

# Palm Oil



Pruning of palm fronds using the mechanical adjustable harvester

## Growing the Palm Oil Sector:

Lead Farmers, Agro-Dealers, Fabricators & Input Companies

Creating greater efficiency in harvesting and processing is critical to developing the palm oil market system in the Niger Delta as palm oil has been classified as a significant contributing commodity to the Niger Delta economy. The technologies would enable farmers and processors to produce in quantities that are necessary to support and be attractive to larger off-takers supplying national and export markets. To date, the use of efficient technologies for oil palm has not been fully incorporated into the sector in the region. PIND has been a pioneer in the promotion of efficient

technologies for oil palm in the Niger Delta. "Through PIND, they have made it successful for us to have the machine in the country. Farmers are now smiling, because before they have not been able to harvest their (palm) fruits on time. Now everybody can harvest, whether you a man or woman" said Ikechukwu Umeaku, an agro-dealer. He is the Managing Director, Texmaco, the Nigerian agent for German-based STIHL, manufacturer of the Mechanical Adjustable Harvester, a technology for efficient harvesting oil palm fruit bunches.

In 2018, a group of agro-dealers, lead farmers and input companies incentivized by PIND collaborated to train

PIND has been a pioneer in the promotion of efficient technologies for oil palm in the Niger Delta. "Through PIND, they have made it successful for us to have the machine in the country. Farmers are now smiling, because before they have not been able to harvest their (palm) fruits on time. Now everybody can harvest, whether you a man or woman" said Ikechukwu Umeaku, an agro-dealer. He is the Managing Director, Texmaco, the Nigerian agent for German-based STIHL, manufacturer of the Mechanical Adjustable Harvester, a technology for efficient harvesting oil palm fruit bunches.

In 2018, a group of agro-dealers, lead farmers and input companies incentivized by PIND collaborated to train 5,530 palm oil farmers on best management practices

“

*Findings from a PIND 2018 impact assessment showed that processors using the improved processing technology installed as a result of PIND's capacity enhancement of agro-equipment manufacturers make an additional monthly income of NGN888, 427 (\$2,538) in the palm oil production peak season. Furthermore, 52 farmers using the harvesting technology earned another income of NGN194, 515 (\$556) from extra palm oil fruits bunches recovered from their farms. As the sector grew and farmers generated additional revenue, they employed additional labor to support the business expansion.*

”



## ■ Quality Oil Palm Seed for Increasing Yield for Farmers

PIND conducted a survey on farmers' access to palm oil seedlings in the Niger Delta 2017. The survey revealed that the major causes of low yields in oil palm has been the lack of access to improved seedlings and perceived high cost of good seedlings by farmers. As a result, there has been a proliferation of adulterated seeds which is threatening the livelihoods of oil palm farmers, preventing investments and stifling the growth in the sector. In 2017, PIND intervened with a pilot project to increase farmers' access to high yielding quality seeds. PIND facilitated a market linkage between Okomu, a large plantation planting certified seedlings and 10

nursery operators. As a result of the linkage, Okomu and the nursery operators invested 18 million naira in certified seeds in 2017 and the nursery operators received training from Okomu on oil palm nursery management.

Following the successful completion of the pilot, in 2018, PIND held two oil palm seed linkage workshops in Edo and Ondo States to deepen existing relationships and promote new ones among market actors like major seed producers, large oil palm plantations, nursery operators and lead farmers (from Delta, Ondo, Imo, Edo and Akwa Ibom States); and increase awareness on improved



“  
*A seedling that has not grown well in the nursery will make a poor oil palm*  
 - Lawal Samuel

certified seeds among nursery operators and farmers.

Four seed producers (S-ATM, Ghana Sumatra, Nigeria Institute for Oil Palm Research (NIFOR), and ALLISSEE); two large oil palm plantations (PRESCO and Okomu); 29 nursery operators and 24 lead farmers established business linkages at the Edo linkage workshop. Right after the workshop, NIFOR sold 1,500 quality seeds, ALLISSEE received booking for 7,500 from nursery operators and farmers while others as well established patronage relationships. The Ondo State linkage workshop connected PalmElit CIRAD, a major seed producer based in France with 50 lead farmers and representatives from the Federal Ministry of Agriculture on a new improved oil palm seed. Some of the unique features of PalmElit CIRAD seed include the palm trees remaining short, and farmers will not have to climb

“  
*It's not just having a plantation that matters, but quality plantations. We know the good quality seed, so we are trying to promote them for local farmers, for middle men and even those that want to do it in a large quantity*  
 - Lawal Samuel

throughout its life span and its early fruiting starting from the 13th month and producing up to 25 tons/ha from 8th year of planting.

“A seedling that has not grown well in the nursery will make a poor oil palm” says Lawal Samuel, a nursery operator and member of the National Association of Oil Palm Farmers who was a participant at the linkage workshops. “It’s not just having a plantation that matters, but quality plantations. We know the good quality seed, so we are trying to promote them for local farmers, for middle men and even those that want to do it in a large quantity”, he concluded. With improved business relationships engendered between stakeholders via PIND’s linkage workshops, farmers and nursery operators now have improved access to seedlings. More quality and certified seeds are expected to be purchased and planted in the year 2019.

## FACT BOX



### 2018: Palm Oil

- 5,530 farmers trained on best management practices
- 52 hectares of land planted with improved and certified seeds.
- Scaled up access to processing technologies with 18 fabricators trained and 34 SSPE sold
- 1,849 jobs created, surpassing the 700 jobs target for 2018
- 7,401 palm oil farmers and processors (female: 1,480) reported increased income
- 1,860 jobs created
- NGN35,570,400 (\$101,629) investment leveraged into the palm oil sector