Rationale and Recommended Response for
Attracting Investment: agro-industry and agro-enterprise finance

In many developing countries, investment in agro-industry remains comparatively low.

Given that the public sector has neither the resources nor the mandate to assume the lead as a direct investor, its role is largely one of ensuring that business conditions within the agro-industrial sector support private sector expectations with respect to growth potential and risk minimization. Promoting investment and facilitating investment processes is also an important aspect of the public sector's input.

Within this context, a differentiated, but comprehensive, approach to attracting and facilitating investment in agro-industry is called for. One that:

- seeks to address the competitiveness and related investment gaps along the entire value chain of agro-industry, through a targeted investment promotion programme, for potential investors both in-country and abroad;

- recognizes, and responds to the different needs and aspirations of the small, medium and large scale agri-business investor; and

- acknowledges the special requirements of the domestic investor, particularly with respect to access to financing and technical support services.

Focus of the Debate

Do you agree with the proposition statement?