

The Investment Readiness Checklist

10 qualities, the evidence each one requires, and the order to work in. They are cumulative i.e. an opportunity silent on 2 of the 10 is not necessarily 80% ready. This is because the shortcomings are typically where diligence concentrates.

	QUALITY	WHAT PROVES IT	THE FAILURE IT PREVENTS
✓	01 Legal Standing & Transferable Title	Title, lease or registered licence; current search or cadastral extract; surveyed boundary; fees current; opinion on transferability and security.	An application, offer letter or undemarcated claim presented as title.
✓	02 Evidenced Demand	Independent demand-side study; named buyers approached and their responses; observed prices with source and date; stated route to market.	Sector growth quoted in place of the opportunity's addressable demand.
✓	03 A Scope Costed From A Design	Scope and layout; equipment list with pricing sources; basis of estimate; estimate class; separate land, engineering, owner's cost and contingency lines.	A single capital figure with no scope behind it and no contingency.
✓	04 Contracted Revenue	Signed offtake, supply, tenancy or concession agreements with volume, price, tenor and termination; counterparty credit standing.	A letter of intent described in the model as an offtake.
✓	05 Numbers That Reconcile	Sources and uses; three statements; debt service coverage by period; sensitivities on price, volume, capital cost, delay and currency; assumptions register.	Internal transfers counted twice, or one figure carrying two values.
✓	06 Committed Owner Capital	Funded development budget with spend to date; evidence of committed equity; independent valuation of any contributed asset.	A request for 100% of the requirement, including the cost of preparing it.
✓	07 A Ring-Fenced Vehicle & Disclosed Governance	Incorporation and shareholder register; beneficial ownership; audited accounts; tax clearance and arrears position; related-party register; succession.	Assets, licences and unrelated trading inside one company.
✓	08 Secured Consents, Land & Utilities	Environmental authorization; water right; grid connection offer with cost and date, or a captive plan; change of land use; export and beneficiation approvals.	A programme that starts at construction, with permitting unspecified.
✓	09 Environmental, Social & Community Licence	Impact assessment against a recognised standard; management plan with owner and budget; resettlement position; grievance mechanism; community agreement.	Exclusion from the institutions funding 64% of African private capital.
✓	10 An Enforceable Exit & Security Package	Stated exit route with comparables; security offered and perfection opinion; governing law and dispute forum; repatriation route; political risk cover.	An exit section reading trade sale or listing, with no buyer universe.

Sequence Is What Saves Money

Spending in the wrong order is how development budgets are exhausted without the opportunity becoming fundable. Preparation runs at 5% to 10% of project cost and decides whether the remaining 90% to 95% arrives.

Brownfield [An Operating Or Previously Operating Asset]

- 1 Audit first. Nothing else can be relied on until the accounts are.
- 2 Reconstruct title and permits: every transfer, encumbrance and expiry date.
- 3 Separate the asset into a clean vehicle, leaving unrelated trading outside it.
- 4 Commission an independent condition or resource assessment.
- 5 Cost the deferred maintenance as its own line, not as expansion capital.
- 6 Renew the revenue contracts, then build the model off the audited base.

Greenfield [An Asset That Does Not Yet Exist]

- 1 Secure the right. Investors fund development on secured ground, not acquisition.
- 2 Test demand before technical work. It is cheaper and it changes the design.
- 3 Select and cost one option, stating class, basis of estimate and contingency.
- 4 Start permitting in parallel with the feasibility study, never after it.
- 5 Convert one buyer into a conditional offtake effective on commissioning.
- 6 Build the model, naming the two or three assumptions the case turns on.
- 7 Then approach capital. A model and a rendering persuade no one on their own.

6 Things That Derail Prospects Of A Positive Decision

- Title that is asserted rather than registered.
- Revenue that is projected rather than contracted.
- A capital figure with no design behind it.
- Numbers that do not reconcile, often read as not just a mere slip but a negative governance signal.
- An owner with nothing at risk.
- No definitive answer on how the investor gets their money back, or when things go wrong.

WHERE TO SPEND FIRST

An audit, a title search, a company reorganization and a check on the numbers cost a fraction of a feasibility study. This removes most of the reasons an opportunity is set aside.

State your own gaps, with dates against them. A submission that names its gaps is regarded as competent. One whose gaps an analyst finds is often regarded as careless or concealing.

This document is a companion to IHC Sector Intelligence, **What Every Project Or Opportunity Owner Must Know About Investment Readiness**, which carries the evidence, the sources and the full documentary checklist.

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