COMPLETES EVALUATION**

- Present business plan highlights to Board of Directors
- Seek assistance from senior RDB staff in arranging meetings with senior members of agencies whose assistance was highlighted in the business plan, e.g., Minister or Permanent Secretary of Agriculture, etc.
- Investor exits but may continue to seek local opportunities

**DOES BOARD APPROVE?**

- Yes
  - Present proposal to Minister or PS to negotiate. Common issues: availability of suitable land; additional subsidies or exemptions, e.g., on VAT, transport costs, technical assistance/extension services
  - Investor exits but may continue to seek local opportunities
- No
  - Conduct additional research
  - Renegotiate terms and conditions
  - NO, more info req’d

**INVESTOR EXITS BUT MAY CONTINUE TO SEEK LOCAL OPPORTUNITIES**

- Sign MOU
- Identify potential sites; RDB can assist with pre-identifying sites if the investor provides the required specifications
- Conduct site visits with agronomists to determine the suitability of the location and land for the intended purpose
- Investor exits process

**IS LAND IN A SEZ***?**

- Yes
  - Investor exits process
- No
  - Are the terms acceptable to both parties?
  - Submit official application to the District Mayor

**CAN SUITABLE LAND BE IDENTIFIED?**

- Yes
  - Investor exits process
- No
  - Conduct negotiations with District Mayor:
    - The valuation of land; details of the lease
    - Treatment of any occupants, e.g., hiring them as employees, relocating residents
    - Environment issues, e.g., protecting rivers in the area

**SPECIAL ECONOMIC ZONE**

- Yes
  - Investor exits process
- No
  - Is investment >US$ 100k for locals or US$ 250k for foreigners?
  - Yes
    - Submit required documentation and application fee to the RDB One Stop Shop or online to verify business operations, e.g., operations at site
  - NO
    - Advertise job opportunities; RDB can place job adverts in papers and facilitate introductions to recruiters
    - Conduct interviews; RDB premises may be used for these

**HIRING EMPLOYEES**

- Does employees need to be hired for the business?
  - YES
    - Submit required documentation and payment to process permits for foreign nationals to RDB One Stop Shop or online
  - NO
    - Select successful candidates and issue work contracts

**WILL COMPANY EMPLOY FOREIGN NATIONALS?**

- YES
  - Work permits issued within ~1 week
- NO
  - Investor exits process

**DETERMINING SITE/RECEIVING PERMISSION**

- Will the investor need land?
  - YES
    - Has MINIRENA committed to allocate this land?
    - Investor exits process
  - NO
    - Investor exits but may continue to seek local opportunities

**IS THERE A SITE ALREADY IDENTIFIED?**

- Yes
  - Investor exits process
- No
  - Will company employ foreign nationals?
  - YES
    - Investor exits process
  - NO
    - Investor exits but may continue to seek local opportunities

**COMPANY REGISTRATION**

- Select suitable unique name for the business and obtain approval from Registrar of Companies
  - To RDB One Stop Shop with the fee applicable to the type of business and the origin of the investor
  - On RDB website for free

**INVESTOR CERTIFICATION**

- Investor certificate issued in ~1 day enabling access to incentives
  - Is investment >US$ 100k for locals or US$ 250k for foreigners?
    - YES
      - Investor certificate issued in ~1 day enabling access to incentives
    - NO
      - Investor exits process

**TAX REGISTRATION**

- Submit business registration certificate with tax number to Rwanda Revenue Authority either independently or with assistance from a tax consultant
  - Investor exits process

**BANK ACCOUNT**

- Does investor need to open a bank account?
  - YES
    - Open bank account at Bank of Kigali in RDB One Stop Shop or another bank elsewhere
  - NO
    - Investor exits process

**INVESTOR CONTINUES WITH IMPLEMENTATION**

- Title Deeds issued/Lease agreement signed

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**DECISION TO INVEST**

**IMPLEMENTATION**

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Note: * Special Economic Zone; Source: Investor Interviews
INVESTOR INTERNAL PROCESS – GREENFIELD (3/3)

**IMPLEMENTATION**

- **Plant & Office Site**
  - Will the investor need to set up a plant or factory? **YES**
    - Independently identify potential site and finalize agreements with relevant parties
  - **NO**
    - Does the investor need to apply for access utilities? **YES**
      - Submit application to EWSA/claim utility-related incentives that have been agreed
    - **NO**
      - Is an environmental impact assessment required? **YES**
        - Hire local consultants or RDB Environment Officers to conduct the assessment of soil, water, socio-economic impact, etc.; in the case of local consultants, RDB Officials are required to sign off on the process
        - Total cost: ~RWF10-25 million
      - **NO**
        - Implement recommendations required to achieve compliance
  - **Is site in compliance?** **YES**
    - Environmental Certificate issued by RDB (~2-3 months)
  - **NO**
    - Begin operations
  - **Product Certification**
    - Will the investor import agricultural inputs? **YES**
      - Obtain Phytosanitary Certificate from supplier
    - **NO**
      - Will the investor export agricultural products? **YES**
        - Investor rep. submits sample to MINAGRI Import/Export Dept*
      - **NO**
        - Adjust production methods to address identified issues
  - **Does product meet export standards?** **YES**
    - Phytosanitary Certificate issued by RBS for regional exports
  - **NO**
    - MINAGRI submits sample to the Rwanda Bureau of Standards
    - Phytosanitary Certificate issued by RBS for regional exports
  - **Does investor receive commitments?** **YES**
    - Has investor achieved targets outlined in the business plan?**
      - **NO**
        - Provide justification for misalignment between plans and actual performance and renegotiate targets with District Mayors and/or Ministers
      - **YES**
        - Have all commitments that were made to the investor been honored? **YES**
          - Does investor gain audience with officials? **YES**
            - CONTINUE OPERATIONS AS PLANNED
          - **NO**
            - Investor representative approaches KAM to seek assistance in claiming commitments from the respective government agencies
          - **CONTINUE OPERATIONS AS PLANNED**
        - **NO**
          - Investor escalates issue to more senior members of RDB or directly approaches relevant government department in order to claim commitments
  - **NO**
    - Develop interim plans

**AFTERCARE**

- Prepare periodic reports to inform various parties of investment progress:
  - Board of Directors/Headquarters for a branch of a foreign national
  - Government ministries and District Mayors
  - Key account manager

- Has investor achieved targets outlined in the business plan?**
  - **NO**
    - Provide justification for misalignment between plans and actual performance and renegotiate targets with District Mayors and/or Ministers
  - **YES**
    - Have all commitments that were made to the investor been honored? **YES**
      - Does investor gain audience with officials? **YES**
        - CONTINUE OPERATIONS AS PLANNED
      - **NO**
        - Investor representative approaches KAM to seek assistance in claiming commitments from the respective government agencies
    - **NO**
      - Investor escalates issue to more senior members of RDB or directly approaches relevant government department in order to claim commitments
  - **NO**
    - Develop interim plans

Note: *For international exports, investors will need to ensure that the product not only meets regional but international export standards and samples may be sent to international certifying bodies. **Includes financial, socio-economic and environmental targets

Source: Investor Interviews

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PRIVATEZATIONS
Investor becomes aware of government-owned companies which are being privatized through invitation to bid. The invitation to bid:

- Is prepared and published by RDB Asset and Business Management which places advertisements on various media outlets (television, radio, newspapers, magazines, etc.)
- Includes information on where and how to purchase the bidding document

Pay for bidding document
Price differs depending on the company being privatized; ~RWF 300,000 (USD 500) can serve as a guideline

Consult Asset and Business Management division at RDB. Contact information is stated on the bidding document. Investor can request further information on a variety of issues, including but not limited to:
- Organizing a site visit
- Requesting clarification
- Requesting more information

Submit bid, in compliance with bidding requirements, rules and regulations. Administrative/eligibility documents, technical proposal and financial proposal must be placed in three separate sealed envelopes.

Attend public opening of envelopes containing administrative/eligibility documents and technical proposals. Bids are opened on the day on the submission deadline. After submission, bids are evaluated by an evaluation team; this process takes no more than 15 days.

Attend public opening of financial proposals. After opening, bids are comprehensively evaluated by an evaluation team; both the technical and financial proposals are assessed. The technical proposal carries more weight, but the financial proposal also matters.
- After evaluation, the evaluation team produces an internal evaluation report where each bid is profiled
- After the evaluation report is produced, the evaluation team writes a cabinet paper which ranks the bids, and recommended one bid
- After the paper is presented to cabinet, cabinet approves or disapproves the contents of the cabinet paper
- Cabinet then issues a public notice of the outcome of the process

Notes: 
1 Extension requests for 15-30 days are typically approved; 
2 A bid is financially competitive if: (1) it is higher than the valuation arrived at by RDB Asset and Business Management, and (2) it in the same range as other bids which made it through to the final evaluation

Investor exits

INVESTOR SEEKS INVESTMENT OPPORTUNITIES

INVESTMENT INFORMATION GATHERING

BID PREPARATION

INVESTOR RECEIVES RESULTS OF EVALUATION; IF A BID IS NOT SUCCESSFUL JUSTIFICATION IS PROVIDED

Would the investor like to work against the existing deadline?

Is the investor’s extension request approved?

Does the investor need any support from RDB during the bid preparation?

Does the investor qualify to proceed to the financial proposal evaluation?

Investor receives all documents submitted during bidding process

Investor proceeds to close the deal (contract signing, handover, etc.)

Investor hosts RDB for annual site visits

Was the investor’s bid financially competitive?

RDB negotiates optional top-up with government

Investor does not submit a bid

Request extension from RDB Asset and Business Management

Would the investor like to work against the existing deadline?

Investor receives results of evaluation; if a bid is not successful justification is provided

Attends public opening of financial proposals.
After opening, bids are comprehensively evaluated by an evaluation team; both the technical and financial proposals are assessed. The technical proposal carries more weight, but the financial proposal also matters.
- After evaluation, the evaluation team produces an internal evaluation report where each bid is profiled
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Investor receives results of evaluation; if a bid is not successful justification is provided

Investor does not submit a bid

Request extension from RDB Asset and Business Management

Does the investor need any support from RDB during the bid preparation?

Investor receives all documents submitted during bidding process

Investor exits

Notes: 
1 Extension requests for 15-30 days are typically approved; 
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INVESTMENT PROCESS ROADMAP
INVESTOR INTERNAL PROCESS – PRIVATIZATION (1/2)

**ORIGINATION**
- Investor becomes aware of tender notice
- Search for open tenders on RDB, MINAGRI, NAEB and RAB websites
- Attend investor presentation delivered by President, Minister, attaché, etc. locally or abroad
- Tenders open for ~6 months

**INFORMATION GATHERING**
- Investor representative, e.g. General Manager, convenes internal bidding team to conduct research and gather data to inform the bid
- Present proposal to the Board of Directors

**INVESTOR INTERNAL DELIBERATION PROCESS**
- Investor representative deposits a non-refundable deposit of ~USD500 into the bank account stated by the tender issuer in order to purchase a Request for Tender (RFT)
- Investor prepares a Technical Proposal and a Financial Proposal as well as any other requested documents in the specified format described in the RFT (could take ~2 months)
- Investor attends pre-tender briefings and arranges meeting with officials from tender issuers in order to clarify uncertainties
- Investor presents a Letter of Interest to contact person at issuing authority to request amendment to tender

**EVALUATION**
- Does tender align with investor’s investment priorities?
- **YES**
  - Attend pre-tender briefings and arrange meeting with officials from tender issuers in order to clarify uncertainties
  - Pursue avenues to remain updated of future opportunities, e.g. sign LOI with gov’t
- **NO**
  - Investor exits but continues to seek local opportunities

- **YES**
  - Internal bidding team prepares board presentation to:
    - Describe the attractiveness of the opportunity presented by the tender
    - Demonstrate its alignment with company goals and objectives
    - Communicate the preliminary view of how to bid against this tender
    - Reassure the board that the company has the financial capacity to execute against the requirements
  - Internal bidding team conducts additional research to address Board’s concerns including:
    - Internal research to verify ability to execute against the proposal
    - External research to i) reconsider intended plan for bid; ii) assess the scope to adjust the tender to better suit company objectives?
  - Investor representative deposits a non-refundable deposit of ~USD500 into the bank account stated by the tender issuer in order to purchase a Request for Tender (RFT)

- **Does bid still align with tender notice?**
- **NO**
  - Investor exits bidding process
- **YES**
  - Investor proceeds to ‘decision to invest’

Note: "Investors priorities include, but are not limited to: sub-sector focus, value chain stage, size of investment, targeted countries for geographical expansion (in the case of multinationals) based on climatic conditions, ease of doing business, size of markets, etc.; **Contents of RFT:** Description of investment opportunity; requirements that applicants should meet; criteria that will be used to evaluate proposals; desired content and format of submissions including templates if necessary; process rules and info including timelines; additional contract conditions; time and locations of pre-tender briefings; Source: Investor Interviews"
INVESTOR INTERNAL PROCESS – PRIVATIZATION (2/2)

**INVESTOR COMPLETES EVALUATION**

Investor representative visits specified location on the final date of the tender to witness:
- The opening of technical proposals and announcement of applicants; financial proposals remain sealed
- The announcement of the date on which decisions on technical proposals will be made; ~1 week later

**TECHNICAL COMMITTEE* REVIEWS TECHNICAL PROPOSALS AND COMMUNICATES DECISION TO APPLICANTS**

Conduct exit interview with Tech Committee representative

- NO
- YES

Investor representative attends meeting to witness the opening of financial proposals and announcement of proposed bids and payment terms

**TECH. COMMITTEE SELECTS TOP TWO FINANCIAL PROPOSALS AND COMMUNICATES DECISION TO APPLICANTS**

Conduct exit interview with Tech Committee representative

- NO
- YES

Engage lawyers to enter contract negotiations with tender issuer to agree on final terms: timetable of proposed investments and expansions; commitment from govt to enable investments, e.g. land for expansion; confirm financial health of company; confirm social impact, etc. (~ 6 months)

Transfer documents:
- Signed contract
- Company registration
- Tax registration
- Documents of ownership for movable and immovable assets, i.e. land, buildings, machines
- Share certificates

Set up Board of Directors including government official to represent government’s minority shareholding as well as cooperatives’ interests

Visit RDB One-Stop shop to:
- Obtain investor certificates
- Obtain work permits for expats

BEGIN OPERATIONS ON SITE PER PLANS SET OUT IN THE TECHNICAL PROPOSAL

- YES
- NO

Wait for negotiation with best bidder

- YES
- NO

Runner up bidder contacted

First investor exits process

**IMPLEMENTATION**

**AFTERCARE**

Prepare periodic reports to inform various parties of investment progress:
- Board of Directors/ Headquarters for a branch of a foreign national
- Government ministries and District Officials
- RDB Key account manager

Has investor achieved targets outlined in the business plan?**

- NO
- YES

Investor representative approaches KAM to seek assistance in claiming commitments from the respective govt agencies

Does investor receive commitments?

- YES
- NO

Investor escalates issue to more senior members of RDB or directly approaches relevant government department in order to claim commitments

CONTINUE OPERATIONS AS PLANNED

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Note: *The identities of members of the Technical Committee are not disclosed to investors but these will typically be experts in the concerned fields.

Source: Investor Interviews