

APPENDIX 8

Opportunity Brainstorming Workshop

This appendix can be used as a foundation for key stakeholders to identify local procurement opportunities. Ideally this brainstorming would follow some initial research on demand size and patterns, which could be shared with the group prior to brainstorming, but it could also be used as an initial step to kick-start the process and prioritise research. The appendix relates to Module 3: Identifying Opportunities in *A practical guide to increasing mining local procurement in West Africa*.

1. Example structure of initial brainstorming exercise

Possible convenors and facilitators:

- Chamber of Mines procurement committee (if this exists)
- “Business linkages” organisation
- Independent facilitator appointed by one of the stakeholders

Suggested group size:

- 5 to 25 people
- If overall group size needs to be larger, a number of smaller groups has also proven effective

Target invitees:

- Mining procurement officials, buying officers, and, where possible, end users
- Any market linkage support agencies / other entities that can help to provide information on local business capacity / availability of suitable local supply capacity
- Note: experience has shown that in this initial brainstorming mines are likely to speak more freely if the meeting is small and attendance is focused on mining companies (introduction of suppliers or government officials may raise concerns from mines about raising expectations)

Suggested time allocation: 1 to 1.5 hours

Suggested venue, materials, and equipment:

- Small venue with movable chairs and tables
- Flipcharts
- Small sticky notes / pieces of paper and sticky stuff/poster putty
- Small round stickers or dots
- Pens/markers
- Boards/walls to which can stick paper

Example agenda/process: Initial brainstorming session

1. Welcome and introductions (5 to 10 minutes)
2. Briefing on the exercise and principles (5 to 10 minutes)

Principles in considering opportunities include:

 - Assess demand by mining sector and other sectors:
 - Include sub-contracting demand by primary contractors/major suppliers
 - Both capital and operational expenditure
 - Services as well as products
 - Consider regional demand
 - Consider demand by other industries, e.g. construction, oil and gas, agriculture, tourism
 - Consider consistency of demand e.g. products purchased more regularly are likely to be more sustainable opportunities for local businesses
 - Consider existing local capacity:
 - Assess existing supply capacity
 - Consider gaps in capacity and how easily these could be addressed
3. Brainstorm in small groups of 3 to 7 people - write your thoughts on highest opportunity products & services onto small pieces of paper/post-it notes - one opportunity per note (10 to 30 minutes) - at least opportunities 10 per group
4. Facilitator or group combine post-it notes and group these into related opportunities on a wall / board (10 minutes)
5. Individual votes on “Top 5” opportunities in the short- to medium term using dot stickers (10 minutes)
6. Reflections/debate on top 10/15 opportunities for the group overall (10 minutes)
 - Any missing opportunities?
 - What are low-hanging fruits and what are more medium/long term opportunities?
7. Discussion of next steps (10 minutes)

2. Example structure of follow-up brainstorming exercise

Once potential opportunities have been identified, the following brainstorming exercise can help to understand these opportunities better and identify the most attractive opportunities in the short, medium and longer-term.

Possible convenors and facilitators:

- Chamber of Mines procurement committee (if this exists)
- “Business linkages” or enterprise development organisation
- Researchers / organisations with access to mine procurement and import data
- Independent facilitator appointed by one of the stakeholders

Suggested group size:

- 20 to 50 people (depending on number of active mining companies, number of opportunities to be discussed)

Target invitees:

- Mining procurement officials and buying officers
- Primary contractors’ procurement officers
- Suppliers / suppliers associations
- Enterprise development and market linkage support agencies

Suggested time allocation: 1.5 to 3 hours

Suggested venue, materials, and equipment:

- Venue with movable chairs and tables
- Flipcharts
- Pens/markers
- Boards/walls to which can stick flipchart paper

Example agenda/process: Follow-up brainstorming session

1. Welcome and introductions (5 to 10 minutes)
2. Briefing on the exercise (5 to 10 minutes)
3. For each potential opportunity, discussion and capturing on flipchart/ paper of areas (around 20 to 30 minutes per opportunity) :
 - a. What do we already know about size of current demand?
 - b. What mainly drives this demand? e.g.:
 - i. Number of people on site
 - ii. Tonnes of ore mined or processes
 - iii. Minerals extracted e.g. tonnes / oz
 - c. Can we estimate the total size of this driver across all mines / sites e.g. total workforce on site, now and in e.g. 5 years (noting any assumptions on which projects are operational)?
 - d. How does this play out into potential demand in future?
 - e. Are there ways we could try to verify this demand e.g. total import volumes by mines or overall?
 - f. What is the typical range of contract sizes and timings e.g. # of units, how often purchased per annum, contract duration?
 - g. What is the broad range of unit prices for goods/ services of required quality and specifications? How does this compare to typical prices on the local market?
 - h. What is the existing local supply base? E.g. number of current local suppliers, additional businesses with suitable that are not already supplying the mines, business size and locations relative to the mine
 - i. If investment will be required to serve the demand, what is the scale of this investment / minimum volume threshold to justify the investment?
 - j. What are the main constraints to competitive local supply? How long would these take to address?
4. Discussion of implications for higher-priority opportunities in short medium and long-term (around 30 minutes)
 - a. Short term opportunities-existing market, exiting supply base, limited constraints to competitive supply
 - b. Medium-term opportunities - sufficient scale of market and/or competitive local supply capacity not yet present
 - c. Long-term - likely to require major changes to demand or the operating environment for local suppliers to be able to compete
5. Discussion of next steps, roles and responsibilities (10 to 30 minutes)