Nigeria: Palm oil deficit in a traditional palm oil producing country

Oil palm is indigenous to the Nigerian coastal plain, having migrated inland as a staple crop. In the case of Nigeria, oil palm cultivation is part of the way of life --indeed it is the culture-- of millions of people. However, during the past decades the country has become a net importer of palm oil. While in the early 1960s, Nigeria's palm oil production accounted for 43% of the world production, nowadays it only accounts for 7% of total global output.

Contrary to the situation of the oil palm heavyweights Malaysia and Indonesia --whose production is based on large-scale monocultures-- in Nigeria 80% of production comes from dispersed smallholders who harvest semi-wild plants and use manual processing techniques. Several million smallholders are spread over an estimated area of 1.65 million hectares in the southern part of Nigeria. Oil palm is inter-cropped with food crops such as cassava, yam and maize.

In an attempt to emulate the "success stories" of the two above mentioned countries, Nigeria tried to implement large-scale plantations, which resulted in complete failures. Such were the cases of the 1960's Cross River State project and of the European Union-funded "Oil palm belt rural development programme" in the 1990's. This project included the plantation of 6,750 hectares of oil palm within an area thought to be one of the largest remnants of tropical rainforest in Nigeria. In spite of local opposition, the project moved forward and EU funding was only discontinued in 1995, seven years after its approval.

The project was implemented by a company called Risonplan Ltd., partly owned by the government. The company appropriated land owned by local communities without their consent and with minimal compensation. Once land had been secured, Risonpalm constructed a huge dyke and bulldozed many thousands of hectares of the project area for cultivation. Local peoples' forests, farms and grave sites were destroyed, fish ponds were poisoned, pesticides banned in Europe were used, and land tenure problems arose. The dyke and drains have considerably altered the hydrology of the area which has already led to the death of trees. The proliferation of roads led to an increase in logging and hunting, and it is expected that all of the area's mature timber trees will be felled in the near future. As revealed in the Commission's own mid-term review, the use of heavy machinery caused compaction of soils. Local peoples conducted strikes and tried to obstruct the project, which consultants to the Commission conceded was the "only effective means to express their discontent".

Other large scale projects have resulted in similar impacts and have also resulted in major failures. The situation thus appears to be at a standpoint, where neither monocultures nor smallholdings seem able to provide answers to the problem of the scarcity of palm oil in one of the countries where the oil palm is native. However --according to experienced local people-- the solution to the problem should not be impossible to achieve if adequate policies were put in place and implemented, along with certain guidelines such as:
- Large scale monocultures should not be implemented because they involve soil --and in many places water-- mining, they damage ecosystems, undermine human society and they are an inefficient way of producing resources

- Investments should be made in terms of processing capacity and technology. The capacity of traditional presses is very low. The efficiency of these methods is lower than modern mills and oil extraction rates range from 20% to 50% compared with 90% in Malaysia

- The investments however, need to be directed towards the small farmer and farmer co-operatives where oil palm cultivation continues as a manipulation of “wild” groves, as part of mixed farming and as small plantations of one or two hectares

- Production of existing plantations should be maximised --so that new ones are not required-- and returned to the original landowners as smallholder blocks that will inevitably be converted into a more mixed and more viable agricultural ecosystem

The above approach is essential for poverty elimination and for the economic empowerment of local people, whilst at the same time serving the country's interests as a whole.

Article based on information from: Nick J Ashton-Jones (personal communication, 28/12/2000); Rainforest Foundation. "Out Of Commission - The Environmental and Social Impacts of European Union Development Funding in Tropical Forest Areas" (http://www.rainforestfoundationuk.org/outof5.html) ; Kei Kajisa et al.,"Transformation Versus Stagnation in the Oil Palm Industry: A Comparison Between Malaysia and Nigeria", Michigan State University, February 1997 (http://agecon.lib.umn.edu/cgi-bin/pdf_view.pl?paperid=99)