



## **KATSINA STATE REGULATION FOR THE APPROVAL AND OVERSIGHT OF LARGE-SCALE AGRICULTURAL INVESTMENTS**

August 25, 2025.

ENACTED by the authority vested in the Katsina State Investment Promotion Agency pursuant to Section 5 of the Katsina State Investment Promotion Agency Law 2024, and in furtherance of the provisions articulated in the Katsina State FRILIA Executive Order 2024, and State Agricultural Development Policy, and by all other powers enabling it in that behalf, the following Regulations are hereby made:

### **PART I: PRELIMINARY**

#### **Article 1: Citation and Commencement**

1. These Regulations may be cited as the Large-Scale Agricultural Investment Approval Regulations 2025.
2. These Regulations shall come into operation on the 31<sup>st</sup> day of August, 2025, and shall apply throughout the territorial jurisdiction of Katsina State.

#### **Article 2: Interpretation**

In these Regulations, unless the context otherwise requires:

- a. "Ministry/Department/Agency" shall denote the Katsina State Investment Promotion Agency established under Katsina State Investment Promotion Agency Law 2024;
- b. "Stakeholder" shall denote the identified persons, group, or organization that has a vested interest
- c. "FRILIA Principles" shall be construed in accordance with the framework of FRILIA as promulgated by Katsina state under Katsina State FRILIA Executive Order 2024;
- d. "Large-scale agricultural investment" shall mean and include any agricultural enterprise exceeding ten hectares in land area or requiring capital investment above \$500,000 monetary units;
- e. "ESIA" shall refer to a comprehensive Environmental and Social Impact Assessment or such other environmental and social analysis required by and conducted in accordance with Katsina State Environmental Protection Law 2011.
- f. "FRILIA Toolkits/Guidelines" shall refer to toolkits or guidelines developed by the Katsina State FRILIA Technical Committee and approved by the Katsina state FRILIA steering committee as established by the Katsina State FRILIA Executive Order 2024.

### **Article 3: Application and Scope**

1. The provisions contained herein shall apply to:
  - a) All natural persons, corporate entities, and consortia seeking to undertake large-scale agricultural investments within the territorial boundaries of Katsina State;
  - b) All large-scale agricultural investment transactions involving land use, water rights, or natural resource exploitation for agricultural purposes;
  - c) All phases of project development from conception through implementation to decommissioning.
2. Nothing in these Regulations shall be construed as limiting or abrogating any existing rights, obligations, or remedies available under any other enactment.

## **PART II: APPROVAL MECHANISM**

### **Article 4: General Provisions**

The Katsina State Investment Promotion Agency shall serve as the authority responsible for the administration, oversight, and enforcement of these Regulations

### **Article 5: Approval Conditions**

In furtherance of enhancing the efficiency, transparency, and accountability of the State's Investment Approval Process, the following toolkits, which incorporate FRILIA principles, shall be mainstreamed into the Investment Approval Process (IAP) established by this Regulation.

Stakeholder Engagement: Toolkit/Guideline

**Objectives:** The Toolkit captures a range of approaches and methodologies to identify and proactively enable the participation of all stakeholders towards empowering them to make an informed decision throughout FRILIA implementation

Environmental and Social Risk Management Toolkit/Guideline

**Objective:** The toolkit provides a guide for the investor on implementing the various safeguards for environmental and social sustainability, including the health and safety of its stakeholders

Land Access, Easement and Involuntary Resettlement Management Toolkit/Guideline

**Objective:** The toolkit supports the consultative process of physically and/or economically displaced Project Affected Entities (PAEs) and Project Affected Communities (PACs) to help ensure improved livelihoods post-displacement

Valuation and Compensation Toolkit/Guideline

**Objective:** The toolkit describes processes to objectively identify, enumerate, and assess replacement values, assign eligibility, and undertake gender-sensitive valuations of immovable assets, loss of access to natural resources, and any other forms of valuable unexhausted improvements within and around a defined project area

Global Memorandum of Understanding Toolkit/Guideline

**Objective:** The toolkit provides a range of culturally appropriate and user-friendly agreements that are inclusive and explanatory for all the parties involved in a varied range of agreements between stakeholders

Grievance Redress Mechanism (GRM) Toolkit/Guideline

**Objective:** The toolkit provides an avenue for stakeholders to understand the concept of grievances, capturing grievances, responding to grievances, monitoring, aggregation of grievances, including the grievance escalation procedure, and exploration of alternative dispute resolution medium or the open court systems

Community Needs Assessment and Development Toolkit/Guideline

**Objective** – This toolkit supports the commitment of investors to Community Social Responsibility (focus on women and youth empowerment, utilization of local content, minority and vulnerable groups, knowledge transfer, and improved community infrastructure) and helps investors to identify and analyze the needs of the community that will be affected by the investment

Out-growers and Food Security Toolkit/Guideline

**Objective:** The toolkit presents a series of process models that would support the expanded growth of investors and economically empower local communities to participate in large-scale agribusiness development. Additionally, it includes a food security framework for participating communities.

## **Article 6: Stakeholder Engagement**

Stakeholder engagement shall be in accordance with the procedures and processes set out in the approved FRILIA stakeholder engagement toolkit /Guideline

**Article 7: The approval process for large-scale agricultural investments shall comprise seven distinct stages as hereinafter prescribed.**

### **Stage One - Preliminary Application and Due Diligence**

1. Prospective investors shall submit to the Katsina State Investment Promotion Agency (KIPA) in the prescribed form and manner:

- a) A duly executed application form as set forth in Schedule 1;
  - b) Certified copies of constitutional documents, including but not limited to certificates of incorporation and memorandum of association;
  - c) Audited financial statements demonstrating financial capacity;
  - d) A comprehensive project concept note detailing:
    - i. Project objectives and scope;
    - ii. Proposed land requirements;
    - iii. Anticipated employment creation;
    - iv. Proposed value chain integration.
    - v. Potential risks and benefits for the affected community.
  - e) Such other information as may reasonably be required by KIPA and set forth in Schedule 13.
2. KIPA shall, within seven working days of receipt of a complete application:

- a) Conduct thorough screening and due diligence on the applicant and investment using the Katsina state screening toolkit, including but not limited to:
    - i. Verification of corporate standing;
    - ii. Assessment of financial viability;
    - iii. Examination of previous investment track record;
  - b) Initiate preliminary community engagement where the proposed project area has been identified.
  - c) Determine preliminarily whether the proposed investment is reasonably likely to comply with all applicable FRILIA principles.
3. Failure to submit complete documentation as prescribed shall render the application null and void.

KIPA may invite other identified stakeholders, including but not limited to Katsina State Ministry of Agriculture, Ministry of Local Government and Chieftaincy Affairs, Local Government Officials, Civil Society Organisations, and Community and Traditional Leaders to participate at this stage. The participating stakeholders shall collaborate and share responsibilities as follows:

#### **Shared Responsibilities:**

- KIPA shall conduct screening and due diligence on the investor's application, including verifying corporate and financial standing.
- Ministry of Agriculture shall review the proposed agricultural project for alignment with state agricultural development policy and technical feasibility.
- Ministry of Local Government and Chieftaincy Affairs shall notify and coordinate relevant LGAs and ensure community interests are considered.
- Local Government Officials shall facilitate preliminary engagement with the host communities and provide local data on land use.
- Community and Traditional Leaders shall provide historical and cultural context of the land and verify local acceptance of the investor's interest.
- Civil Society Organisations (CSOs) shall serve as independent observers to ensure the application process and initial consultations are transparent, participatory, and inclusive of vulnerable groups.

#### **Stage Two - Site Identification and Community Consultation**

Upon satisfactory completion of Stage One, KIPA shall:

- A. Continue to provide information and resources that the potential investor may need to proceed with the investment.
- B. Coordinate the investor's interaction with other government agencies and help the investor locate service providers.
- C. Arrange for site visits for the investor after notifying local officials and communities of investor interest.
- D. Notify local government officials, other ward and community stakeholders to engage in internal consultations and then to respond preliminarily whether they might welcome the investment.

KIPA may invite other identified stakeholders, including but not limited to Ministry of Agric, Ministry of Local Government, Community and Traditional Leaders, Local Government Officials, Civil Society Organisations, to participate at this stage. The participating stakeholders shall collaborate and share responsibilities as follows:

### **Shared Responsibilities:**

- KIPA shall organize site visits and coordinate communication between investors, MDAs, and communities.
- Ministry of Agriculture shall assess the suitability of the proposed site for the intended agricultural use.
- Ministry of Local Government shall oversee internal community consultations and ensure representation of all wards.
- Community and Traditional Leaders shall mobilize community members for consultations and communicate preliminary acceptance or concerns.
- Local Government Officials shall record and transmit community feedback to KIPA for further decision-making.
- Civil Society Organisations (CSOs) shall provide independent oversight and ensure consultations are inclusive, especially of women and vulnerable groups.

### **Stage Three: Potential Investor Proceeds or Withdraws**

Upon satisfactory completion of Stage two:

- 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.
- 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 Katsina State Ministry of Justice should begin to discuss a community engagement plan to guide the ongoing consultations.

KIPA may invite other identified stakeholders, including but not limited to Ministry of Agric, Ministry of Local Government, Community and Traditional Leaders, Local Government Officials, Civil Society Organisations, to participate at this stage. The participating stakeholders shall collaborate and share responsibilities as follows:

### **Shared Responsibilities:**

- KIPA shall guide the investor on the next steps following the community's initial response.
- Ministry of Agriculture shall advise on alternative site options or adjustments to project design if required.
- Ministry of Local Government shall mediate community discussions and encourage consensus-building.
- Community and Traditional Leaders shall represent the collective decision of the community and communicate willingness (or refusal) to proceed.
- Local Government Officials shall document outcomes of consultations for record and transparency.
- Civil Society Organisations shall observe and validate the fairness of the decision-making process.
- Ministry of Justice shall provide legal advisory support to the community during development of the Community Engagement Plan.

#### **Stage Four: Investor Enters into a Memorandum of Understanding (“MoU”) with KIPA, Ministry of Agric and Representatives of the Affected Communities**

- A. KIPA does more in-depth due diligence on the investor and shares additional due diligence findings with other stakeholders.
- B. Consultations with the community continue, 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 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 ESIA, etc. The MoU does not legally commit any party to enter into a final agreement on the proposed investment.

KIPA may invite other identified stakeholders, including but not limited to Ministry of Agric, Ministry of Local Government, Community and Traditional Leaders, Local Government Officials, Civil Society Organisations, Ministry of Environment, to participate at this stage. The participating stakeholders shall collaborate and share responsibilities as follows:

#### **Shared Responsibilities:**

- KIPA shall lead the drafting and coordination of the MoU framework.
- Ministry of Agriculture shall define agricultural obligations such as land requirements, crop/livestock suitability, and food security expectations.
- Ministry of Local Government shall ensure inclusion of all wards and local representation in the MoU process.
- Community and Traditional Leaders shall negotiate community benefits and ensure cultural considerations are reflected.
- Local Government Officials shall authenticate agreements at the LGA level and maintain official records.
- Civil Society Organisations shall serve as independent observers to ensure transparency in negotiations.

- Ministry of Environment shall advise on environmental obligations and integrate ESIA commitments into the MoU.
- Ministry of Justice shall provide legal guidance, support and review draft MoUs, and safeguard the legal rights of communities and the State.

## **Stage Five: Investor Completes and Shares a Feasibility Study, Business Plan, and an Independent Environmental and Social Impact Assessment (ESIA)**

- A. The Ministry of Environment and Katsina State Environmental Protection Agency makes its determination whether the ESIA is acceptable and notifies the investor within seven 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.

KIPA may invite other identified stakeholders, including but not limited to Ministry of Agric, Ministry of Local Government, Community and Traditional Leaders, Local Government Officials, Civil Society Organisations, Ministry of Environment, to participate at this stage. The participating stakeholders shall collaborate and share responsibilities as follows:

### **Shared Responsibilities:**

- Ministry of Environment shall review and validate the ESIA for environmental and social compliance.
- Katsina State Environmental Protection Agency (NSEPA) shall technically appraise and approve mitigation measures in the ESIA.
- KIPA shall monitor submission of feasibility and business plans and ensure compliance with FRILIA toolkits.
- Ministry of Agriculture shall assess the feasibility study for agricultural sustainability and alignment with state food security goals.
- Ministry of Local Government shall facilitate continued consultations at the community level.
- Community and Traditional Leaders shall ensure community feedback is integrated into the ESIA and business plan.
- Local Government Officials shall provide logistical support for community validation of ESIA findings.
- Civil Society Organisations shall independently review ESIA outcomes and advocate for community concerns.

### **Stage Six: The parties enter into the Final Agreement**

- 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, an approved investment is likely to include some or all of the following:
  - 1. Land lease agreement
  - 2. Outgrower contract(s)
  - 3. Community impact and benefit agreement
  - 4. Community engagement plan
  - 5. Environmental and Social Compliance
  - 6. Monitoring plan
  - 7. Inclusive, accessible, and equitable dispute resolution mechanisms

KIPA shall review the final agreement(s) and determine whether it and the investment as a whole complies with all applicable FRILIA principles.

KIPA may invite other identified stakeholders, including but not limited to Ministry of Agric, Ministry of Finance, Ministry of Environment, Ministry of Justice, CSOs, Community and Traditional Leaders, Local Government Officials, Framers Group, Citizens Group, etc to participate at this stage. The participating stakeholders shall collaborate and share responsibilities as follows:

### **Shared Responsibilities:**

- KIPA shall review and approve the final agreements to ensure compliance with FRILIA principles.
- Ministry of Agriculture shall confirm that agricultural production contracts (e.g., outgrower schemes) are viable and equitable.
- Ministry of Finance shall verify financial terms of the land lease, compensation packages, and benefit-sharing agreements.
- Ministry of Environment shall validate environmental and social compliance commitments in the final agreement.
- Ministry of Justice shall provide legal review of all final agreements, ensuring enforceability and protection of community and state rights.
- Civil Society Organisations (CSOs) shall act as independent monitors to ensure transparency, fairness, and inclusivity in the final agreements.
- Community and Traditional Leaders shall validate that community priorities and cultural concerns are reflected in the agreements.
- Local Government Officials shall witness the agreements, provide official documentation, and ensure integration into local development plans.
- Farmers group shall review and confirm the fairness of outgrower contracts, land use arrangements, and agricultural benefit-sharing provisions.
- Citizens Group Representatives shall represent broader social interests, ensuring that vulnerable and marginalized groups benefit from the agreement.

### **Article 8: INVESTMENT SCREENING**

KIPA shall conduct investment screening throughout the approval process described in Article 7 in accordance with the FRILIA investment screening toolkit to assess the potential impacts of investments approved under this Regulation.

The KIPA shall ensure that the investment screening process is transparent and based on a thorough assessment of potential risks and opportunities

### **Article: 9 Grievance Redress Mechanism (GRM)**

The investor shall establish a GRM pursuant to an agreement with the affected community which shall be in accordance with the FRILIA GRM toolkit to address complaints and grievances related to investments under this Regulation.

#### **The GRM shall:**

- Provide accessible channels for stakeholders to submit grievances, as outlined in the FRILIA GRM Toolkit

- Ensure timely and effective response in accordance with the procedures set out in the FRILIA GRM Toolkit
- Investigate grievances and work towards resolving them, using the guidelines provided in the FRILIA GRM Toolkit

Monitor and evaluate the effectiveness of the GRM, using metrics and indicators specified in the FRILIA GRM Toolkit.

### **PART III: FINAL PROVISIONS**

#### **Article 10: Offenses and Penalties**

1. Any person who:

- a) Wilfully provides false or misleading information in any application;
- b) Fails to comply with any condition of approval;
- c) Undertakes any agricultural investment without proper authorization;

shall be guilty of an offense and liable on conviction to:

- i. A fine not exceeding #2,000,000 or imprisonment for a term not exceeding 2 years, or both;
- ii. Suspension or revocation of investment approval;
- iii. Disqualification from future investment opportunities for a period not exceeding two years.

#### **Article 11: Severability**

If any provision of this regulation is held invalid, the remaining provisions shall remain in effect.

### **SCHEDULES**

Schedule 1: Prescribed Application Form

Schedule 2: Schedule of Fees and Charges

Schedule 3: Standard Reporting Templates

**Signed this 18<sup>th</sup> November, 2025.**



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**Alh. Ibrahim Tukur Jikamshi**  
**Director General**  
**Katsina State Investment Promotion Agency**