



HENKEL AND SOLIDARIDAD'S PARTNERSHIP IN NIGERIA

CONTEXT

Oil palm is native to West Africa and the expectation is that palm oil production will accelerate across this region in the coming years.¹ Nigeria is one of the major producers of palm oil in West Africa. In Nigeria, as elsewhere, smallholders are an integral part of the palm oil industry, accounting for 89% of palm oil production in the country. The average smallholder land size is 1.5 hectares. The Niger Delta is a key production hub in the country, accounting for about 57% of total production. This production is dominated by the collection of fresh fruit bunches (FFB) from wild groves or aged trees.

There are some critical issues in Nigerian palm (kernel) oil production. Unfortunately yields in many Nigerian oil palm farms are low, partly due to a lack of access to the finance and certified inputs that would allow them to develop their plots. These low yields put pressure on farmers, encouraging unsustainable land use in the effort to increase outputs. This risks uncoordinated expansion into existing forest cover.

Apart from low yields, Nigeria's distinct relationship to mills causes some further issues. In contrast to other oil palm regions across the globe, Nigerian smallholders process their FFB using small artisanal mills, generally owned by private operators. Due to the low oil extraction rates of these mills, farmers' profit is eroded as the final outputs are impacted. At the same time, these artisanal mills, often outdated and inefficient, emit a high level of greenhouse gas (GHG), contributing to the negative environmental impact of the sector. These issues can be addressed. Yields can significantly increase by applying best management practices (BMP), adopting climate-smart agriculture (CSA), and sustainable land use management practices. And with the right support, farmers and mills can move on from obsolete and damaging technology.

¹https://www.solidaridadnetwork.org/wp-content/uploads/2022/09/Palm-Oil-Barometer-2022_solidaridad.pdf

SUPPORTING SMALLHOLDERS' LIVELIHOODS IN NIGERIA

As part of this partnership, Solidaridad has been working with smallholder farmers in two states of the Niger Delta (Cross River and Akwa Ibom). In light of the challenges in this region, the partnership has focused on different interventions to improve smallholders' yields and incomes. Between 2016 and 2020, the partnership worked with smallholder farmers to implement BMP and to facilitate farmers' access to inputs. Women's involvement was prioritized during this project. The project also addressed the need for farmers to replace aging palms by linking farmers to organizations that facilitated access to improved planting materials. The success of the project with farmers in Cross River and Akwa Ibom led to an increased number of farmers wanting to participate in future projects.

“My palms do not produce from September but after I did BMP, I am harvesting even in November”

Mr. Osam, Etung farmer

The project also benefited from Solidaridad's continuous engagement with national and local authorities. Agricultural extension officers were involved in several trainings to deepen their knowledge on best management practices throughout the region. Participants are expected to pass this knowledge on to farmers in their networks and as such multiply the impact of this project.

ACHIEVEMENTS

Farmer's Capacity Building 2017 - 2020:

- 4,808 farmers trained in best management practices
- 360 smallholder farmers trained on RSPO principles and criteria
- 40 independent smallholders groups trained on group dynamics, lobbying and advocacy (21 in Akwa Ibom and 19 in Cross River State)

Sustainable production and productivity

2017 -2020:

- 7,257 hectares reached with best management practices
- Estimated 6,000 tons of CPO
- Yield increase: from 3 ton/ha to between 5.2tons/ha and 10.8 ton/ha

The 2017-2020 project laid the foundations and created connections with smallholder farmers, local communities and other key stakeholders in Cross River and Akwa Ibom. Despite the success of the interventions, many farmers are still in need of support with moving towards sustainable oil palm production. Smallholder farmers as well as palm oil enterprises have limited knowledge of good agronomic and management practices, resulting in low farm and mill productivity, low quality FFB, and poor oil extraction rates. Interventions addressing the gap between actual yield and maximum yield potential are therefore key for improving profitability and sustainability. In addition, farmers are facing increasing climate change vulnerability.

LONG TERM IMPACT IN CROSS RIVER AND AKWA IBOM

Building on the learnings of the previous cycle, the 2020-2023 partnership project supported interventions to address the issue of low yields in a number of ways: increasing knowledge on Best Management Practices at farmers' level, facilitating replanting activities of low yielding variants and building the capacity of communities to establish oil palm nurseries. In an effort to improve the extraction rate of artisanal palm oil mills, millers were provided with a technological upgrade. The new equipment developed aims to increase the oil extraction capacity and to reduce the GHG emissions of the mills. In addition, given the important role that women play in the milling process, the equipment was developed in a gender friendly way to operate.

Apart from these interventions in farm practices and technology, the project also aimed to foster gender and youth-inclusive activities to increase the role of women and the young in local

palm oil production. Such activities included capacity building for alternative livelihoods. Finally, the project promoted forest protection through coordinated land use planning and monitoring. In close collaboration with communities, forests around the project communities were identified and mapped.

Finally, the project promoted forest protection and the reduction of negative environmental impacts through coordinated land use planning and monitoring. Smallholder farmers are being trained in forest protection. In close collaboration with communities, forests around the project communities are identified and mapped.

ACHIEVEMENTS

Increasing productivity and improving livelihoods:

- Improved knowledge on Best Management Practices and Climate Smart Practices among 3,425 farmers trained
- Average yield increase from 2.7 Ha to 7.4 Ha
- Four oil palm nurseries were set up and run by women and youth, creating an alternative livelihood for two groups that have difficulty in accessing and benefiting from the palm oil supply chain
- 160,915 seedlings were distributed to farmers in the 2 states to facilitate replanting activities of new high yield palms in 1,858 Ha
- 206 smallholder farmer groups adopted the Village Savings and Loans (VSLA) strategy, a key strategy fostering financial inclusion in smallholder livelihoods.

Inclusive and efficient artisanal mill:

- Four mills are in the very final stages of technological upgrade expected to increase the oil extraction rate to about 50% higher than the 13% current rate
- New equipment makes it for the female works easier to operate

Forest protection

- Increasing knowledge on forest protection among 52 communities in Akwa Ibom and 43 communities in Cross River
- 95 forest protection plans were developed in Akwa Ibom and Cross Rivers state.
- These plans have been translated into a state level sustainable management plan (SMP) for oil palm landscapes.

PARTNERS

Henkel, The Oil Palm Growers Association of Nigeria, (OPGAN), National Agricultural Land Development Authority, Federal Ministry of Agriculture and Rural Development, Cross River State Ministry of Agriculture and Natural Resources, Plantation Owners Multipurpose Cooperative Society (POMCS).



MORE ABOUT THE PARTNERSHIP

Henkel and Solidaridad are committed to improving oil palm smallholder livelihoods, while driving progress towards sustainable palm and palm kernel oil globally, and making a positive impact on both the environment and the people in the palm oil community. Since 2013, Henkel and Solidaridad have joined forces to reach farmers in all major palm producing regions.

HENKEL

Henkel holds globally leading market positions in consumer and industrial businesses. Its purpose expresses what unites everyone at Henkel: Pioneers at heart for the good of generations. Palm (kernel) oil and their derivatives are the basis for ingredients that Henkel uses to manufacture detergents, cleaners as well as hair and body care products. The company is committed to responsible sourcing of palm (kernel) oil and their derivatives, aiming to establish full transparency and traceability and to improve the livelihoods of smallholder farmers and protection of nature. For more information visit: <http://www.henkel.com>

SOLIDARIDAD

Solidaridad is an international civil society organization with 50 years of experience in improving the sustainability of global supply chains. Over the years, Solidaridad has built a strong track record for improving sustainability in palm oil worldwide. For more information visit: <http://www.solidaridadnetwork.org>



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