

# **Oil palm in Africa**

**past, present and future scenarios**

**Ricardo Carrere**

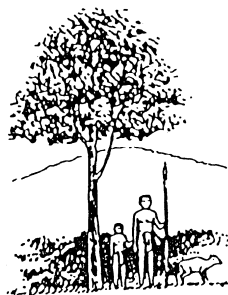


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**Oil palm in Africa:  
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Ricardo Carrere



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# Oil palm in Africa: past, present and future scenarios

## *Introduction*

Given the planned expansion of industrial oil palm plantations in Africa and their resulting social and environmental impacts, WRM has put together information on 25 countries identified as being part of palm oil production in Africa.<sup>1</sup> Given the difficulty of accessing relevant information at a continental –and even at country- level, the aim of this work is to provide concerned people and organizations with the necessary information for getting involved in this very important issue. The information produced was first disseminated as drafts for comments -through a blog- in each country’s “official” language (12 in French, 7 in English, 3 in Portuguese and 1 in Spanish) and we received a number of useful comments and positive responses.<sup>2</sup> In August 2013, the original version of this publication from 2010 was updated, including new oil palm investment projects and plans reported in the period 2011-mid-2013.

The present publication is aimed at providing a broad summary of what we consider to be the main issues stemming from the country studies, so as to provide a broad overview of the problem.<sup>3</sup> The summary is followed by the final version of the information gathered on the 25 countries studied. Given the broad array of different situations resulting from the rich African diversity, we strongly recommend reading all of them.

We hope that this work will serve for assisting communities already impacted by or targeted for oil palm plantations in defending their territories and livelihoods threatened by government-sponsored oil palm corporations.

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<sup>1</sup> Angola, Benin, Burundi, Cameroon, Central African Republic, Congo, D.R., Congo, R., Cote d’Ivoire, Equatorial Guinea, Ethiopia, Gambia, Ghana, Guinea, Guinea-Bissau, Liberia, Madagascar, Mozambique, Nigeria, Sao Tome and Principe, Senegal, Sierra Leone, Tanzania, Togo and Uganda.

<sup>2</sup> <http://oilpalminafrica.wordpress.com/>

<sup>3</sup> The references for all the quotes and information included in this summary are available in the country studies.

## *A brief history of oil palm in Africa*

Wherever it grows naturally, oil palm has for centuries provided local communities with a large number of benefits such as palm oil, sauces, soap, wine, fertilizer (ashes), roofing (leaves), building material (trunk), medicines (roots). All of these traditional uses are until today very much part of the African culture in oil palm countries.

When the European powers invaded the continent, they quickly realized that they could profit from trading palm kernels and palm oil, initially from natural palm stands and soon followed by the establishment of large-scale plantations, in most cases based on either forced or slave labour and in the appropriation of communities' lands.

Independence resulted in the further entrenchment of the plantation system –encroaching on local peoples' lands- now based on state-owned enterprises with attached large industrial processing units.

World Bank and IMF-led structural adjustment policies imposed on African governments in the 1990s resulted in the privatization of most of those industrial complexes and in the return of control over industrial palm oil production to foreign corporations.

During the entire process summarized above, the traditional system -based on the harvesting of fruits from natural or semi natural palm stands and their conversion into palm oil through manual techniques- managed to successfully coexist separately from the different centralized systems put in place by governments and corporations.

During the period 2006-2010<sup>4</sup>, there was a boom in the promotion and announcement of industrial oil palm plantations for agrofuels in Africa, led by a broad array of foreign corporations eager to invest in the region. However, several of these plans are still in their initial phase and it remains to be seen if the palm oil produced in future will be for agrofuel or other uses. Box 1 shows the corporate actors and investors behind the different plans and projects:

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<sup>4</sup> In this publication we use the terms agrofuels and biofuels interchangeably

**BOX 1.- Corporate actors and investors involved in the production of oil palm in African countries**

**Angola:** Grupo Atlântica (Portugal), ENI (Italy) and Petrobras (Brazil)

**Benin:** Unspecified groups from Malaysia, South Africa and China

**Cameroon:** French Group Bolloré, Herakles Farms (USA), SIVA group (Singapore), SIC (Singapore), Biopalm Energy (Singapore), Sime Darby (Malaysia), Good Hope (Malaysia), Cargill (USA), PALMCO (Cameroon), Smart Holdings, GMG (Singapore)

**Cote d'Ivoire:** Palmci (France-Singapore), SIFCA (France), Wilmar International and Olam International (Singapore), SIPEF (Belgium), Palmafrique, Cargill (USA)

**Congo, R.:** Aurantia (Spain), ENI (Italy), Fri-El Green (Italy), Atama Plantations (Malaysia), Olam, Biocongo Global Trading (Spain)

**Congo, D.R.:** TriNorth Capital (Canada), ZTE Agribusiness Company (China), Blattner Group (Belgium/USA), ZTE Agribusiness Company (China), Nocafex (Belgium) .

**Ethiopia:** Karuturi Global Ltd. (India), Fri-El Green (Italy)

**Gabon:** SITA (Belgium), Olam International (Singapore)

**Gambia:** Mercatalonia (Spain)

**Ghana:** SITA (Belgium), Unilever (UK-Netherlands), Wilmar International (Singapore), NORPALM (Norway), Herakles Farm (USA), DOS Palm Oil Production (UK)

**Liberia:** Sime Darby (Malaysia), Equatorial Palm Oil Company (United Kingdom), Golden Agri-Veroleum (Indonesia), Wilmar (Singapore), OLAM (Singapore)

**Madagascar:** Sithe Global (USA), Cultures du Cap Est (India).

**Mozambique:** Vale (Brazil), MedEnergy (Italy)

**Nigeria:** SIAT (Belgium), Fri-El Green Power (Italy), Wilmar (Singapore)

**Sao Tome and Principe:** Socfinco (part of the French Bolloré group)

**Sierra Leone:** Sierra Leone Agriculture (United Kingdom), Quifel group (Portugal), Gold Tree (United Kingdom), Bolloré Group (France), Agriterro Group (UK) , SIVA (India), Sepahan Afrique (Iran), FELDA (Malaysia)

**Tanzania:** TM Plantations Ltd (Malaysia), Sithe Global Power (USA), InfEnergy (UK), unidentified group (Malaysia), African Green Oil Limited, Tanzania Biodiesel Plant Ltd, InfEnergy Co, FELISA (Belgium).

**Uganda:** Oil Palm Uganda Limited (owned by Singaporean company Wilmar in association with BIDCO)

## ***Different models of palm oil production***

Although many differences can be found in palm oil production, both between and within countries, it is possible to group them under two broad headings: traditional and industrial.

### **The traditional system**

In the traditional system, palm trees are part of the productive landscape. In many cases, natural palm groves are the result of long-term resource management, where forest areas have been cleared for agricultural production, but leaving a number of well spaced palm trees that allow both types of production. In other cases, palm trees have been planted as community or family palm stands as part of agroforestry systems.

The palm fruits are collected from the trees and are later processed locally into red palm oil. In some cases the process is totally manual, while others include the use of mechanical pressing units, operated manually. The palm kernels are converted manually into soap or other products,

while the tree's sap is collected –both from standing or cut down trees- for the production of palm wine.

### **The industrial system**

The industrial system is based on monoculture plantations, where the land only produces palm fruits for industry. Although there are some differences between the colonial and post-colonial model, the system remains basically the same. In most –if not all- cases, land is taken away from local communities with little or no compensation; biodiverse ecosystems –mostly forests- are destroyed and substituted by large areas of palm monocultures; working conditions -slave or forced labour in colonial times- become near slavery or low-paid labour in the modern system. In two aspects, the modern system is even worse than the old one: extensive drainage of the land and widespread use of agrochemicals, both impacting on local water resources.

In many cases, government or corporate-owned plantations are complemented with smallholder plantations promoted by the large plantation owner, usually under a contractual system where smallholders agree to sell their production to the company's processing unit.

Processing of the fruit into oil palm and other secondary products is centralized in large-scale mechanized industrial plants. The resulting oil is usually considered by the local population as having lower quality than that produced manually in the traditional way.

### ***The oil palm area in palm oil producing countries***

It is extremely difficult to find reliable figures on the area covered by oil palms in Africa due to a number of issues, among which:

- 1) The difficulty of separating forest areas -containing oil palm trees as one of their components- from natural palm groves where oil palms constitute the sole or main tree species.
- 2) The difficulty of distinguishing between “wild stands” and palm groves that have been part of local communities' agricultural practices for centuries (some natural, some planted).
- 3) The difficulty of classifying palm stands as family plantations (that may or may not sell the fruit to an industrial processing unit) or as outgrower plantations contractually linked to an industrial plantation unit.
- 4) The existence of abandoned industrial plantations that are being used by local communities as if they were natural palm stands.
- 5) The lack of updated inventories of natural palm stands, small scale plantations and industrial plantations.

What follows therefore only provides a very broad idea on the area covered by oil palms in the 25 countries identified by WRM as palm oil producers in Africa. The table shows on the one hand, areas of natural palm stands/traditional plantations and, on the other hand, areas of oil palm land grab plans and projects that have been recently negotiated or are under negotiation between oil palm corporations and African governments.

<b>COUNTRY</b>	<b>Natural palm stands/ Traditional plantations (hectares)</b>	<b>Land grabs negotiated or under negotiation for industrial plantations (hectares) (in 2013)<sup>5</sup></b>
Angola	---	17,000
Benin	300,000	410,000 <sup>6</sup>
Burundi	---	7,500
Cameroon	25,000	882,283
Central African Republic	18,000	8,701
Congo, R.	---	604,280
Congo, R.D.	1,000,000 <sup>7</sup>	140,600
Cote d'Ivoire	140,000	230,200
Equatorial Guinea	---	7,000
Ethiopia	---	241,000
Gabon	---	315,612
Gambia	---	---
Ghana	---	27,521
Guinea	2,000,000	15,000
Guinea Bissau	---	---
Liberia	---	735,587
Madagascar	---	69,100
<b>Mozambique</b>	---	<b>40,000</b>
Nigeria	2,500,000 <sup>8</sup>	174,000
Sao Tome and Principe	---	5,000
Senegal	50,000	---
Sierra Leone	32,000	249,800
Tanzania	---	151,800
Togo	600,000	2,000
Uganda	---	30,000

<sup>5</sup> Data from the information contained under each country chapter. See below for full information

<sup>6</sup> The available information says that "various industrial groups from Malaysia and South Africa have already made visits to Benin to assess the opportunities to grow biofuels. They have proposed the conversion of 300,000-400,000 hectares in the wetlands of the southern part of Benin". For the purpose of the table we used 400,000 hectares

<sup>7</sup> Plus 92,000 family plantations (data from 1958)

<sup>8</sup> Estimates range from 1.65 million hectares to 2.4 million hectares and to a maximum of 3 million hectares



## ***Work and employment in oil palm production***

While the industrial model employs relatively few workers in its plantations and processing units –in the order of thousands- the traditional system provides products and incomes to millions of people –particularly women- involved in harvesting, processing and trading palm oil, palm kernels and palm wine.

Regarding working conditions, the case of the main industrial plantation in Cameroon serves to illustrate the issue:

“SOCAPALM brings in workers from other regions of Cameroon and houses them in camps located on the plantation. The living and working conditions are abysmal (Ricq & Gerber, 2010): insalubrious living quarters and shared latrines, no regular access to water or electricity, primarily temporary employment at extremely low wages, etc. Hundreds of subcontracted workers toil for six days a week, sometimes from 6:00 a.m. to 6:00 p.m., with no social security coverage or adequate protection, for around 1.6 euros a day – and that is only when the subcontractors do not forget to pay them. This situation has led to a growing number of strikes and protests”

In traditional palm oil production, the case of Liberia shows that half of its palm oil is produced by 220,000 women and men on small farms, harvested from forests where it grows abundantly and that it is mostly the women who carry out the task of processing the oil palm fruit into red palm oil, using traditional methods. 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 ranging from 1.65 million hectares to a maximum of 3 million hectares.

### **BOX 2.- A case of full employment in Guinea linked to traditional palm oil production**

For institutions that provide funding and expertise with the stated aim of “alleviating poverty” in Africa, the following quotes should at least provide them with food for thought regarding what to support and what not in the oil palm sector –if they really wish to alleviate and not to increase poverty.

“Out of a production of close to 45,000 tons of oil palm fruit bunches annually, the oil mill in Diécké is only able to process 15,700 tons. For the rest, SOGUIPAH [Société guinéenne du palmier à huile] was forced to turn to artisanal processing. To absorb the fruit bunches harvested on family plantations, eight oil pressing centres were created, which employ a total of 1,392 people. Three other centres employing 2,000 people process the surplus production from the industrial plantations that the mill is not able to absorb. These artisanal processing centres work at full capacity. Located on the banks of rivers, they receive tons of oil palm kernels delivered by SOGUIPAH trucks. The villagers begin by separating the fruits from the bunches before boiling the kernels. These are then poured into pits lined with stones and wood, where they are crushed with pestles. The pulp obtained is washed and then pressed by hand. Then come the cooking, decanting and filtering operations. It takes three to five days to produce palm oil from the palm kernels. ‘Officially,’ said a SOGUIPAH official, ‘we employ 1,500 salaried agricultural workers (for the plantations and the oil mill), but with the artisanal extraction of oil, no one could precisely state the number of people whose livelihoods are tied to our company.’ Today, this activity is so attractive that some women have left regions located hundreds of kilometres away to come and extract palm oil. ‘I now earn more than my

husband,' commented one woman 'extractor'. 'I hope it will last, so that we can finally have a roof over our heads of our own.'"

"Artisanal oil palm extraction mobilizes the entire labour force of the Guinée Forestière region, to such an extent that, according to a SOGUIPAH agent, 'There is no one left to take care of the children: everyone is obsessed with the profits to be made from oil extraction.' Artisanal oil processing has created a situation of full employment that was totally unheard of in this region in the past. But for the directors of the oil mill, the artisanal solution is just a stopgap measure. The real solution has already been found, in the construction of a new oil mill, with a production capacity of 10 tonnes per hour (four times the capacity of the current facility). This new mill, was financed by the European Investment Bank. It will have a processing capacity of around 55,000 tons annually. Once it begins operation, it will immediately be able to process the entire output of SOGUIPAH's industrial plantations and family plantations. This will mean an abrupt halt to artisanal oil extraction. Overnight, the interests of thousands of people will be endangered. Women accustomed to earning millions of francs will be forced to turn to other activities, undoubtedly less lucrative."

### ***Environmental and social impacts***

Traditional palm oil production is either based on natural palm stands or on palms preserved or planted as part of biodiverse family plots focused on livelihoods and income. The case of Cote d'Ivoire serves to illustrate this: "family farms that produce oil palm virtually all have diversified crops and activities and are adapted to the dual logic of securing and stabilizing income, notably by diversifying trading possibilities. Surveys conducted in Côte d'Ivoire revealed diversified farming systems that included oil palm and/or rubber, coffee and cocoa, along with food crops including cash crops, all on the same farm. Family farmers who grow oil palm are therefore (virtually) never producers of a single crop."

In the case of industrial palm oil production, the case of the Buggala Island plantations in Uganda have resulted in a large number of social and environmental impacts - documented in a study commissioned by the Kalangala District NGO Forum- which have been summarized as follows:

### **BOX 3: Identified impacts of oil palm plantations in Uganda**

#### ***Socio-economic Impacts:***

- Violation of Land Rights of Indigenous Peoples and Local Communities
- Loss of Land as a Safety net
- Human Rights Violations
- Denied access to resources and the resultant conflicts
- The Project employment opportunities are not attractive to the local communities
- Sudden rise in the price of land
- Destruction of community-based economy
- Exposure to Health Risks
- Food [in]security
- Loss of Cultural heritage and Values
- Insecurity

#### ***Environmental Impacts***

- Impact on biodiversity
- Increased pressure on Central Forest Reserves
- Depletion of forest products
- Deforestation
- Soil erosion
- Draining of wetlands
- Impact on micro-climate
- Use of agrochemicals
- Reduced wind breaks

### ***Palm oil: women's business***

Palm oil is very important as an income generator for women. Although there are some exceptions (e.g. Democratic Republic of Congo) in most cases it is women who are in charge of processing the oil palm fruits into red palm oil and of selling the product in the local and even national market. The following quotes serve to illustrate the issue in several countries:

### **BOX 4: The involvement of women in traditional palm oil production**

**Benin:** “Until today, the small-scale, traditional production of palm oil has been carried out almost entirely by women, individually or sometimes with the help of family members. These women producers use completely manual techniques. There has been no obvious process of market concentration in the sector, which has remained widely spread out among the population.”

**Cote d’Ivoire:** “Red palm oil also provides of source of employment for thousands of women in rural areas, who are the ones who manually produce artisanal palm oil.”

**Congo, R.:** “Women play an important role in both the production and sale of palm oil. A woman peasant who produces palm oil through traditional methods said that “in Etoumbi we have always extracted palm oil. With the money we make from selling our oil we buy

medicine and clothes for our children.” Women also prepare a traditional sauce called “mouambé” made from oil palm nuts.”

**Congo, D.R.:** “Contrary to the norm in other countries of the region, in the DRC it is men who produce palm oil. But the retail sale of palm oil is mainly controlled by women, and some have developed significant purchasing capacity. The sale of artisanal palm oil is almost entirely carried out in the informal commerce sector, where women play a dominant role.”

**Gambia:** “Most of the oil palm processing is carried out in rural areas by women using traditional methods.”

**Ghana:** “Outside industrial plantation schemes, traditional processing of palm fruit is still carried out manually by women at the village level.”

**Guinea:** “The artisanal extraction of palm oil has become a highly lucrative activity for a large proportion of families in Guinée Forestière and Guinée Maritime, especially for women”.

**Guinea Bissau:** “Although the harvesting of the fruits is a male activity, the rest of the processing (milling, sieving and refining) is carried out by women, who also have the responsibility of negotiating the sale of oil.”

**Liberia:** “However, it is mostly the women who carry out the task of processing the oil palm fruit into red palm oil, using traditional methods.”

**Nigeria:** “The processing of the fruits into vegetable oil is most commonly carried out by women.”

**Senegal:** “Women process them to make oil and wine.”

**Tanzania:** “At the local level, women are in charge of boiling and milling of palm oil as well as in selling palm oil products (oil, soap).”

**Togo:** “In many areas where oil palm grows, it is groups of women who extract the oil through traditional, manual methods at the village level.”

### ***The role of international agencies and governments***

A number of national, regional and multilateral institutions have played a crucial role in the promotion of past and present investments in oil palm in Africa. It is important to stress that such support has ignored all the accumulated evidence regarding the negative social and environmental impacts of large-scale plantations and has also ignored the social benefits of traditional sustainable practices for the production of palm oil. As a result, most support from development agencies and governments has been aimed at the development of the industrial model and practically none has been provided to the traditional system. Although what follows is not a comprehensive list, it at least provides information on some of the actors involved in the promotion of industrial palm oil production in several countries:

**BOX 5: National and international institutions involved in the promotion of industrial palm oil production**

**The World Bank:** Cameroon, Congo, R., Cote d'Ivoire, Ghana, Liberia, Nigeria, Sierra Leone, Uganda

**African Development Bank:** Gabon

**African Investment Bank:** Congo, R.

**European Community:** Burundi, Congo, R., Cote d'Ivoire (European Development Fund), Ghana (EuropeAid), Guinea (European Investment Bank), Nigeria, Sao Tome and Principe (European Investment Bank), Tanzania (EU Partnership Dialogue Facility), Togo

**UN Bodies:** Congo, R (FAO, United Nations International Fund for Agricultural Development - IFAD), Nigeria (UNIDO), Tanzania (FAO International Bioenergy Programme), Uganda (IFAD)

**United States of America:** Liberia (USAID, USDA, Mercy Corps)

**United Kingdom:** Sierra Leone (Department for International Development - DFID)

**Finland:** Sierra Leone (FinnFund)

**Sweden:** Tanzania (SIDA)

**Germany:** Tanzania (GTZ)

**Austria:** Senegal (Austrian cooperation)

**Taiwan:** Sao Tome and Principe (government of Taiwan)

**Malaysia:** Sierra Leone (FELDA)

**Brazil:** Mozambique (EMBRAPA -, Brazilian Agricultural Research Corporation)

### ***The role of African governments***

In general terms, most African governments are currently establishing enabling environments for large-scale corporate investments in industrial palm oil production, in many cases within the broader framework of export-oriented agrofuels and agricultural commodities.

In the African context, what corporations expect from governments is political support to their investments and legal access to land under favourable concession conditions. This implies that large expanses of land will be taken away from local communities –with little or no compensation- and handed over to plantation companies. The government will be responsible for “handling” –through political, legal or repressive means- any resistance that might arise from the affected communities.

The above should raise alarm bells in many countries, given that oil palm expansion might result in extensive land-grabbing processes, as can be seen in the areas covered by the investment projects summarized in Box 6:

**BOX 6.- Investment projects in oil palm (see the country case studies for details and references)**

**Angola**

- The Atlântica Group (Portugal), through its subsidiary AfriAgro has secured access to some 5,000 hectares of land (with the possibility of accessing a total of 20,000) for biodiesel production.
- Italian company ENI (in alliance with Brazil's Petrobras) has reached an agreement with the government, for the latter to promote oil palm plantations to supply ENI with raw material for the production of biodiesel.
- A joint venture was signed between ENI and the state company Sonangol in 2011 to develop a pilot project including an area of 12,000 hectares of oil palm.

**Benin**

- A Chinese investment group completed an assessment in 2010 to invest in 10,000 hectares of oil palm.
- Investors groups from Malaysia and South Africa proposed the conversion of 300,000-400,000 hectares in the wetlands of the southern part of Benin [Ouémé, Plateau, Atlantic, Mono, Couffo and Zou] for production of oil palm.

**Cameroon**

- The French Bolloré group is one of the main actors in the oil palm sector in this country, producing 80% of the national production of palm oil and holding some 40,000 hectares of plantations through its companies SOCAPALM, SAFACAM and Ferme Suisse. The company also has industrial plants and has recently declared its interest in the production of biodiesel. In the year 2000 SOCAPALM was given another 43,000 hectares in concessions for establishing oil palm plantations.
- The US company Herakles Farms through SG Sustainable Oils Cameroon has a lease agreement for 73,086 hectares with the government.
- The Singapore based SIVA-group and SIC (National Investment Corporation) want to invest through the company Biopalm Energy in 200,000 hectares of oil palm.
- The Malaysian Sime Darby would be negotiating 300,000 hectares in the Southwest of the country and would be looking for a total area of 600,000 hectares for oil palm and rubber plantations.
- The Malaysian Good Hope intends to invest 6,000 hectares of oil palm in the South of the country.
- The US company Cargill, in collaboration with API (Cameroon), declared its plans to plant 50,000 hectares of oil palm in the country.
- PALMCO (Cameroon) is requesting 100,000 hectares for oil palm development.
- Smart Holdings tries to acquire 25,000 hectares for oil palm.
- GMG from Singapore, through the company Sud Cameroun Hevea negotiated 45,200 hectares for oil palm and rubber plantations.

**Central African Republic**

- The company Palmex announced the planting of 8,701 hectares of oil palm plantation.

**Congo, R.**

- Spanish company Aurantia announced its intention to invest in oil palm plantations for the production of biodiesel.
- Italian energy company ENI achieved access to some 70,000 hectares of land for planting oil palm.

- The also Italian energy company Fri-El Green signed an agreement for the planting of oil palm in 40,000 hectares.

- The Malaysian-run company Atama Plantations was granted a total area of 470,000 hectares of which until now 180,000 hectares have been considered suitable for oil palm development.

- Biocongo Global Trading signed an agreement with the government for 24,280 hectares.

- OLAM from Singapore, through the company CIB, is negotiating a deal for oil palm and cacao plantations, although the size of the area is not known.

### **Congo, R.D.**

- GAP (Groupe agro-pastoral), a company owned by the Blattner Group (Belgium/USA), has 10,000 hectares of plantations.

- Canadian company TriNorth Capital announced that its subsidiary Feronia had purchased Unilever's "Plantations et Huileries du Congo". Within its holding of 100,000 hectares of land it would plant some 70,000 with oil palm.

- ZTE Agribusiness Company Ltd, a Chinese company, announced its intention of establishing oil palm plantations over 1 million hectares of land, suspended for the time being.

- The Belgium-owned company Nocafex would occupy an area of 60,000 hectares in Lisala for rubber and oil palm plantations.

### **Cote d'Ivoire**

- PALMCI, a company owned jointly by the French SIFCA group and Singapore-based companies Wilmar International and Olam International, has 35,000 hectares of industrial plantations for an oil palm project up to 160,000 hectares.

- Belgian company SIPEF-CI bought 12,700 hectares of industrial plantations.

- PALMAFRIQUE, owned by the financial holding "Groupe L'Aiglon" has 7,500 hectares of plantations.

The US transnational company Cargill is negotiating for planting 50,000 hectares for oil palm plantations.

### **Ethiopia**

-The Indian Karuturi Global Ltd., got access to 11,000 hectares in the Oromia region and also got a 50-year renewable lease on 100,000 hectares in the Gambela region, with an option for another 200,000 hectares, primarily for export of rice and wheat, but also of palm oil and sugar.

-Fri-El Green from Italy, partially owned by the German RWE energy company, got a 30,000 hectares lease for oil palm and jatropha plantations.

### **Gabon**

- The formerly state-owned company Agrogabon was privatized and is now controlled by Belgian company SIAT, with a concession area of 15,612 hectares for oil palm and rubber plantations.

- Singapore-based Olam International has a concession area of 87,274 hectares and intends to extend to a total area of 300,000 hectares for oil palm and rubber plantations.

### **Gambia**

- Until now only one company (the Spanish Mercatalonia ) has presented an oil palm plantation project to the government and it is not clear if it will be implemented.

### **Ghana**

- Belgian company SIAT is now the main shareholder of Ghana Oil Palm Development Co., privatized in 1995.
- Unilever is the main shareholder of Oil Palm Plantation Limited, one of the main palm oil producers in Ghana.
- Wilmar International (Singapore) through Benso Oil Palm Plantation Limited has 6,157 ha of oil palm plantations.
- Norwegian Palm Ghana Limited (NORPALM), purchased in 2000 the National Oil Palm Limited plantations.
- Herakles Farms (US), affiliate of Herakles Capital, intends to plant 4,364 hectares in Dodo Pepesu region
- The UK-based company DOS Palm Oil Production Ltd. has 700 hectares of oil palm, intending to increase this area to 3,000 hectares.

### **Liberia**

- Malaysian company Sime Darby has a concession over 311,187 hectares of land for 63 years. About 80% would be planted with oil palm.
- UK-based Equatorial Palm Oil Company, holds 169,000 hectares of land, of which some 10,000 have already been planted with oil palm.
- Indonesian company Golden Agri-Veroleum negotiated with the government an area of 350,000 hectares for the establishment of 240,000 hectares of oil palm plantations.
- Wilmar and OLAM from Singapore through the SIFCA company from Ivory Coast, intend to rehabilitate 8,800 ha of oil palm plantations and carry out an outgrower scheme involving 6,600 ha

### **Madagascar**

Following a huge scandal involving a project that would have implied a concession of more than 1 million hectares of land to South Korean company Daewoo (of which 300,000 would have been assigned to oil palm plantations), the project appears to have been abandoned. However, there are two other projects in the pipeline:

- US energy company Sithe Global would have access to 60,000 hectares for the production of biodiesel from oil palm plantations.
- Cultures du Cap Est, a company financed by an Indian group, would have access to 9,100 hectares for the planting of oil palm.

### **Mozambique**

- The Brazilian transnational Vale and state research institution Embrapa made a joint venture to plant 30,000 hectares of oil palm.
- The UK-based but Italian owned MedEnergy intends to invest in 10,000 hectares of oil palm plantations

### **Nigeria**

- Belgian company SIAT, through its subsidiary Presco has some 10,000 hectares of plantations, with the stated aim of supplying the internal palm oil market.
- Italian company Fri-El Green Power has a concession of 11,300 hectares, with the option of extending it to 100,000.
- Singapore-based Wilmar, in a joint venture with PZ Cussons, plans 50,000 hectares of oil palm, and has already acquired 35,000 hectares.
- SIFCA Group (in which Wilmar and Olam are involved) plans to develop 14,000 hectares of plantations in Nigeria.

### **Sao Tome and Principe**



- Belgian/French company Socfinco (part of the French Bolloré group), through its subsidiary Agripalma has a concession of 5,000 hectares for planting oil palms. The aim is the production of palm oil for its further processing into biodiesel in Belgium.

### **Sierra Leone**

- UK-based Caparo Group through the company Sierra Leone Agriculture holds a concession of 41,000 hectares, 30,000 of which would be planted with oil palm.
- Portuguese Quifel group has signed agreements with local communities for the planting of oil palm, sugarcane and rice. A total of 40,000 hectares would be dedicated to the production of agrofuels for export.
- UK company Gold Tree plans to process oil palm fruits from both its plantations and those of local communities for the production of biodiesel. The project would involve some 30,800 hectares of land.
- The French Bolloré group through SOCFIN, signed an agreement in 2011 to develop 11,500 hectares of oil palm and rubber.
- The UK Guernsey-based Agriterria Group obtained access to about 45,000 hectares of land for oil palm.
- Singapore-based group SIVA from India, through its subsidiary Biopalm Energy, secured a deal for 80,000 hectares of oil palm plantations
- The Iranian group Sepahan Afrique received access to 10,000 hectares for palm oil and rice development.
- FELDA, a Malaysian state institution got the go-ahead to develop a smallholder oil palm scheme on 2,500 hectares.

### **Tanzania**

- Belgian company FELISA has a project involving 10,000 hectares of plantations. It owns 5,000 hectares and the rest is to be established by local small farmers.
- African Green Oil Limited has a 20,000-hectare plantation project for the production of palm oil.
- Tanzania Biodiesel Plant Ltd holds 16,000 hectares to be planted with oil palm.
- InfEnergy Co. Ltd has 5,800 hectares
- Malaysian company TM Plantations Ltd, plans to establish a plantation in the Kigoma region.
- Sithe Global Power (USA) plans to establish 50,000 hectares of plantations and to refine the oil in the country.
- InfEnergy (UK) has 10,000 hectares for planting oil palm.
- An as yet unidentified Malaysian group is planning to plant 40,000 hectares with oil palm.

### **Uganda**

- Oil Palm Uganda Limited, owned by Singaporean company Wilmar in association with BIDCO, holds a 10,000 hectare concession in the Bugala islands in Kalangala, but the government has agreed to source an additional 30,000 hectares on the mainland, with 20,000 hectares of nucleus estate and 10,000 for the outgrowers and smallholder farmers

### ***The need to involve the traditional sector in policy changes***

Although change is part of (human) nature, it is important to highlight that what may appear to be slight and positive changes in the palm oil sector can in the long run result in important impacts on the traditional system and particularly on the women that depend on it. It is therefore crucial to ensure the involvement of traditional palm oil producers if changes are aimed at the improvement of their livelihoods. One example in Benin, may serve to show the impacts resulting from an apparently small “technical” change:

#### **BOX 7.- The selected oil palm plantation grower in Benin**

Beginning in the 1990s, the government of Benin and its financial backers decided to opt for a new approach; large industrial processing facilities under public management had clearly demonstrated their limitations. These were privatized over the course of the decade, and support was provided for the creation of small private operations, through the distribution of selected oil palm seedlings and the promotion of processing equipment. A programme for the distribution of selected palm seedlings was initiated in 1993. Private nurseries, authorized and subsidized by the government, sell these seedlings to the public at fixed prices.

A new category of actors appeared in the sector: planters of selected oil palm varieties. Their strategy is wholly different from that of planters of naturally occurring oil palms. The latter normally combine the cultivation of oil palm with the growing of subsistence crops, while the former tend to specialize in oil palm and become “planters” as opposed to “farmers”. Under current conditions in south Benin, where it is now possible to own land, these planters purchase parcels of land that they devote specifically to the cultivation of oil palm. These new planters are almost entirely men. Women small-scale producers are rarely able to own their own palm plantations. The oil palm’s status as a cash crop, reinforced by a symbolic aspect (as a “symbol of wealth”), has given rise to a process of growing monopolization of the sector by men.

These male planters are fully aware of the profits they can make from processing, especially if they have the capacity to stockpile. Currently, roughly one planter out of two keeps at least a part of his production and hires women small-scale producers to process it. For the last decade, development organizations have supported the distribution of processing equipment (presses and mixers) as part of their emphasis on enhancing technical capacity.

In addition to the economic benefits, there is also a social benefit. The owner of a mechanized workshop benefits from a social prestige that is not enjoyed by planters who hire women to process their production. Investment by planters in the downstream segment of the production chain is thus likely to increase even further.

The growing number of planters who process their production themselves has a direct impact on women small-scale producers: the volume of raw material (oil palm fruit) available to them will consequently decrease. Since these women are most often unable to own their own palm plantations, many could find themselves excluded from the sector. And given that a good number of women in south Benin earn part of their income by producing palm oil, the development of mechanization could prove problematic. Unlike the industrial sector, which

has its own supply and marketing networks, the small semi-mechanized workshops are in direct competition with the women small-scale producers.

The conclusion that can be drawn from this overview of the situation is that the current programme for the development of the oil palm sector, based on the distribution of selected oil palm seedlings and equipment, benefits only one category of actors, which it has actually created: the “new” private plantation owners. These planters will enjoy a competitive advantage over women small-scale producers on several levels, because they benefit from privileged access to raw materials; their mechanized processing techniques allow for lower cost prices; and their larger production volumes allow for bulk sales that are more attractive to retailers.

The foreseeable evolution of the sector is therefore hardly favourable for women small-scale producers, and support programmes should be considered.

### ***From local to global ... and back***

Information-gathering on the issue of oil palm in each of the 25 countries addressed in this study provided the basic elements for producing a global picture at the continental level. Among other things –including those highlighted above - this picture shows the huge importance of oil palm in African peoples’ social, economic and cultural activities. However, it also shows that oil palm is beneficial when included within a diversified, decentralized and people-centred system, but that it becomes harmful when developed under a centralized, monocultural and corporate-driven industrial model focused on production for export.

African countries blessed by oil palm are now being geared by most of their governments and foreign funding agencies towards a palm oil model that can become a curse to local communities. Millions of hectares of land have already been earmarked for palm oil-based agrofuel production as well as for the food and cosmetics industry. As a result, entire communities may face displacement from their lands, the destruction of their means of livelihoods, the replacement of their diverse ecosystems by oil palm monocultures and the loss – particularly for women - of their palm oil-related incomes.

We hope that this bleak global picture will encourage the involvement of people in each of the countries facing this problem, not only for preventing the spread of the industrial model, but also for strengthening traditional approaches that have proven to be socially beneficial and environmentally friendly. What follows is country-by country information that can serve as a starting point for the necessary participatory debate on the future of palm oil production in each of these countries.

## Oil palm in twenty five countries in Africa

### The Oil Palm in Angola

In Angola, palm trees are typical vegetation found in the north and the Benguela Plateau.<sup>9</sup> Angola is the southernmost African country where the oil palm<sup>10</sup> grows naturally. That is why in May 2010 Indonesia and Malaysia signed an agreement for studying oil palm seeds in Angola, in search of new germplasm for their seed improvement programmes. The seedlings collected during the exploration will be planted at a seed research centre in Sijunjung, Western Sumatra. The seed research is financed by the Oil Palm Research Centre and by the companies Sucofindo, London Sumatra, Bina Sawit Makmur, Tunggal Yunus Estate, Dami Mas Sejahtera, Tania Selatan, and Bakti Tani Nusantara.<sup>11</sup>

Palm oil and palm wine form part of the culture of many people in Angola. It is known, for example, that at the time when the Portuguese arrived in the region, the Jagas – a nomadic warrior people – were already making wine from the palm fruits.<sup>12</sup> Palm wine is known as "marufo" in Angola.<sup>13</sup>

In many cases today, it is difficult to determine whether the palm groves found in many areas of the country have grown spontaneously or are remnants of farms dating back to the colonial era, or established by the current local farmers themselves.

In Angola, most of the manufacturers still produce palm oil using older methods. Many farms have oil mills, but the local population still prefers manually produced oil. On the Tumba Grande farm in the Lussusso (Kwanza Sul) municipality, the manager explains how the oil is made using the old techniques:

"We have here on the farm a team of workers who take the oil palm fruit from the groves, known as *tripeiros*. They pull the fruit from the clusters, wash it and boil it in a 100-litre drum. When the fruit is cooked it is removed from the fire and placed in another 100-litre drum, which is perforated so that all of the oil is drained off when the *tripeiros* pound the fruit with poles.

"Once it has been completely pulverised, the extracted fat is collected and placed in yet another drum with water to boil, leaving a highly refined oil. Once it is refined then it is collected in a recipient and poured into one-litre bottles so that it stays well preserved."

The manager claims that the palm oil from Tumba Grande is among the best in the southern region and one of the most sought after. It is used in preparing the region's typical dishes, such as *calulú*, smoked catfish, and *mufete*, fish with beans in palm oil.<sup>14</sup>

The current government's policy is to promote agrofuels, including fuel from palm oil. In March 2010, the Angolan parliament passed a law to support biofuel production, establishing rules for producing biofuels and regulating the role of foreigners in the industry. According to

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<sup>9</sup> <http://tiny.cc/100b1>

<sup>10</sup> <http://tiny.cc/ewij9>

<sup>11</sup> <http://www.otal.com/commodities/fruits.htm>

<sup>12</sup> <http://tiny.cc/100b1>

<sup>13</sup> <http://pt.wikipedia.org/wiki/Palmeira>

<sup>14</sup> <http://noticias.sapo.ao/info/artigo/1058839.html>

Agriculture Minister Afonso Pedro Kanga, biofuels can only be produced on "marginal" lands while the more fertile land will be reserved for food production. Under the new law, the foreign companies investing in biofuels will have to ensure that the local populations have access to water, basic services, and medical care, while also being required to sell a percentage of their biofuels to the state-run oil company Sonangol to supply the local market.<sup>15</sup>

Meanwhile, the reality seems to contradict what Domingos Nazaré da Cruz Veloso, national director of Agriculture, Livestock and Fishing at the Ministry of Agriculture, said in April 2010:

"In our country the areas where oil palm plantations can be established have already been determined. We know which provinces are best suited for palm cultivation. [These are the] coastal provinces: Kwanza Sul, Benguela, Cabinda and Zaire, for example, and even some provinces of the interior, like Uíge. Formerly, the palm served as a complementary crop to coffee growing; wherever there was coffee, there were always palm trees. The projects that exist in the coffee sector are intended to recuperate those farms, including the rehabilitation of the palm groves that existed there."<sup>16</sup> In other words, these are not "marginal" lands, but lands with good agricultural soil.

The first investment project to produce biodiesel from oil palm in Angola was presented in 2007 by the Grupo Atlântica (Portugal), which owns the company AfriAgro. The project will be implemented near the city of Ambriz, on the Atlantic coast of Bengo province.<sup>17</sup> The government of Angola granted a 50-year concession to AfriAgro for 5,000 hectares of land in the Ambriz region, which the company intends to transform into a palm plantation for producing palm oil for biodiesel. According to Luís Farinha dos Santos, president of Grupo Atlântica, the idea is to expand the plantation area up to 20,000 hectares and include the region's small farmers.<sup>18</sup>

It is interesting to note that according to a news article from 2007, "the investment is 30 to 35 million euros and aims to change the region where there is practically nothing but subsistence agriculture."<sup>19</sup> In other words, the region is inhabited by peasants who depend on farming for survival (contrary to the claim that "there is practically nothing") and these are not "marginal" lands, but rather farmlands.

The Grupo Atlântica intended to present a project in April 2008 to the European Union seeking financial support that the 27 EU members have set aside for investment in alternative energy sources.<sup>20</sup>

Angola's national fuels corporation, Sonangol, will be the recipient of AfriAgro's biodiesel fuel production. "The biodiesel will all be for domestic consumption, to be mixed with the diesel oil of Sonangol, which will allow it to export more," explained Farinha dos Santos.<sup>21</sup>

In September 2009, a notice was published that Sonangol and the Italian consortium ENI had been conducting an inventory of oil palm plantations in Kwanza Norte province, with the goal of producing palm oil to be converted into biofuel. According to the Angolan news agency Angop, Tavares Hombo Geremias, provincial head of National Coffee Institute of Angola

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<sup>15</sup> <http://bio-fuel-watch.blogspot.com/2010/03/angola-approves-biofuel-law.html>

<sup>16</sup> <http://www.tvzimbo.co.ao/pt/opais/?det=11713&id=1647&mid>

<sup>17</sup> [http://news.mongabay.com/bioenergy/2007\\_03\\_17\\_archive.html](http://news.mongabay.com/bioenergy/2007_03_17_archive.html)

<sup>18</sup> <http://www.agroportal.pt/x/agronoticias/2007/03/19e.htm>

<sup>19</sup> <http://www.agroportal.pt/x/agronoticias/2007/03/19e.htm>

<sup>20</sup> <http://www.agroportal.pt/x/agronoticias/2007/03/19e.htm>

<sup>21</sup> <http://www.agroportal.pt/x/agronoticias/2007/03/19e.htm>

(INCA), said that the activities of the two companies were intended to gather information about the palm-growing areas, with the aim of expanding oil production in order to promote projects in the biofuel sector.<sup>22</sup>

According to Agriculture, Livestock and Fisheries director Nazaré da Cruz Veloso, "Sonangol wants to partner with ENI in order to produce biofuels, based on biodiesel, utilizing the oil palm. But in this case the company will not be the producer of the raw material. It aims to encourage those dedicated to the activity, with the company purchasing the final product and processing it. A refinery will be built to process what the individuals supply, with sights on assessing the supply capacity, and increasing the existing palm plantations in the provinces of Kwanza Sul and Benguela, as well as in the province of Zaire."<sup>23</sup> A joint venture agreement was signed between ENI and Sonangol in 2011 to develop a pilot project including an area of 12,000 hectares of oil palm.<sup>24</sup>

In this context, the government is actively promoting the oil palm industry as a means to ensure the supply of raw materials. That is why in September 2009 INCA announced the possibility of achieving satisfactory levels of oil palm production within five years, aiming to reverse the imports of this product. INCA director-general João Ferreira da Costa announced steps the institution would be taking to recuperate and increase palm oil production, including the distribution of work equipment to family farm enterprises, "**making available vast extensions of land to businesses**" [emphasis ours] and the creation of medium-sized industries for palm oil processing. According to Ferreira da Costa, they would distribute 5,000 hectares to producers in Bengo province, 5,000 to farmers in Cabinda, and 3,000 hectares to farmers in the rest of the country's provinces for the cultivation of oil palm.<sup>25</sup>

A case apart is Cabinda, where in November 2009 it was announced that "a factory for the production of palm oil is to be built in the municipality of Buco-Zau, about 120 kilometres north of the city of Cabinda, in a project undertaken by the provincial government, aimed at the utilization of the region's existing palm plantations." The news article added, "It is hoped that the construction of the factory is an incentive to the palm plantation owners in the region to increase production and productivity of oil palm for its conversion into oil."<sup>26</sup>

More recently, in July 2010, it was reported that "in Ndalatando nine cooperatives for palm oil extraction were created during the first half of this year, in the Massangano community of Cambambe municipality." The project, with the support of the Kwanza Norte provincial government, benefited 102 oil palm producers in the towns of Kixingango, Cassequel, Cambondo and Ngola Kiluanje.<sup>27</sup>

What the above demonstrates is that the government has a strategy for an intensive expansion of the sector. Although a portion of the oil produced will be set aside for the domestic edible oil market, most of the output will go towards the production of biofuels.

In this sense, it is worth noting the role that the Brazilian company Petrobras is playing, along with the Italian consortium ENI, both oil companies, in the development of agrofuels in Africa. According to press reports in 2007, Petrobras representatives and Brazilian government officials announced that the state-run Petrobras and ENI were trying to develop joint biofuel projects in Africa in order to supply the European market. "We want to promote trilateral

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<sup>22</sup> [http://www.ipim.gov.mo/group\\_detail.php?tid=12976&type\\_id=20](http://www.ipim.gov.mo/group_detail.php?tid=12976&type_id=20)

<sup>23</sup> <http://www.tvzimbo.co.ao/pt/opais/?det=11713&id=1647&mid>

<sup>24</sup> <http://www.grain.org/article/entries/4479-grain-releases-data-set-with-over-400-global-land-grabs>

<sup>25</sup> <http://www.rna.ao/canalA/noticias.cgi?ID=28914>

<sup>26</sup> <http://tiny.cc/h742j>

<sup>27</sup> [http://jornaldeangola.sapo.ao/15/0/oleo\\_de\\_palma\\_produzido\\_em\\_cooperativas](http://jornaldeangola.sapo.ao/15/0/oleo_de_palma_produzido_em_cooperativas)

projects that involve the poorest countries in the ethanol and biodiesel revolution," stressed Brazilian President Luiz Inácio Lula da Silva. A memorandum of understanding on the issue was signed.<sup>28</sup>

Europe, which is very interested in the development of renewable fuels as a source of energy, lacks the farmland necessary to produce the quantities of raw materials it would need for its envisaged biodiesel or ethanol consumption. "Through the expansion of sugarcane cultivation and other tropical biomasses in these countries, Brazil and Italy would be contributing to the fight against hunger and poverty," stated Lula.

According to Petrobras supply director Paulo Roberto Costa, the two countries are searching for potential projects for developing plantations and refineries in Angola and Mozambique. He added that the agreement with ENI would probably focus on biodiesel.<sup>29</sup>

## Oil palm in Benin

Oil palm has historically played an important role in Benin. Its cultivation was particularly developed during the reign of King Ghézo, between the years 1818 and 1858. There was an increasingly greater demand for palm oil from Western countries, primarily to supply their soap factories, and the two main kingdoms encompassed by modern-day Benin at the time (Abomey and Porto-Novo) stepped up production to meet this demand.<sup>30</sup>

Actual oil palm plantations, as opposed to naturally occurring palm groves, were established. Soon after, the trade in oil palm products underwent a significant boom during the second half of the 19th century, followed by a veritable "golden age" in the 1920s and 1930s. By this time, oil palm was grown on an estimated 500,000 hectares of land in Benin, and the processing of oil palm products was entirely manual, carried out by women small-scale producers.<sup>31</sup>

The first oil palm sector industrialization programme was launched in the 1950s. The colonial government invested in large-scale, public industrial processing facilities, and after independence in 1960, the national government established more of these facilities with even greater capacity, and planted around 30,000 hectares of selected oil palm seedlings between 1960 and 1974.<sup>32</sup>

But difficulties quickly arose, both internal (decrease in rainfall and thus in oil palm production yield, poor management, etc.) and external (competition with Asian countries, etc.). These factors decreased the profitability of the large industrial complexes and discouraged the government from further developing the industrial oil palm sector. These same difficulties had an impact on small-scale plantations as well, whose combined area, estimated at 500,000 hectares in the 1930s, dropped to 300,000 hectares by the end of the century.<sup>33</sup>

The creation of plantation blocs between 1960 and 1974 had led to the expropriation of 17,000 peasant farmers, who were supposed to receive an annual rent as compensation. The farmers considered the rent offered to be insufficient, and complained of the constant delays in payment. Although protest against the scheme began with the first expropriations, it remained muted during the "authoritarian" political regime in Benin (1972-1990), but was stepped up

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<sup>28</sup> <http://tiny.cc/n56a2>

<sup>29</sup> <http://tiny.cc/n56a2>

<sup>30</sup> [http://www.hubrural.org/pdf/projet\\_alisa\\_benin\\_nigeria\\_huile\\_palme.pdf](http://www.hubrural.org/pdf/projet_alisa_benin_nigeria_huile_palme.pdf)

<sup>31</sup> [http://www.hubrural.org/pdf/projet\\_alisa\\_benin\\_nigeria\\_huile\\_palme.pdf](http://www.hubrural.org/pdf/projet_alisa_benin_nigeria_huile_palme.pdf)

<sup>32</sup> <http://com.revues.org/index978.html>

<sup>33</sup> <http://com.revues.org/index978.html>

following the return to democracy. In 1993, after 2,000 hectares of oil palm plantations were destroyed by the former owners of the land, the government decided to triple the annual rent paid to them.<sup>34</sup>

Industrial palm oil production accounts for about 20% of total production in the sector, but most of it is exported. In 2000, 83% of the domestic palm oil market in Benin was supplied by the thousands of women small-scale producers (industrial production accounted for 7%, and the remaining 10% was imported). Small-scale traditional production has predominated throughout the century, and has successfully adapted to constantly changing conditions, on both the supply side (fluctuations in the volume of raw material available) and the demand side (market diversification).<sup>35</sup>

Until today, the small-scale, traditional production of palm oil has been carried out almost entirely by women, individually or sometimes with the help of family members. These women producers use completely manual techniques. There has been no obvious process of market concentration in the sector, which has remained widely spread out among the population.<sup>36</sup>

Beginning in the 1990s, the government of Benin and its financial backers decided to opt for a new approach; large industrial processing facilities under public management had clearly demonstrated their limitations. These were privatized over the course of the decade, and support was provided for the creation of small private operations, through the distribution of selected oil palm seedlings and the promotion of processing equipment. A programme for the distribution of selected palm seedlings was initiated in 1993. Private nurseries, authorized and subsidized by the government, sell these seedlings to the public at fixed prices.<sup>37</sup>

A new category of actors appeared in the sector: planters of selected oil palm varieties. Their strategy is wholly different from that of planters of naturally occurring oil palms. The latter normally combine the cultivation of oil palm with the growing of subsistence crops, while the former tend to specialize in oil palm and become “planters” as opposed to “farmers”. Under current conditions in south Benin, where it is now possible to own land, these planters purchase parcels of land that they devote specifically to the cultivation of oil palm. These new planters are almost entirely men. Women small-scale producers are rarely able to own their own palm plantations. The oil palm’s status as a cash crop, reinforced by a symbolic aspect (as a “symbol of wealth”), has given rise to a process of growing monopolization of the sector by men.<sup>38</sup>

These male planters are fully aware of the profits they can make from processing, especially if they have the capacity to stockpile. Currently, roughly one planter out of two keeps at least a part of his production and hires women small-scale producers to process it. For the last decade, development organizations have supported the distribution of processing equipment (presses and mixers) as part of their emphasis on enhancing technical capacity.<sup>39</sup>

In addition to the economic benefits, there is also a social benefit. The owner of a mechanized workshop benefits from a social prestige that is not enjoyed by planters who hire women to

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<sup>34</sup> [http://www.hubrural.org/pdf/projet\\_alisa\\_benin\\_nigeria\\_huile\\_palme.pdf](http://www.hubrural.org/pdf/projet_alisa_benin_nigeria_huile_palme.pdf)

<sup>35</sup> <http://com.revues.org/index978.html>

<sup>36</sup> <http://com.revues.org/index978.html>

<sup>37</sup> <http://com.revues.org/index978.html>

<sup>38</sup> <http://com.revues.org/index978.html>

<sup>39</sup> <http://com.revues.org/index978.html>



process their production. Investment by planters in the downstream segment of the production chain is thus likely to increase even further.<sup>40</sup>

The growing number of planters who process their production themselves has a direct impact on women small-scale producers: the volume of raw material (oil palm fruit) available to them will consequently decrease. Since these women are most often unable to own their own palm plantations, many could find themselves excluded from the sector. And given that a good number of women in south Benin earn part of their income by producing palm oil, the development of mechanization could prove problematic. Unlike the industrial sector, which has its own supply and marketing networks, the small semi-mechanized workshops are in direct competition with the women small-scale producers.<sup>41</sup>

The conclusion that can be drawn from this overview of the situation is that the current programme for the development of the oil palm sector, based on the distribution of selected oil palm seedlings and equipment, benefits only one category of actors, which it has actually created: the “new” private plantation owners. These planters will enjoy a competitive advantage over women small-scale producers on several levels, because they benefit from privileged access to raw materials; their mechanized processing techniques allow for lower cost prices; and their larger production volumes allow for bulk sales that are more attractive to retailers.<sup>42</sup>

The foreseeable evolution of the sector is therefore hardly favourable for women small-scale producers, and support programmes should be considered.<sup>43</sup>

The maintenance of a traditional, small-scale palm oil production sector, currently threatened by the development of semi-mechanized workshops, is desirable because of the large proportion of rural women who earn part of their income from this activity. It is also feasible, due to the popularity of traditional manually produced palm oil among consumers (the majority consider it better than mechanically produced oil). Some consumers (36%) even say they would be willing to pay more for traditionally produced oil.<sup>44</sup>

Palm oil output for the year 2000 in Benin was as follows:<sup>45</sup>

- 36,000 tons of red palm oil produced by the traditional, small-scale sector from the exploitation of 300,000 hectares of “natural” palm groves;
- 10,000 tons of oil produced by the industrial sector from the exploitation of 20,000 hectares of palm plantations held by cooperatives;
- an estimated 300 tons of oil produced on privately owned plantations of selected oil palms. This production was expected to increase significantly in subsequent years, reaching an estimated 9,600 tons of oil produced from 7,500 hectares of plantations by 2005.

It is estimated that the share of private selected oil palm plantations in national production rose from 3% in 1995 to close to 20% in 2005, thus matching industrial output.

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<sup>40</sup> <http://com.revues.org/index978.html>

<sup>41</sup> <http://com.revues.org/index978.html>

<sup>42</sup> <http://com.revues.org/index978.html>

<sup>43</sup> <http://com.revues.org/index978.html>

<sup>44</sup> <http://com.revues.org/index978.html>

<sup>45</sup> [http://www.hubrural.org/pdf/projet\\_alisa\\_benin\\_nigeria\\_huile\\_palme.pdf](http://www.hubrural.org/pdf/projet_alisa_benin_nigeria_huile_palme.pdf)

This situation could change again with the eventual creation of large-scale plantations. According to a study published in 2007, “Plans for the development of an agrofuel industry in Benin have the strong backing of government, and make up a key part of the government’s Agricultural Revival Programme for economic development.”<sup>46</sup>

In line with these plans, “Various industrial groups from Malaysia and South Africa have already made visits to Benin to assess the opportunities to grow biofuels. They have proposed the conversion of 300,000-400,000 hectares in the wetlands of the southern part of Benin [Ouémé, Plateau, Atlantic, Mono, Couffo and Zou] for production of oil palm.”<sup>47</sup>

As the same study notes, “There are already a number of palm tree monoculture plantations in the south of Benin” which should “serve as a warning against future developments, due to the complications and difficulties experienced by communities attempting to sell their palm products.”<sup>48</sup>

According to the Grain database, a Chinese investment group would have completed an assessment in 2010 to invest in 10,000 hectares of oil palm.<sup>49</sup>

## Oil palm in Burundi

In Burundi, oil palm is mainly cultivated in the southern part of the Imbo plain, particularly in the communes of Rumonge and Nyanza-Lac, where there are currently 9,700 hectares of selected oil palm plantations (where the Tenera variety is cultivated) as well as around 3,000 hectares of natural Dura variety oil palm groves.<sup>50</sup>

In terms of the extraction of palm oil, there are three categories of operations:

- 1) traditional artisanal oil processing units (UATH) which number around 900 and process more than 85% of the oil palm fruit bunches produced in Burundi;
- 2) the semi-industrial processing units run by RUPO (Rural Palm Oil) in Rumonge and COGEMIMI (Compagnie de Gérance de la Mini-huilerie de Minago) in Minago, which process less than 5% of the bunches produced;
- 3) The Huilerie de Palme du Burundi industrial oil mill, where a part of output is consumed “as is” by the local population and the other part is refined for marketing in urban centres.<sup>51</sup>

Burundi, which today imports palm oil from Southeast Asia, is currently implementing a strategy to become “totally independent from overseas sources for supplying the domestic vegetable oil market and perhaps in time for the supply of biofuels.”<sup>52</sup>

In this regard, the National Agricultural Strategy for 2008-2015 has set a target to achieve self-sufficiency in vegetable oils by 2015 through “the revival of the oil palm sector.” This revival

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<sup>46</sup> <http://www.africanbiodiversity.org/media/1210585739.pdf>

<sup>47</sup> <http://www.africanbiodiversity.org/media/1210585739.pdf>

<sup>48</sup> <http://www.africanbiodiversity.org/media/1210585739.pdf>

<sup>49</sup> <http://www.grain.org/article/entries/4479-grain-releases-data-set-with-over-400-global-land-grabs>

<sup>50</sup> [http://www.minagri.bi/IMG/doc/Strategie\\_Agricole\\_Nationale\\_2008-2015.doc](http://www.minagri.bi/IMG/doc/Strategie_Agricole_Nationale_2008-2015.doc)

<sup>51</sup> [http://www.minagri.bi/IMG/doc/Strategie\\_Agricole\\_Nationale\\_2008-2015.doc](http://www.minagri.bi/IMG/doc/Strategie_Agricole_Nationale_2008-2015.doc)

<sup>52</sup> [http://www.minagri.bi/IMG/doc/Strategie\\_Agricole\\_Nationale\\_2008-2015.doc](http://www.minagri.bi/IMG/doc/Strategie_Agricole_Nationale_2008-2015.doc)

entails the “renovation” of 3,500 hectares of oil palm plantations and the establishment of another 4,000 hectares of plantations in five years.<sup>53</sup>

It should be noted that the large industrial oil palm plantations in Rumonge have led to serious conflicts between the former and present owners of the land where the plantations have been established.

The different civil wars that have marked the history of Burundi since the country’s independence have generated numerous land ownership conflicts. Land belonging to refugees who fled the country has been distributed to people who remained in Burundi, usually individuals close to circles of power who have appropriated many hectares of land with the state’s blessing. When the refugees return to the country, they find that their property has been plundered.<sup>54</sup>

The land ownership problem is particularly serious in almost all of the provinces of Burundi that border on Tanzania: Makamba, Rutana, Ruyigi, Cankuzo. However, it is in Rumonge, a fertile location extremely well suited to the cultivation of oil palm in the province of Bururi, where it is felt most acutely. According to information gathered in the field, after some of the local population went into exile, many of their properties changed owners. This redistribution of land was carried out by the state, which sometimes issued ownership titles to those who acquired the land, under laws that have been challenged and qualified as unjust because they violate basic rights.<sup>55</sup>

It was in fact the Regional Development Society (SRD) of Rumonge which, on behalf of the state, took control of properties owned by private individuals and converted them to plantations of a new variety of oil palm. In the course of this operation, the Society redistributed the properties, giving one hectare to some beneficiaries and four hectares to others.<sup>56</sup>

Refugees who have returned to the country, most of them women, have declared that since their return, their lands have not been given back to them. “The whole palm plantation along Lake Tanganyika occupies the land where our fields were when we left the country. They tell us that the people now operating these plantations have official documents issued by the state that name them as the new owners. Even the neighbours who took over our properties don’t want to give them back to us. We don’t know who to turn to, because even if the local administration seems to understand us, the *tribunal de résidence* (local court) here hands down biased decisions. It always rules in favour of those who are exploiting our properties,” declared Feruzi Mukorumbone, who returned to Burundi in 2006 and has been designated as the representative of returnees living near the town of Rumonge.<sup>57</sup>

In August 2009, the state’s failure to provide solutions led to confrontations between the current inhabitants and former refugees who have returned from exile. The former refugees had built small houses on their former properties. According to the local administration, people were wounded in these confrontations when three houses were set on fire and destroyed. In the Kigwena area, another landowner brought the police to evict returnees who had installed themselves on their former property. During the resulting clashes, two people were wounded while others took refuge in the communal centre, demanding protection. According to observers, it is difficult for someone who returns to the country to wait for administrative

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<sup>53</sup> [http://www.minagri.bi/IMG/doc/Strategie\\_Agricole\\_Nationale\\_2008-2015.doc](http://www.minagri.bi/IMG/doc/Strategie_Agricole_Nationale_2008-2015.doc)

<sup>54</sup> <http://www.ldgl.org/spip.php?article1557>

<sup>55</sup> <http://www.ldgl.org/spip.php?article1557>

<sup>56</sup> <http://www.ldgl.org/spip.php?article1557>

<sup>57</sup> <http://www.ldgl.org/spip.php?article1557>

procedures – which sometimes take a very long time – when they see their land occupied by others.<sup>58</sup>

The returnees are not the only ones who face problems, and those who stayed behind have also been impacted by the oil palm plantations.

The Regional Development Society of Rumonge (SRDR) decided in 1982 to replace existing plantations with a new variety of oil palm. Beforehand, they had carried out a census of all of the palm plantation owners, counting the number of standing oil palms belonging to each, and then proceeded to destroy them. They had promised the owners they would pay them compensation of a little over 9,000 francs per tree, and then restore their lands to them with the new plantations, once these were stabilized. But when the time came for this restoration, numerous injustices were committed. On the one hand, the SRDR, which had replanted 135 palms per hectare, restored the equivalent of one hectare of land for every 125 to 150 trees counted previously. As a result, the former owners received only a portion of the land areas requisitioned by the SRDR, because the Society only considered the oil palms counted, while the original properties also encompassed banana trees, coffee trees and subsistence crops. Some were even forced to accept plantations in a different location from their former property. On the other hand, people who did not have palm trees at the time of the census, such as SRDR directors and high-ranking army officers, received oil palm plantations.<sup>59</sup>

Finally, in 1994, the SRDR, now called the Oil Palm Office (OHP), ordered the recipients of the new palm plantations to reimburse them for the expenses incurred for the acquisition of the seedlings in Côte d'Ivoire, transportation and labour, calculated at up to 160,000 francs per hectare, over the course of four years. Naturally, the former owners refuse to pay, arguing that they have already been robbed of their land, and that it is in fact they who are owed a debt for the whole undertaking.<sup>60</sup>

In this complicated context, it is difficult to understand the announcement issued by the Presidency of the Republic on 30 July 2010, stating that the European Union (“Burundi’s leading development partner”) “continues to support... the oil palm plantation project in the Commune of Rumonge.”<sup>61</sup>

## Oil palm in Cameroon

In Cameroon, there is a long history of the traditional use of oil palm, which grows wild in natural palm groves, by forest peoples. Oil palm is used for food and beverages (palm oil, palm wine and alcohol), as well as for traditional pharmacy products (soap made from palm oil and palm kernel oil, pomades made from palm kernel oil).

Industrial plantations were introduced around 1907, under German colonial rule. They were first developed in the Édéa region, where the Société des Palmeraies de la Ferme Suisse (SPFS) was established and created plantations that date back to 1910. As described by Cameroonian historian F. Etoga Eily (1971), “The moral and material support provided by the government [for the plantation system] rather quickly gave it an official and military aspect, to

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<sup>58</sup> [http://www.omac-afrique.org/article.php3?id\\_article=1120](http://www.omac-afrique.org/article.php3?id_article=1120)

<sup>59</sup> <http://www.grandslacs.net/doc/2821.pdf>

<sup>60</sup> <http://www.grandslacs.net/doc/2821.pdf>

<sup>61</sup> <http://www.presidence.bi/spip.php?article652>

the extent that everything, people and things, was subordinated to the development of large plantations. ... Its seemed to be a clear and indisputable fact that the plantations formed the backbone of the Territory's economy, and the Administration could not refuse them anything.”

As of 1919, the country was occupied by the British and French. In the western area occupied by Great Britain, the former German plantations were auctioned off. Four of them were acquired in 1929 by the Unilever group, which also obtained a concession for 10,000 hectares of land for the creation of Pamol Plantations Limited, aimed at oil palm cultivation. The other German plantations changed status several times until they were finally regrouped in 1946-1947 under the famous Cameroon Development Corporation (CDC), the country's largest agro-industrial complex and a major palm oil producer (Konings, 1986).

In the area under French control, the former German plantations were purchased by private companies. This was the case, for example, of the Dizangué plantation, bought in 1959 by the Rivaud Group (Terres Rouges). Today this plantation is owned by SAFACAM (Société Africaine Forestière et Agricole du Cameroun), a subsidiary of the Bolloré Group.

As in the times of the German occupation, there were insufficient numbers of voluntary workers, and the French re-established forced labour on the privately owned plantations. French union activist G. Donnat wrote in the 1940s that the plantations of the company Terres Rouges “occupied a very large area that was completely fenced, with armed guards and even a jail. The workers lived in groups of huts; they were prisoners and many of them never saw their villages again. [The chief of the region] Monsieur Tine explained to us how these poor devils were recruited. He received an order from the government requesting him to provide a certain number of workers for government service. ... The chief of the sub-division ... summoned a number of village chiefs and instructed them to each designate a contingent of able-bodied men. There is no need to specify the criteria for choosing them, suffice it to say that the chiefs could choose men at random if they preferred. On the established day, the unfortunate men were gathered together. Tied to one another with a rope attached to their necks and flanked by armed militiamen, the pitiful line of men was taken to their place of deportation. Their departure was accompanied by the crying and screaming of the women: there was so little chance that these men would ever return to their villages!” (Agir Ici & Survie, 2000).

### *After independence*

One of the most striking features of the Cameroonian state's economic policy after independence was its promotion of large industrial plantations. In 1960, 70% of national oil palm production came from natural palm groves, while the remainder was supplied by the CDC and Pamol. The government then decided as of 1963 to develop the cultivation of oil palm, and created the Société Camerounaise de Palmeraie (SOCAPALM). Between 1971 and 1981, close to two thirds of public funds earmarked for agricultural development were allocated to the agro-industrial sector. As a result, in the 1980s, just five companies accounted for 90% of national palm oil production, namely SOCAPALM, SAFACAM, SPFS, CDC and Pamol (Bakoumé et al., 2002).

Given the fact that plantations require large areas of land, the Cameroonian government has always had to contend with the problem of finding room for them. In general – as was the case in the establishment of SOCAPALM – the government chose sparsely populated regions in order to limit large-scale expropriations of land, which could have sparked uprisings.

Nevertheless, even in sparsely populated areas, it was and continues to be necessary to use force (Gerber, 2008; Tassé & Tankeu, 2008).

One of the most recent initiatives adopted to promote plantations was the Ministry of Agriculture Oil Palm Project of 2001. Considered a “national priority”, the project was launched in the framework of a “voluntarist” agricultural modernization policy. Its objectives included, among others, the promotion of a subcontracting system favourable to private agro-industries. The project was supposed to represent the “new era” of oil palm expansion in the country. It set a target of increasing the area under oil palms by at least 5,000 hectares a year, in order to produce 250,000 tons of palm oil by 2010.

*Table 1: Area under oil palms in 2008 (approximate figures)*

	<i>Company</i>	<i>Area</i>
<i>Agro-industries</i>	CDC	16,000 ha
	Ferme Suisse	4,000 ha
	Pamol	9,000 ha
	SAFACAM	4,500 ha
	SOCAPALM	28,000 ha
	<i>Total</i>	61,500 ha
<i>“Supervised” village plantations</i>		15,000 ha
<i>Independent traditional plantations</i>		25,000 ha
<i>Total</i>		101,500 ha

This programme followed in the footsteps of the Heavily Indebted Poor Countries initiative launched in 1996 by the G7 and administered by the international financial institutions. The development strategy is based on: (1) the development of the agro-industrial sector (through privatization and the establishment of new contractual relations with village plantations); (2) the development of the village plantation sector (increased productivity); (3) the formulation of a better research framework, through the efforts of the Cameroon-based Institute of Agricultural Research for Development (IRAD) and the French Agricultural Research for Development Centre (CIRAD). The CDC is currently planning a massive increase in its palm oil output (over 20%) by 2012 (OTAL, 2009).

#### *Village plantations*

In Cameroon, palm oil production is divided among three sectors: an agro-industrial sector, village plantations in the service of agro-industries, and a traditional artisanal sector (Bakoumé et al., 2002).

The village plantations constitute an ambiguous and complex phenomenon that it is worth stopping to consider in more detail. On the one hand, they respond to strong demands from rural populations for their development, while at the same time, they constitute a contractual relationship that benefits the agro-industries and ties the rural farmers to them. The CDC, SOCAPALM and Pamol have all developed these kinds of programmes, which are supposed to foster the “complementarity” of the industrial and village sectors.

In theory, the agro-industries are responsible for the production of selected planting material and for technical supervision to assist the small-scale planters in the activities of choosing the land, clearing, planting and upkeep (with agro-chemical products), as well as harvesting the crops. In return, the villagers sign a subcontracting agreement which ties them to the agro-

industry in question for a period of at least 12 years and obliges them to sell their entire output to the company. The selling price per kilo is set by the agro-industry.

Today, many peasant farmers see the village plantations as a pragmatic way to get “help” from agro-industries to earn an income – something that has become critical in a context where it is often difficult to afford certain goods (soap, clothing, gas), school fees and medical care. But the massive incorporation of peasant farmers into village plantation systems is not necessarily a good thing. These contract systems can actually be seen as a cheap and effective way to use local populations as labour for the capitalist agro-industrial sector.

In fact, these village plantations are explicitly recognized as a way of subcontracting production. As Dutch sociologist P. Konings (1986) noted with regard to the CDC, “The [village plantation] project constitutes a form of production that is less costly than that which is currently used [on industrial plantations] because, on the one hand, it is the producers who bear almost all of the production costs (they obtain the inputs and agricultural services in the form of a loan that must be repaid with interest after the harvest), and, on the other hand, the agro-industry avoids the expenses arising from complete proletarianization (payment of family members or occasional labourers employed by the planter, social security, housing, etc.). It is also a less risky production process, given that price fluctuations on the world market automatically affect the producers, who also bear the risks of a poor harvest.”

According to the World Bank, the advantages of village plantations are numerous: they guarantee planters a stable income; they foster land tenure security; and they strengthen the monetization of rural areas, thus generating “development” (Bakoumé et al., 2002). Other studies, however, arrive at different conclusions: village plantations bring about the individualization of land tenure and contractual responsibilities (debts) that destabilize traditional lineage-based institutions; they foster the even greater marginalization of the most vulnerable social sectors (such as youth and women); and they ultimately deepen inequalities and allow elites to even further distance themselves from the rest of the community (Gerber, 2008).

### *Women and large plantations*

Women make up a small minority of workers on industrial plantations. They are limited to the jobs deemed less physically taxing, such as weeding around the trees or administrative work. It is not always easy for women workers to work side-by-side with a large majority of men: cases of sexual harassment and rape have been reported, most notably, committed by security guards at Dibombari and Kienké. Most of the women within the perimeters of plantations are the partners and wives of male workers, although the majority of the latter are single. These women manage to do fairly well in the informal sector. There are also a good number of prostitutes who either work on a permanent basis in the workers’ camps or who visit on pay days.

Some promoters of industrial plantations have claimed that the presence in the camps of the workers’ wives and children is proof of the good living conditions on the plantations. This kind of statement is simply absurd. On the contrary, these camps are often overcrowded, and the conditions there are far from enviable, as we will see below in the case of SOCAPALM.

### *The case of SOCAPALM*

In Cameroon, the powerful French Bolloré Group controls vast expanses of oil palm plantations, whether directly through SAFACAM (which operates 8,400 hectares), or indirectly through Socfinal (which administers 31,000 hectares), a company that Bolloré shares

with the Fabri family of Belgium. Bolloré holds close to 40% of the shares in Socfinal, one of whose subsidiaries manages SOCAPALM. Privatized in 2000, SOCAPALM is the leading national producer of palm oil: it owns five plantations and four oil factories, and controls 42% of the crude palm oil market and 24% of the refined palm oil market. The agreement signed in 2000 for a period of 60 years between SOCAPALM and the government includes an area of 78,529 hectares of which 43,000 hectares for oil palm plantations.<sup>62</sup>

SOCAPALM is a source of major social and environmental problems (Deltombe, 2009). When it was still state-owned, the SOCAPALM plantation confiscated lands that traditionally belonged to local populations – the Bagyeli and Bantu – without any sort of compensation. It is currently being expanded, at the cost of the neighbouring ecosystems on which these same populations depend for survival. Their traditional ways of life are therefore becoming threatened, with no viable alternative offered to them (Gerber, 2008). SOCAPALM brings in workers from other regions of Cameroon and houses them in camps located on the plantation. The living and working conditions are abysmal (Ricq & Gerber, 2010): insalubrious living quarters and shared latrines, no regular access to water or electricity, primarily temporary employment at extremely low wages, etc. Hundreds of subcontracted workers toil for six days a week, sometimes from 6:00 a.m. to 6:00 p.m., with no social security coverage or adequate protection, for around 1.6 euros a day – and that is only when the subcontractors do not forget to pay them. This situation has led to a growing number of strikes and protests (Pigeaud, 2008). In addition, the agrochemical products used on monoculture plantations and the waste effluents from its factory in Kienké have heavily polluted neighbouring waterways.

The large numbers of security guards employed by SOCAPALM prohibit neighbouring villagers from using the plantation's resources. In 2003, this situation sparked a major clash between guards and villagers (during which arms and legs were cut off with machetes). In retaliation, the army, which came to back up the guards, grabbed all the villagers it could find and kept them detained without trial for two weeks.

Following the broadcast on Radio Inter of two programmes critical of SOCAPALM, the Bolloré Group filed two lawsuits against Radio France. The first programme in question, an investigative report by journalist Benoît Collombat, addressed the group's activities in a number of different economic sectors. In its ruling, the High Court of Paris deemed that the segment of the report focusing on SOCAPALM could not be considered defamatory. No ruling was handed down with regard to the second programme, an interview with photographer Isabelle Alexandra Ricq (Manzoni, 2009; Ricq, 2009), because the Bolloré Group decided to withdraw the charges two weeks before the trial was scheduled to take place. Bolloré had probably realized that its chances of winning were too uncertain, and that it would be exposing itself to the serious threat of having his activities in Cameroon brought into the public spotlight.

It is interesting to note that the subject of the social and environmental impacts of large industrial plantations is becoming increasingly off-limits to journalists, as demonstrated by a recent investigative report released by Reporters Without Borders (RWB, 2010). Meanwhile, given the national and international support for oil palm cultivation, industrial monoculture plantations will continue to expand, and as a consequence, these social and environmental impacts will worsen. The nascent agrofuel market will likely serve as a powerful driving force for even further growth of the oil palm sector. Along with other large business groups like

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<http://www.greenpeace.org/international/Global/international/publications/forests/2012/Congo/PalmOilsNewFrontier.pdf>



Wilmar and Unilever, Bolloré is increasingly banking on this so-called “green” substitute for petroleum-based fuels (Tassé & Tankeu, 2008).

In the past few years, several big industrial oil palm investment plans have been announced for Cameroon<sup>63</sup>:

- one of the most exposed and criticized plan involves SG Sustainable Oils Cameroon (SGSOC), owned by the US company Herakles. In 2009, this company signed a 99-year lease agreement for 73,086 hectares with the Cameroonian government. It has since faced local and international opposition and critique, leading in 2013 to a temporary suspension of its contract with the Cameroonian government, that was shortly after lifted;<sup>64,65</sup>
- Biopalm Energy, a subsidiary of the Singapore-based SIVA group and SIC (National Investment Corporation)<sup>66</sup>, owned by an Indian billionaire, announced in 2011 it would occupy 200,000 hectares for oil palm plantation development in the south-east of the country, and would also be interested in investing in Liberia;
- Sime Darby, already active in Liberia, would be negotiating 300,000 hectares in the south-west of the country with the Cameroonian government; the Malaysian company is searching for a total of 600,000 hectares for oil palm and rubber plantation development;
- The Malaysian oil palm company Good Hope declared in 2011 its plans to invest in oil palm plantations in the southern region; its investment would represent about 6,000 hectares.
- The company US Cargill announced in 2012 it would plant 50,000 hectares in the country, in collaboration with API (Cameroon)<sup>67</sup>, but an agreement has not been signed yet.
- The company PALMCO (Cameroon) is requesting at least 100,000 ha in Nkam area;
- Smart Holdings, tries to acquire 25,000 hectares.
- The company Sud Cameroun Hevea, owned by GMG from Singapore, negotiated 45,200 hectares for oil palm and rubber plantations. It started activities in 2010, expecting to be operational within 4 years.<sup>68</sup>

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<sup>63</sup> <http://www.rainforestfoundationuk.org/files/Seeds%20of%20Destruction,%20February%202013.pdf>

<sup>64</sup> <http://cameroonwebnews.com/2013/06/29/featured/le-cameroun-annule-la-premiere-convention-signe-avec-herakles-farms/>

<sup>65</sup> <http://www.palmwatchafrica.org/cameroon-says-herakles-farms-free-to-resume-tree-felling-operations/>

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<http://www.greenpeace.org/international/Global/international/publications/forests/2012/Congo/PalmOilsNewFrontier.pdf>

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## Oil palm in the Central African Republic

Natural oil palm groves cover around 18,000 hectares of land in the forested and semi-forested areas of the Central African Republic and are harvested through traditional methods for domestic consumption.<sup>69</sup>

In 1953, a rural development initiative was launched in Kembé (Basse-Kotto) aimed at “upgrading the natural palm groves and establishing an additional 1,400 hectares of selected oil palms.” The initiative was an almost total failure. By 1967 a mere 800 hectares of rather badly kept selected oil palm plantations remained.<sup>70</sup>

In 1986, the government inaugurated the Centrafricaine des Palmiers (CENTRAPALM) palm oil complex in Bossongo, with a total area of 2,500 hectares of oil palm plantations.<sup>71</sup> This state-owned company had a monopoly on palm oil production.<sup>72</sup> Average production during the years 1988 to 1992 was around 3,000 tons annually.<sup>73</sup> By 2003, it was 2,500 tons.<sup>74</sup>

The original plan was to establish a total of 5,000 hectares of oil palm plantations in the same region to reach an annual production level of 16,000 tons by the year 2000. This was to be achieved by creating village oil palm plantations within a 50-kilometre radius around the industrial complex in Bossongo.<sup>75</sup>

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<sup>69</sup> [http://www.persee.fr/web/revues/home/prescript/article/geoca\\_0035-113x\\_1967\\_num\\_42\\_4\\_2622#](http://www.persee.fr/web/revues/home/prescript/article/geoca_0035-113x_1967_num_42_4_2622#)

<sup>70</sup> [http://www.persee.fr/web/revues/home/prescript/article/geoca\\_0035-113x\\_1967\\_num\\_42\\_4\\_2622#](http://www.persee.fr/web/revues/home/prescript/article/geoca_0035-113x_1967_num_42_4_2622#)

<sup>71</sup> [http://www.leconfident.net/CENTRAPALM-UN-JOYAU-QUI-SE-MEURT\\_a4741.html](http://www.leconfident.net/CENTRAPALM-UN-JOYAU-QUI-SE-MEURT_a4741.html)

<sup>72</sup> <http://mahamat-alhafiz.over-blog.com/article-11463074.html>

<sup>73</sup> <http://bch-cbd.naturalsciences.be/rca/contributions/monographies/magemarapport.pdf>

<sup>74</sup> [http://www.unep.org/biosafety/Documents/Central\\_%20African%20Republic\\_NBF.pdf](http://www.unep.org/biosafety/Documents/Central_%20African%20Republic_NBF.pdf)

<sup>75</sup> <http://bch-cbd.naturalsciences.be/rca/contributions/monographies/magemarapport.pdf>

Other village palm plantations were located in the forested areas in the western and eastern regions of the country and were used for oil production for self-consumption.<sup>76</sup>

In the framework of the privatization of state-owned companies promoted by the IMF and World Bank, it is interesting to note the difficulties faced in the efforts to privatize CENTRAPALM. A 2007 report from the WTO noted: “The State still owns 100% of the *Centrafricaine des palmiers* – CENTRAPALM (Central African Palm Oil Company), a State-owned enterprise producing palm oil and included in the privatization programme... This enterprise faces recurrent financial problems because of the age of its palm plantations (some 2,500 hectares, of which 400 hectares are under water), the obsolescence of its machinery and equipment and its limited processing capacity. These problems affect its competitiveness, which is also badly hit by the import of products from neighbouring countries. ... The production of palm oil and palm kernel oil were 1,846 and 240 tonnes respectively in 2005, compared with 2,400 and 300 tonnes in 2004. ... Some 70-80 per cent of CENTRAPALM's turnover comes from selling oil to the privately owned companies HUSACA and SAVEX to manufacture soap.”<sup>77</sup>

Whether due to fire, poor management or the age of the plantations, in 2009-2010, the CENTRAPALM oil palm plantations had shrunk from 2,500 to 1,000 hectares.<sup>78 79</sup>

Given the limited production of edible oil by CENTRAPALM, a large part of the domestic supply of palm oil is smuggled into the country (especially from the Democratic Republic of Congo)<sup>80</sup> or comes from artisanal production, mainly sourced from natural palm groves.<sup>81</sup>

One exception is Bangassou, one of the few cities in the country where the artisanal production of palm oil is highly developed, and based on family plantations.<sup>82</sup>

Another aspect that should be highlighted is the importance of the local palm wine market. In 1992, after a fire that destroyed more than 30 hectares of palm trees and damaged neighbouring areas, CENTRAPALM sold off 114 hectares of badly degraded oil palms. These sections of the plantation were bought up by private individuals who transformed them into an industrial production centre for palm wine, a product that is highly popular with the population and for which sales are never a problem.<sup>83</sup>

With regard to women's involvement in the palm oil trade, we were unable to find any literature on the subject in the Central African Republic, but the following two examples will at least serve to illustrate its importance during crisis situations.

When Ange-Félix Patasse took office as president in 1993, numerous changes took place affecting civil servants. One result was described in this way: “Overnight, some compatriots [female teachers] were transformed into palm oil vendors, because they were the only ones with a direct supply of the raw material locally, in Bossongo. The others had to cross the Oubangui to seek supplies in Zongo, in Zaire (the Democratic Republic of Congo).”<sup>84</sup>

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<sup>76</sup> <http://bch-cbd.naturalsciences.be/rca/contributions/monographies/magemarapport.pdf>

<sup>77</sup> [http://www.wto.org/french/tratop\\_f/tpr\\_f/s183-04\\_f.doc](http://www.wto.org/french/tratop_f/tpr_f/s183-04_f.doc)

<sup>78</sup> [http://www.leconfident.net/CENTRAPALM-UN-JOYAU-QUI-SE-MEURT\\_a4741.html](http://www.leconfident.net/CENTRAPALM-UN-JOYAU-QUI-SE-MEURT_a4741.html)

<sup>79</sup> <http://radiondekeluka.net/economie/item/1437-22-mois-d%E2%80%99arri%C3%A9r%C3%A9s-de-salaire->

<sup>80</sup> <http://www.syfia.info/index.php5?view=articles&action=voir&idArticle=1981>

<sup>81</sup> [http://www.persee.fr/web/revues/home/prescript/article/geoca\\_0035-113x\\_1967\\_num\\_42\\_4\\_2622#](http://www.persee.fr/web/revues/home/prescript/article/geoca_0035-113x_1967_num_42_4_2622#)

<sup>82</sup> <http://www.cf.undp.org/Profil%20de%20pauvrete%20par%20ville/Urbain/Profil%20pauvrete%C3%A9%20Bangassou.doc>

<sup>83</sup> <http://www.syfia.info/index.php5?view=articles&action=voir&idArticle=1981>

<sup>84</sup> <http://www.sozola.com/palabre/reflexions/devoirdememoire.PDF>

The second example concerns women victims of rape: after a meeting to discuss their situation, they raised as one of their first requests: “To receive assistance in order to improve their oil palm or shea<sup>85</sup> butter trade activities.”<sup>86</sup>

In 2012, a new investment was announced for the planting of 8,701 hectares by the company Palmex in Pissa, in Lobaye Mbaiki sub-prefecture.<sup>87</sup>

## Oil palm in Côte d’Ivoire

The modern history of oil palm in Côte d’Ivoire dates back to the early days of independence, in 1960, when the government decided to launch a vast programme for the development of selected oil palm plantations. To achieve this goal, it proceeded to create large complexes based on three blocs or sectors: an industrial plantation bloc, a village plantation bloc, and an industrial bloc that would process the combined output of the first two blocs. This strategic vision led to the implementation of oil palm development plans whose objective was – and still is – to make Côte d’Ivoire the largest African producer of palm oil.<sup>88</sup>

The first of these plans was implemented under the authority of Satmaci (Société d’assistance technique de modernisation de l’agriculture de Côte d’Ivoire) from 1961 to 1963, and subsequently under that of Sodepalm (Société pour le Développement et l’Exploitation de la Palme), as of 1964. By the end of the plan’s implementation, in 1985, a total of 76,500 hectares of oil palm plantations had been established: 49,000 hectares of industrial plantations and 27,500 hectares of village plantations.<sup>89</sup>

This first plan received financial support from institutions such as the European Development Fund and the World Bank. By the end of the plan, the country had achieved annual production of more than 100,000 tons of palm oil, as compared to an output of only 6,600 tons of industrially produced palm oil in 1960.<sup>90</sup>

However, the biggest leap was made during the second oil palm development plan, which covered the years 1986-1990. This plan enabled the establishment of an additional 58,000 hectares of plantations: 13,940 hectares of industrial plantations, 41,060 hectares of village plantations, and 3,000 hectares held by small and medium agricultural enterprises. As a result, the total area under oil palm plantations reached 134,500 hectares in 30 years, thanks to these two plans. National palm oil production also flourished, rising to 240,000 tons annually in the early 1990s. But these results were not solely due to the efforts of Sodepalm, since the management of the oil palm sector underwent numerous changes over the years.<sup>91</sup>

In fact, six years after the creation of Sodepalm, it was replaced by two new structures in 1969, namely Palmivoire and Palmindustrie. Subsequently, under Law 946-338 of 9 June 1994, concerning the privatization of the state’s holdings and assets in the oil palm sector, Palmindustrie disappeared and was replaced by new private companies.<sup>92</sup>

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<sup>85</sup> *Butyrospermum parkii*

<sup>86</sup> [http://www.centraf-sf.org/compte\\_rendu\\_mission\\_clementine2.pdf](http://www.centraf-sf.org/compte_rendu_mission_clementine2.pdf)

<sup>87</sup> <http://www.rainforestfoundationuk.org/files/Seeds%20of%20Destruction,%20February%202013.pdf>

<sup>88</sup> <http://afriquinfos.centerblog.net/4451-l-histoire-du-palmier-a-huile>

<sup>89</sup> <http://afriquinfos.centerblog.net/4451-l-histoire-du-palmier-a-huile>

<sup>90</sup> <http://afriquinfos.centerblog.net/4451-l-histoire-du-palmier-a-huile>

<sup>91</sup> <http://afriquinfos.centerblog.net/4451-l-histoire-du-palmier-a-huile>

<sup>92</sup> <http://afriquinfos.centerblog.net/4451-l-histoire-du-palmier-a-huile>

Palminindustrie was privatized in 1997 and its larger assets were sold to three large private enterprises:

1) PALMCI, which acquired two thirds of total production capacity, including nine processing plants and 35,000 hectares of industrial plantations. PALMCI is currently owned by the French group SIFCA and a joint venture between two Singapore-based companies, Wilmar International and Olam International, after Unilever sold them its plantations and industrial assets in December 2008.<sup>93</sup> PALMCI's operations involve a project of up to 160,000 hectares.<sup>94</sup>

2) SIPEF-CI (Société Internationale de Plantations et de Finance), based in Belgium, which bought two processing plants in Bolo and Soubré and 12,700 hectares of industrial plantations.<sup>95</sup>

3) PALMAFRIQUE, which owns three processing plants and 7,500 hectares of plantations. The company is held by the Groupe L' Aiglon, a financial holding company owned by the powerful Kagnassi family.<sup>96</sup>

National palm oil output increased from 323,000 tons in 2007 to 430,000 tons in 2009, and the goal is to double this figure by 2018. National production now fully covers domestic consumption (250,000 tons) and the surplus is sold to other countries in the sub-region.<sup>97</sup>

In terms of the total area under oil palm plantations, the figures available differ, but it seems fair to state that industrial and village plantations combined cover at least 190,000 hectares. Of this total area, 70% is made up by village plantations that contribute to 58% of national palm oil production, while the three large industrial enterprises (PALMCI, PALMAFRIQUE and SIPEF-CI) account for up to 40% of production.<sup>98</sup>

However, these figures are decidedly lower than those recorded in 2000, according to which industrial plantations (87,828 hectares) and village plantations (140,621 hectares) represented a total of 228,500 hectares.<sup>99</sup> There is every indication that plantations have not diminished in size, but on the contrary, have continued to expand.<sup>100</sup> It would therefore be reasonable to assume that today, the total figure is close to 250,000 hectares.

With regard to the area occupied by natural oil palm groves, there are no figures available, but they certainly exist, particularly in the mountainous region of Man, which produces artisanal red palm oil, the most highly prized palm oil in the country.<sup>101</sup>

An interesting theme which has been studied in Côte d'Ivoire is the existence of two different plantation models, based on two very different logics: industrial plantations and family agriculture plantations. Cheyens and Rafflegeau (2005) summarize the situation as follows:<sup>102</sup>

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<sup>93</sup> <http://www.unilever.com/mediacentre/pressreleases/2008/UnileverinCoteDivoire.aspx>

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<http://www.greenpeace.org/international/Global/international/publications/forests/2012/Congo/PalmOilsNewFrontier.pdf>

<sup>95</sup> <http://www.fdi.net/documents/WorldBank/databases/plink/soceco/2cotedivoire.htm>

<sup>96</sup> [http://www.linter-ci.com/article.php3?id\\_article=8272](http://www.linter-ci.com/article.php3?id_article=8272)

<sup>97</sup> <http://www.jeuneafrique.com/Articles/Dossier/ARTJAJA2568p076-082.xml3/industrie-agriculture-agroalimentaire-uemoahevea-palmier-et-sucre-un-tierce-gagnant.html>

<sup>98</sup> <http://www.educarriere.info/index.php?page=ed10&st=secteur03>

<sup>99</sup> <http://www.john-libbey-eurotext.fr/e-docs/00/04/10/66/article.phtml>

<sup>100</sup> <http://www.otal.com/commodities/fruits.htm>

<sup>101</sup> <http://www.connectionivoirienne.net/?p=36348>

<sup>102</sup> <http://www.john-libbey-eurotext.fr/e-docs/00/04/10/66/article.phtml>

The industrial model is based on the dissemination of a selected hybrid variety of oil palm, oil extraction in large-capacity oil mills, the creation of large industrial plantations, and the promotion of a system of “outgrowers”, through which villagers establish plantations on their own land that are “supervised” by the private companies. The ultimate goal is to ensure maximum profitability.

Meanwhile, the family agriculture model is markedly different: family farms that produce oil palm virtually all have diversified crops and activities and are adapted to the dual logic of securing and stabilizing income, notably by diversifying trading possibilities.

Surveys conducted in Côte d’Ivoire revealed diversified farming systems that included oil palm and/or rubber, coffee and cocoa, along with food crops including cash crops, all on the same farm. Family farmers who grow oil palm are therefore (virtually) never producers of a single crop.

There are thus two differing logics: one is industrial and international and based on profitability and standardization, while the other is local, oriented towards security and heritage, and based on diversification of resources.

While palm oil is a basic ingredient in African cooking practices, consumers recognize a difference in quality between non-industrial or artisanal red palm oil and industrially produced oil. Among artisanal red palm oils, they also perceive a difference in quality depending on the type of oil palm fruits and processing methods used. Artisanal red palm oil is viewed as a “local” product with qualities associated with the geo-cultural origin of its producers. In Côte d’Ivoire, consumers are rather particular about the authenticity of palm oil, and oil produced from the fruits of “natural” or African oil palms is preferred to that made from the fruits of selected hybrid palms.<sup>103</sup>

Red palm oil also provides a source of employment for thousands of women in rural areas, who are the ones who manually produce artisanal palm oil.<sup>104</sup> Most growers sell some of their palm fruit to these small-scale women processors.<sup>105</sup>

Serious conflicts have arisen between the big palm oil companies and local communities living in the vicinity of their large-scale industrial plantations.

In the case of SIPEF-CI, the people of the village of Lazoa (Soubré) are demanding that the company return a parcel of 599 hectares comprising eight plantation blocs adjacent to the village. Not only do they need this land for their livelihoods, the villagers say, but they are also its legitimate owners. The conflict has given rise to “acts of vandalism ranging from the destruction of the harvest on the plantations to the felling of palm trees.” In July 2009, “when police officers were stationed in the area to guard the disputed land, a large number of villagers arrived with machetes, knives and clubs. The outcome: one of the company’s tractors was destroyed, palm seedlings were uprooted, and six employees were wounded.”<sup>106</sup>

Another case is that of PALMCI, which in February 2008 began to clear the Tanoé Swamps Forest – a rich reservoir of biodiversity in south-eastern Côte d’Ivoire – for an oil palm plantation project. Local communities and environmentalists sounded the alarm and staged protests, and were joined in their opposition to the company’s plans by local and international

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<sup>103</sup> [http://wrm.org.uy/countries/Africa/huile\\_de\\_palme\\_rouge\\_afrique.pdf](http://wrm.org.uy/countries/Africa/huile_de_palme_rouge_afrique.pdf)

<sup>104</sup> [http://wrm.org.uy/countries/Africa/huile\\_de\\_palme\\_rouge\\_afrique.pdf](http://wrm.org.uy/countries/Africa/huile_de_palme_rouge_afrique.pdf)

<sup>105</sup> [http://www.john-libbey-eurotext.fr/e-docs/00/04/10/66/vers\\_alt/VersionPDF.pdf](http://www.john-libbey-eurotext.fr/e-docs/00/04/10/66/vers_alt/VersionPDF.pdf)

<sup>106</sup> [http://www.directabidjan.com/voir\\_article.php?id=1005](http://www.directabidjan.com/voir_article.php?id=1005)

organisations.<sup>107</sup> In the end, however, the battle was mainly won by the local population and authorities, who forced the company “to decide to abandon the project” in April 2009.<sup>108</sup> According to Mathieu Yao, a local oil palm grower, “Our involvement in the opposition to this huge project was in our own personal interest. We make a fairly good living from small-scale agriculture and small-scale fishing, and everyone is aware that their output, every year, depends on maintaining this forest. And that is why we chose to join together and defend it.”<sup>109</sup>

One other recent project is the one that the US transnational company Cargill is negotiating for planting 50,000 hectares of oil palm plantations.<sup>110</sup>

## Oil palm in the Democratic Republic of Congo (DRC)

At the beginning of the 20th century, there were more than a million hectares of natural palm groves in the Congo, of which 250,000 hectares had been deemed suitable for semi-intensive exploitation. The district of Kwilu, in Bandundu, with its vast stretches of natural oil palms, was the country’s largest producer of palm oil for many years.<sup>111</sup>

Plantation companies began to be established at the beginning of the 20th century, but their production did not become very significant until 1928. Industrial plantations grew from 25,000 hectares in 1930 to 147,000 hectares in 1958.<sup>112</sup>

Among the main private actors in the palm oil sector were the brothers William and James Lever, who in 1911 signed an agreement with the so-called Congo Free State<sup>113</sup> which granted them a licence to create vast palm plantations and build modern processing facilities. Thanks to the monopoly thus obtained, combined with the state’s support of forced labour, the company Lever Brothers became one of the world’s most profitable corporations and merged with the Dutch company Margarine Unie to form Unilever, the world’s first modern multinational.<sup>114</sup> (For more details, see the annex “The rise of Unilever in the Congo”.)

During the colonial era, King Léopold II of Belgium had imposed the planting of oil palms around villages. The first mandatory plantations date back to 1917. Between 1927 and 1930, every farmer in the province of Equateur was required to plant 10 palms a year, but it was in 1935 that family plantations began to undergo a genuine boom. Areas planted with oil palms increased from 18,524 hectares in 1939 to more than 40,000 hectares five years later and 92,000 hectares in 1958.<sup>115</sup>

This means that there were 239,000 hectares of oil palm plantations in the country in 1958: 92,000 hectares of family plantations and 147,000 hectares of industrial plantations.

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<sup>107</sup> [http://www.wrm.org.uy/bulletin/131/Ivory\\_Coast.html](http://www.wrm.org.uy/bulletin/131/Ivory_Coast.html)

<sup>108</sup> <http://www.developpementdurable.com/environnement/2010/08/A1536/cote-divoire-les-ecologistes-empechent-un-projet-agro-industriel-dans-une-zone-riche-en-biodiversite.html>

<sup>109</sup> [http://ipsinternational.org/fr/\\_note.asp?idnews=5416](http://ipsinternational.org/fr/_note.asp?idnews=5416)

<sup>110</sup>

<http://www.greenpeace.org/international/Global/international/publications/forests/2012/Congo/PalmOilsNewFrontier.pdf>

<sup>111</sup> <http://www.congoforum.be/upldocs/Etude%20huile%20caoutchouc.pdf>

<sup>112</sup> <http://www.congoforum.be/upldocs/Etude%20huile%20caoutchouc.pdf>

<sup>113</sup> A private colony ruled by King Léopold II of Belgium

<sup>114</sup> <http://news.mongabay.com/bioenergy/2006/09/recycling-past-rehabilitating-congos.html>

<sup>115</sup> <http://www.congoforum.be/upldocs/Etude%20huile%20caoutchouc.pdf>

The development of the palm oil industry had serious social repercussions, because this process was largely based on the widespread exploitation of local populations and their natural resources through forced labour. For an idea of what this meant in the era of the Congo Free State, it is sufficient to consider the *modus operandi* of the so-called Force Publique (FP).<sup>116</sup>

“The FP was an army, but its aim was not to defend the country, but to terrorise the local population into compliance. Armed with modern weapons and the *chicotte* – a bull whip made of hippopotamus hide – the Force Publique routinely took and tortured hostages (mostly women), flogged and raped countless villagers. They also burned recalcitrant villages, and above all, took human hands as trophies on the orders of white officers to show that bullets hadn't been wasted. (As officers were concerned that their subordinates might waste their ammunition on hunting animals for sport, they required soldiers to submit one hand for every bullet spent.)”

After the Congo became a Belgian colony in 1908, the quota system was officially abolished, but “historical research shows that forced labour was practiced on a massive scale and for decades.”<sup>117</sup>

The forced labour system was implemented again years later when, during World War II, a 1942 ordinance required that 60 days per year be devoted to the harvesting of agricultural products deemed necessary for the war effort; these products included palm oil and palm kernel nuts.<sup>118</sup>

In 1960, the country gained independence, after which a number of conflicts between different national and foreign interests brought about a long period of violence and human suffering as well as changes in the productive sectors.

With regard to the oil palm sector, the main changes came about after 1973, when Mobutu's “Zairianization” policy led to the nationalization of foreign companies, with the exception of the Plantations Lever du Zaïre, a Unilever subsidiary<sup>119</sup> and another foreign company that also continued to operate in Zaire: the Blattner Group (Belgium/USA), as described below:

“At the height of the supposed disintegration of Zaire – mid-1980s through the mid-1990s – the Blattner family was rapidly expanding their operations and consolidating power. The previous and already vast empire in Zaire was established by James Blattner as the Group Agro Pastoral (GAP), and this was later divided up amongst sons David and Elwyn (Daniel's role in Congo is uncertain), who scooped up plantation after plantation, concession after concession, becoming involved in transportation, shipping, aviation, telecommunications, agriculture, logging and construction. ... The Blattner empire today [2008] is perpetuating massive suffering in the interior, with slavery and all the abominations of paramilitary fiefdoms occurring on the Blattner plantations.”<sup>120</sup>

By the end of the period of violence that plagued the country throughout almost four decades, a large part of the industrial palm oil sector was in ruins: plantations were abandoned or unmanaged, and processing plants were obsolete or destroyed. However, the principal business

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<sup>116</sup> <http://news.mongabay.com/bioenergy/2006/09/recycling-past-rehabilitating-congos.html>

<sup>117</sup> <http://news.mongabay.com/bioenergy/2006/09/recycling-past-rehabilitating-congos.html>

<sup>118</sup> <http://www.congoforum.be/upldocs/Etude%20huile%20caoutchouc.pdf>

<sup>119</sup> <http://www.congoforum.be/upldocs/Etude%20huile%20caoutchouc.pdf>

<sup>120</sup> <http://www.globalresearch.ca/index.php?context=va&aid=7957>



groups had survived, and in 2005, the sector was dominated by two large plantation companies<sup>121</sup>:

- PHC (Plantations et Huileries du Congo), owned by the Unilever group, which operates two big plantations in Equateur province (Boteka: 3,000 hectares and Yaligimba: 6,220 hectares) and one in Orientale (Eastern) province (Lokutu: 8,650 hectares), or a total of 17,870 hectares.

- GAP (Groupe Agro Pastoral), owned by the Blattner Group, which operates four plantations in Equateur province (Binga: 2,500 hectares, Bosondjo: 2,540 hectares, Lisafa: 2,000 hectares, Ndeke: 1,500 hectares) and one plantation in Orientale province (Imbolo/Isangi: 1,680 hectares) or a total of just over 10,000 hectares.

These two groups are the only ones who still own functioning facilities, although they are aging and on the verge of shutting down. Only GAP has made investments in its plants in the last 10 years. PHC continues to operate with old machinery and equipment that is difficult to maintain.<sup>122</sup>

In 2005, total palm oil production was estimated at 225,000 tonnes, of which 25,000 tons came from the agribusiness sector and 200,000 from the village plantation sector. Of this, approximately one quarter represented commercial oil sold on the consumer market, while the rest went to self-consumption by the producers and their family circles, in the broad sense of the term.<sup>123</sup>

This means that the village sector was largely responsible for supplying the domestic market during the years of armed conflict, and it would therefore be interesting to study it in greater detail.

In the case of rural producers, all families have their own oil palms and village plantations are very dynamic. The interest in oil palm stems from the fact that it can provide regular and ongoing income all year long. Sales continue throughout the year and there are a large number of buyers. Oil palm helped many families get through the difficult years of war in the 1990s. Revenues from the sale of palm oil served as a relief fund, to pay for school fees, medical fees, dowries, funerals.<sup>124</sup>

The oil is used on a daily basis. Its processing can be carried out within villages and the technology is locally available. It can be easily sold everywhere in the country (high rates of local sales). In addition, optimal use is made of its by-products: the leaves are used for roof thatching and making baskets and pens for small livestock, the kernels are used as fuel, the oil is used to make candles, the sap is used to make wine... At the end of its useful life cycle, an old plantation that is cut down and used to make palm wine allows the planter to partially finance replanting with new palms.<sup>125</sup>

Under the heading of village producers, we can distinguish between three categories<sup>126</sup>:

- Harvester-producers: Palm oil production is sourced by the harvesting of fruit bunches from old industrial plantations that have been abandoned by their owners and left for the use of villagers or from natural palm groves. This category of producers is by far the most numerous.

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<sup>121</sup> <http://www.congoforum.be/upldocs/Etude%20huile%20caoutchouc.pdf>

<sup>122</sup> <http://www.congoforum.be/upldocs/Etude%20huile%20caoutchouc.pdf>

<sup>123</sup> <http://www.congoforum.be/upldocs/Etude%20huile%20caoutchouc.pdf>

<sup>124</sup> <http://www.congoforum.be/upldocs/Etude%20huile%20caoutchouc.pdf>

<sup>125</sup> <http://www.congoforum.be/upldocs/Etude%20huile%20caoutchouc.pdf>

<sup>126</sup> <http://www.congoforum.be/upldocs/Etude%20huile%20caoutchouc.pdf>

They are not necessarily (and are often not) the owners of the means of processing. In order to process the fruit they have picked, harvester-producers must turn to the owners of artisanal oil presses, which are found in every village (in return, they must pay the owner of the press 10%-20% of the oil produced).

- Tenant farmers: These producers do not own the land and trees which they harvest to produce oil. The owners always enforce their right to the land and demand compensation from the tenant farmers for the use of their plantations. After the oil is produced, the tenant farmers must turn part of their output over to the owners, in an amount ranging from 30% to 50%.

- Planter-producers: A part of palm oil production<sup>127</sup> is supplied by oil palms planted by the producers themselves. It is in this category that the owners of artisanal oil presses are most frequently found.

Contrary to the norm in other countries of the region, in the DRC it is men who produce palm oil. But the retail sale of palm oil is mainly controlled by women, and some have developed significant purchasing capacity. The sale of artisanal palm oil is almost entirely carried out in the informal commerce sector, where women play a dominant role. In wholesale markets, the oil is normally sold in 25-litre cans or 200-litre barrels; in retail markets, it is sold in 5-litre cans, 0.72-litre bottles, and sometimes even in “mesurettes”, a unit roughly equivalent to a small tin of tomato paste.<sup>128</sup>

However, in the region of Mweka, women produce a type of hair pomade from palm kernel nuts using traditional methods. The kernels are crushed manually, and the nuts are soaked in water for two to three days and then ground with a mortar and pestle. The resulting mash is covered with water and the oil that rises to the surface is collected. The pomade seems to be of high quality and is very popular in the region.<sup>129</sup>

The situation is currently changing with the arrival of new foreign investors. In September 2009, the Canadian company TriNorth Capital Inc. announced that its subsidiary Feronia – a company founded to engage in agribusiness in Africa – had concluded its purchase of “Plantations et Huileries du Congo” (PHC) from Unilever. According to TriNorth, “Of the approximately 100,000 hectare plantation, 70,000 hectares are suitable for planting palm oil. Approximately 15,000 hectares are currently planted, and Feronia PHC expects to expand plantings consistently for many years to fully utilize the land available.”<sup>130</sup>

In July 2009, ZTE Agribusiness Company Ltd., a Chinese company, announced its plans to establish a one-million-hectare oil palm plantation in the Democratic Republic of Congo for biofuel production. Zhang Peng, the regional manager of ZTE, stated that the plantation could yield up to five million tons of palm oil annually, of which 90% could be converted to biodiesel. He did not specify, however, whether production would be for local consumption or export. A year later, a DRC government minister confirmed that the government “is studying a proposal to provide land to China to grow large amounts of palm for oil production.” Minister of Information Lambert Mende declared, “There’s a study for oil palm farms on an industrial scale but it has not been presented to government and nothing has been signed yet.”<sup>131</sup>

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<sup>127</sup> <http://www.congoforum.be/upldocs/Etude%20huile%20caoutchouc.pdf>, see photos on page 36

<sup>128</sup> <http://www.congoforum.be/upldocs/Etude%20huile%20caoutchouc.pdf>

<sup>129</sup> <http://www.congoforum.be/upldocs/Etude%20huile%20caoutchouc.pdf>

<sup>130</sup> <http://www.flex-news-food.com/console/PageViewer.aspx?page=25752>

<sup>131</sup> <http://af.reuters.com/article/investingNews/idAFJOE66F01920100716>

As of August 2013, the ZTE project had not (yet) advanced as envisaged by the company. By 2011, the company had 'only' 600 hectares of landholdings. In that same year the deal with the DRC government expired, which means the project has been suspended for the time being.<sup>132</sup>

Another recent reported project involves the Belgium-owned company Nocafex, for an area of 60,000 hectares in Lisala for rubber and oil palm plantations, of which 'only' 300 hectares already had been planted.<sup>133</sup>

### **Annex: The rise of UNILEVER in Congo**

*1) Excerpts from "Recycling the past: rehabilitating Congo's colonial palm and rubber plantations", by Dr. Fadjay Kindela, 2006.*<sup>134</sup>

The oil palm sector only began to expand [in Belgian King Léopold's private colony in the Congo] when on April 29, 1911, the state signed an agreement with the famous "Lever Brothers", William and James, granting them the licence to create vast palm plantations and to build modern processing facilities.

The Lever Brothers had become famous and rich with their production of "Sunlight" soap. The feedstock for it came from palm oil which they sourced mainly in British West Africa (now Nigeria, Liberia and Sierra Leone). However, when they wanted to expand their plantations in order to meet rapidly increasing demand, the British government refused to grant them new concessions. Conditions at the Lever plantations were deemed to be "problematic" and criticism from missionaries against these bad labour conditions was mounting. So the Lever Brothers looked elsewhere. To their great satisfaction, they found the Congo.

Through their company "Huileries du Congo Belge", the Lever Brothers obtained the monopoly to harvest and process all palm fruits in the Congo, within five "circles" with a radius of 60 kilometres around the towns of Bumba, Barumbu, Basongo, Lusanga, Ruki/Momboyo. (The town of Lusanga was actually called "Leverville", where the company's Congolese headquarters were.) Thus, they obtained an area of 67,800 square kilometres (roughly two times the size of Belgium, or three times the state of New Jersey) where they created something akin to a "state within the state": Leverland. The use of local labour on the plantations was deemed "free" but no coercion would be tolerated. However, historical research shows that forced labour was practised on a massive scale and for decades.

The results of this convention between the Belgian Congo and the Lever Brothers were spectacular: from 1910 until 1920, palm oil exports increased from 2,160 to 7,624 tons, and palm nuts from 4,224 to 39,457 tons. By the year 1922, more than 50,000 hectares of natural palm plantations were exploited. In 1930, the Lever Brothers company had become one of the world's most profitable corporations and fused with the Dutch Margarine Unie to form Unilever, the world's first modern multinational. Today, the Anglo-Dutch company controls many of the world's food brands, and "Sunlight" soap is still used by many of us...

*2) Excerpts from "The Cambridge World History of Food – Palm Oil", by K. G. Berger and S. M. Martin*<sup>135</sup>

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<sup>132</sup> <http://www.rainforestfoundationuk.org/files/Seeds%20of%20Destruction,%20February%202013.pdf>

<sup>133</sup>

<http://www.greenpeace.org/international/Global/international/publications/forests/2012/Congo/PalmOilsNewFrontier.pdf>

<sup>134</sup> <http://news.mongabay.com/bioenergy/2006/09/recycling-past-rehabilitating-congos.html>

<sup>135</sup> <http://www.cambridge.org/us/books/kiple/palmoil.htm>

Thus, when in 1907 William Lever sought large-scale land concessions in the British West African colonies in order to produce palm oil for his Lancashire soap mills, the Colonial Office was reluctant to help him. In a region characterized by small, fragmented, and often communally owned farms, it was felt that Lever's scheme would be hard to administer, politically risky, and commercially unsound. Lever was left to pursue his dreams in the Belgian Congo, where the existing levels of both trade and population were far lower and where the colonial administration welcomed European enterprise.

In the Congo, however, Lever's initial land- and produce-buying concessions (granted in 1911) proved to be the foundation for a long process of experimentation, which eventually revolutionized the palm oil industry worldwide. New planting materials led to dramatic increases in yields, thus cutting the cost of production; and improved machinery led to high oil quality at a competitive price. Alongside developments in European and American food-processing techniques, the Congo innovations paved the way for the entry of palm oil into Western diets.

Lever was originally more interested in setting up mills than plantations in the Congo, but his initial investments brought heavy losses. The fruit supply from wild trees proved hard to control, both in the amount brought to the mill and in its quality upon arrival. Overripe or bruised palm fruit made for highly acidic, low-quality oil, whereas unripe bunches gave low yields. Yet Lever Brothers (and its successor Unilever after 1929) was unwilling to incur the heavy initial costs of planting trees unless planting materials were improved to reduce the running costs. The Germans in Kamerun [now Cameroon] had identified an exceptionally thin-shelled palm fruit with a high oil content as early as 1902. But their "lisombe" palm, later to become known as the Tenera type, was found only rarely in the wild and failed to breed true.

In a renewed drive to encourage European investment in their colony and, in particular, in oil palm plantations, the Belgians began in 1922 to investigate this German discovery. An experimental plantation of Tenera palms was created at the Yangambi research station in the Congo, and in the 1930s these palms were subjected to a three-year testing program by M. Beirnaert. Meanwhile, private Tenera plantings had been made by Unilever and its subsidiary, the United Africa Company, in the British Cameroons and in the Belgian Congo itself.

Unilever, the most important single investor in 1960 with 47,000 hectares under oil palms, remained loyal to the newly independent country of Zaire through two decades of intermittent losses and political uncertainty. Thus, Unilever managers remained in place following nationalization in 1975, and the company was allowed to take back full control of the estates two years later.

## **Oil palm in Equatorial Guinea**

Oil palm is native to Equatorial Guinea and other countries of the region, where its sap is harvested to make palm wine and its fruit is used for family-based manual production of palm oil. Palm oil was traditionally exported, even before the establishment of oil palm plantations, which covered 7,000 hectares of land by 1968. Plantations were created using selected high-yield varieties of oil palm from Asia. Although these plantations were eventually abandoned, they continue to produce bunches of fruit similar to those produced by native oil palms, which are used for household consumption. Harvesting is made difficult by the fact that the trees are widely scattered. Meanwhile, although there are small oil and soap factories, the oil produced

from the palms is only used for family consumption; in fact, the oil produced manually by families has little market value, because of its uneven quality.<sup>136</sup>

Historically, colonial-era agricultural production was geared to export. It should be noted that Equatorial Guinea is geographically divided into two regions: the mainland territory known as Río Muni, and the insular region, comprised of Bioko and a number of other islands. Agricultural development was primarily focused on Bioko, where the climate and soil were well suited to the cultivation of coffee and cacao.<sup>137</sup> In Río Muni, the production of colonial agricultural commodities did not begin until the 20th century. Coffee and cacao predominated here as well, although oil palm production and plantations eventually gained greater importance.<sup>138</sup> In general terms, during the colonial era until independence, export agriculture in the Republic of Equatorial Guinea was based on a monoculture system geared to the production of coffee, cacao and palm oil.<sup>139</sup>

It should be stressed that the country has a long, dismal history with regard to plantations. During the time when it was a Spanish colony, the export economy was based on the establishment of large plantations of coffee and cacao, and later oil palm. Plantation work was generally carried out under a (poorly) disguised form of slave labour referred to as *prestaciones* (“assistance”), through which people were forced to work for no remuneration whatsoever. In addition, individuals found guilty of minor crimes were sentenced to “collaborating” for a given period of time in this “collective” work. All of this was accompanied by a policy of terror based on the extermination of all those who refused to provide their “assistance”.<sup>140</sup>

Generally speaking, the various traditional types of plantations (coffee, cacao, banana, coconut, oil palm, etc.) currently face difficulties in production due to “the deteriorated state of the plantations and the decrease in the supply of labour.” With regard to the latter, it has been noted that “the lack of prospects in the sector are leading to a mass exodus of workers towards other activities that offer better pay and more immediate returns on their efforts in the short and medium term.”<sup>141</sup>

One of the reasons put forward to explain the limited development of the oil palm sector is “the lack of a good highway network [which] makes it difficult to benefit from improvements in family-based manual production.” This limitation is being addressed through a number of agreements signed between the government of Equatorial Guinea and foreign companies – based in such a diverse range of countries as Brazil,<sup>142</sup> France,<sup>143</sup> Morocco,<sup>144</sup> Belgium<sup>145</sup> and China,<sup>146</sup> among others – under which the construction of highways and other infrastructure is now fully underway.

<sup>136</sup> [http://pdf2.biblioteca.hegoa.efaber.net/ebook/14645/Estructura\\_economica\\_de\\_Guinea\\_Ecuatorial.pdf](http://pdf2.biblioteca.hegoa.efaber.net/ebook/14645/Estructura_economica_de_Guinea_Ecuatorial.pdf)

<http://javiermorillas.blogspot.com/2006/09/la-estructura-economica-de-guinea.html>

<sup>137</sup> <http://www.sirtewaterandenergy.org/docs/reports/EquatorialGuinea-Draft2.pdf>

<sup>138</sup> <http://www.afrol.com/es/especiales/13277>

<sup>139</sup> [http://www.ifad.org/events/gc/33/speech/eq\\_guine.htm](http://www.ifad.org/events/gc/33/speech/eq_guine.htm)

<sup>140</sup> See “Las atrocidades del Teniente Ayala” at

[http://www.elpais.com/articulo/reportajes/atrocidades/teniente/Ayala/elpepusocdmg/20080210elpdmgrep\\_7/Tes](http://www.elpais.com/articulo/reportajes/atrocidades/teniente/Ayala/elpepusocdmg/20080210elpdmgrep_7/Tes)

<sup>141</sup> <http://www.angelfire.com/sk2/guineaecuatorial/agricolforo.htm>

<sup>142</sup> [http://www.hoy.es/agencias/20100705/mas-actualidad/internacional/obiang-lula-firmanan-acuerdos-asistencia\\_201007051224.html](http://www.hoy.es/agencias/20100705/mas-actualidad/internacional/obiang-lula-firmanan-acuerdos-asistencia_201007051224.html)

[http://www.bbc.co.uk/portuguese/noticias/2010/07/100705\\_acordo\\_guine\\_pu\\_aw.shtml](http://www.bbc.co.uk/portuguese/noticias/2010/07/100705_acordo_guine_pu_aw.shtml)

<sup>143</sup> Bouygues Terrassement: <http://www.bouygues-construction.com/18i/groupe/presence-dans-le-monde.html>

Razel Francia: [http://www.razel.fr/fr/\\_chantiers.html](http://www.razel.fr/fr/_chantiers.html)

<sup>144</sup> Somagec: <http://somagecge.blogspot.com/>

<sup>145</sup> <http://www.comercio.mityc.es/tmpDocsCanalPais/82716239361F4B0C76E7C6CE9FA5FF19.pdf>

<sup>146</sup> <http://www.comercio.mityc.es/tmpDocsCanalPais/82716239361F4B0C76E7C6CE9FA5FF19.pdf>

With regard to the shortage of labour, there is always the possibility that President Teodoro Obiang Nguema (well known for his propensity for human right violations), should he consider it necessary, could once again resort to the old, notorious and widely feared system of “assistance” used in colonial times.

There appears to be a good possibility of future development of oil palm plantations. It has been stated that oil palm “is one of the resources with the best prospects of development, given the exceptionally favourable agro-climatic conditions and land that is topographically suited for industrial plantations associated with family plantations. For this to happen, transportation and labour supply limitations would need to be overcome by mobilizing domestic and foreign investment and, in the short term, resorting to subsidized prices for oil palm seedlings.”<sup>147</sup>

Obviously, in order for the benefits of this investment to reach the vast majority of poor people who barely manage to survive in this oil-rich country, a number of more pressing problems would need to be solved first. Chief among these is the unequal distribution of wealth, which currently ends up in the bank accounts of those who hold power and the coffers of the oil companies exploiting the country’s resources. And also, of course, there is the problem of human rights, which have been violated for more than three decades by the man who came to power after overthrowing and executing the previous leader, namely Teodoro Obiang, the current president.

## Oil palm in Ethiopia

Karuturi Global Ltd. is a Bangalore-based Indian group, and the world’s largest producer of cut flowers. It has a lease on 11,000 ha in the Oromia region and a 50-year renewable lease on 100,000 ha in the Gambela region, with an option for another 200,000ha. It primarily aims to produce rice and wheat for export, but also palm oil and sugar.

Fri-El Green from Italy, partially owned by the German energy company RWE, holds a 30,000 ha lease for oil palm and jatropha plantations.<sup>148</sup>

## Oil palm in Gabon

Beginning in the late 19th century, a number of experimental oil palm plantations were created by Europeans in West and West-central Africa. One of the first was founded in Gabon in 1870 by Roman Catholic missionaries. But like many of the other 19th-century plantations in West Africa, these ventures were unsuccessful. One of the reasons for these failures was that money was spent paying labourers to produce, plant and tend seedlings, often on marginal land, in regions where natural groves already contained more than enough palms for the consumption needs of local farmers.<sup>149</sup>

Up until 1959, palm oil production in Gabon was almost entirely artisanal. In 1956, French experts realized that Gabon offered conditions suited to the development of oil palm. As a result, selected oil palm plantations were established upstream from Lambaréné in M’Villi, by the company Palmhévée, a subsidiary of Unilever.<sup>150</sup>

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<sup>147</sup> [http://pdf2.biblioteca.hegoa.efaber.net/ebook/14645/Estructura\\_economica\\_de\\_Guinea\\_Ecuatorial.pdf](http://pdf2.biblioteca.hegoa.efaber.net/ebook/14645/Estructura_economica_de_Guinea_Ecuatorial.pdf)

<sup>148</sup> <http://www.grain.org/article/entries/4479-grain-releases-data-set-with-over-400-global-land-grabs>

<sup>149</sup> <http://www.cambridge.org/us/books/kiple/palmoil.htm>

<sup>150</sup> <http://tiny.cc/ipzbg>

A study conducted in the same region at the beginning of the 1970s noted the existence of two industrial plantations in the oil palm sector:

1) The M'Villi plantation along the Ogooué River, created by the Compagnie Générale des Oléagineux Tropicaux, with 143 hectares planted over 25 years earlier and 377 hectares dating back to between 1955 and 1959.

2) The Palmhévée plantation located across from the above-mentioned plantation, held by the Unilever group, covering 800 hectares where the plantation was established over the period of 1958 to 1963.

In 1976, the Gabonese government created the Gabon Agricultural Development Corporation (Agrogabon-Palmier), whose mission was to compensate for the shortfall in domestic palm oil production and generate export income.<sup>151</sup>

Agrogabon, which was 96% state-owned, controlled five oil palm plantations totalling 7,500 hectares, an oil mill with a production capacity of 18,000 tons per year of palm oil (in Makouké), a refinery with a production capacity of 14,000 tons a year of refined palm oil or olein, and a soap factory with a production capacity of 4,700 tons a year (in Lambaréné).<sup>152</sup>

Beginning in 1998, Agrogabon confronted difficulties in numerous areas and the corporation's management was handed over to a Canadian consulting firm (Régie Inc.) from late February 2000 until early 2001. A call for bids for the privatization of Agrogabon proved unsuccessful, and negotiations were undertaken with a number of foreign groups, from Malaysia in particular, to revive the company.<sup>153</sup>

Agrogabon was finally privatized in 2003 and taken over by the Société Belge d'Investissement pour l'Agriculture Tropicale (SIAT Gabon), based in Brussels. According to information published by SIAT, "oil palm activity is situated in the province of Moyen-Ogooué, near Lambaréné and Makouké. It comprises 6,500 hectares of mature plantations, a palm oil and palm kernel oil mill with the capacity to process 30 tons of fruit bunches an hour, a soap factory that could produce 5,000 tons of soap annually, and a refining and fractionation plant that can process 50 tons of oil an hour."<sup>154</sup>

In 2007, the African Development Bank, through its private sector window, granted SIAT Gabon a loan of 10 million euros to partially finance its agricultural expansion project.<sup>155</sup> By 2012, SIAT had four areas under concession for oil palm and rubber development totalling 15,712 hectares.<sup>156</sup>

The expansion project involved the creation of a new 4,250-hectare oil palm plantation and the replanting of 1,500 hectares of oil palms in Bindo; the replanting of 750 hectares in Zilé; the replanting of 1,000 hectares in Makouké; the modernization of the palm oil mill and oil crushing plant in Makouké; the upgrading of the production capacity of the palm oil refinery in Lambaréné; the modernization of the soap factory in Lambaréné; and a 3,000-ton increase in the capacity of the palm oil storage tanks in Lambaréné and Port Gentil.

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<sup>151</sup> <http://tiny.cc/ipzbg>

<sup>152</sup> <http://www.izf.net/pages/5020-agri-elev/5032/>

<sup>153</sup> <http://www.izf.net/pages/5020-agri-elev/5032/>

<sup>154</sup> <http://www.siatgabon.com/sitescene/custom/data/downloads/080526172216/G10.FRENCH.palmoi18-23.pdf>

<sup>155</sup> <http://www.icilome.com/nouvelles/news.asp?id=45&idnews=8735>

<sup>156</sup> <http://wrm.org.uy/wp/blog/books-and-briefings/etude-sur-limpact-des-plantations-agro-industrielles-de-palmiers-a-huile-et-dheveas-sur-les-populations-du-gabon/>

However, this modernization does not seem to have included waste treatment: in March 2010, the press reported that the waters of the Ogooué River, which flows through the city of Lambaréné, were apparently “polluted by chemical waste effluents from the SIAT Gabon plant.” The company had reportedly built a canal through the district of Evouang through which chemical waste was discharged into the Ogooué. In addition, “numerous barrels filled with these products” were said to be stored along the river’s banks, and these chemicals could be washed into the river by heavy rainstorms. The press report added that the same situation was affecting Makokou, where palm oil waste effluents from a SIAT Gabon plant had been detected in the river’s waters.<sup>157</sup>

The government’s plan - the Strategic Plan for an Emergent Gabon (PSGE) announced in 2010 - foresees a first phase of 50,000 hectares of new plantations in Lambaréné, and a second phase of 150,000 hectares in the zone of Tchibanga-Mayumba, aimed at export and with special attention to the inclusion of smallholders, so-called “village plantations”.<sup>158</sup>

Since 2010, the Gabonese government signed two contracts with the Olam group of Singapore for oil palm and rubber plantation development, with a state participation of 30% in the case of the oil palm and 20% in the case of the rubber development. The concession agreement concedes 87,274 hectares for 50 years, a period that is renewable. The total area to be conceded to OLAM would be as much as 300,000 hectares. The company is currently operating in the provinces of Estuaire (through the Awala oil palm project), Ngounié (the Mouila oil palm project) and Woleu-Ntem (the Bitam/Minvoul rubber plantation project).<sup>159</sup>

According to the Gabonese president’s official website, “The country could in this way become the number one African producer of palm oil.”<sup>160</sup>

## Oil palm in Ghana

Plantations were not very much favoured by the dominant British colonial administration in Ghana. Interestingly enough, “This was partly because of the fear that, by dispossessing the owners of their land, the extensive land acquisitions necessary for the plantations would alienate the peasants, seriously disrupt their export production system, and precipitate local opposition of the kind provoked by the abortive Crown Lands Bill of 1894 and the Land Bill of 1897, which sought to vest in the British Crown all “waste” or unoccupied lands, forest lands, and minerals.”

Even more interestingly, “Another reason was the conviction among British government advisers that the indigenous small-scale peasant farming system was more resilient economically than the exotic large plantations. Furthermore, the peasant system was considered to be a tried and inexpensive method of producing tropical export crops.”

As a result, “plantations did not make much impact on the environment and agricultural production during the colonial era in Ghana.” In fact, palm oil production based on small-scale peasant production in an oil-palm belt near the littoral, was a leading foreign exchange earner for Ghana from about the mid-nineteenth century to the beginnings of the twentieth century.

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<sup>157</sup> [http://www.lvdpg.org/Gabon-L-Ogooue-pollue-par-des-residus-chimiques\\_a3325.html](http://www.lvdpg.org/Gabon-L-Ogooue-pollue-par-des-residus-chimiques_a3325.html)

<sup>158</sup> <http://wrm.org.uy/wp/blog/books-and-briefings/etude-sur-limpact-des-plantations-agro-industrielles-de-palmiers-a-huile-et-dheveas-sur-les-populations-du-gabon/>

<sup>159</sup> <http://wrm.org.uy/wp/blog/books-and-briefings/etude-sur-limpact-des-plantations-agro-industrielles-de-palmiers-a-huile-et-dheveas-sur-les-populations-du-gabon/>

<sup>160</sup> <http://tinyurl.com/272szsu>



Things changed after 1957, during the post-independence period, when there was a policy change involving greater emphasis on the plantation system centred on oil-palm and rubber. The policy change, up to the time of the 1966 military coup d'etat, favoured state-owned and state-operated plantations.

However, mainly because of capital constraints, political interference, poor planning, mismanagement, and the rigidity of the centralized state control system, these state-owned farms did not prove economically viable. They succeeded only in worsening rural living conditions by dispossessing the peasants of their most fundamental natural resource, the land, with little or no compensation and by the deforestation and other forms of ecological and economic disturbance associated with the removal of natural vegetation to make room for monocultural plantations. Subsequently, some of the state plantations were sold. Others were abandoned, sometimes after felling of the palms, a practice that invariably left behind derived savanna or even grass in place of the original forest cover. Attempts were made to reorganize the remaining plantations into viable economic units under decentralized state control.

On the whole, however, the new policy, especially after the 1981 coup d'etat and the subsequent liberalization of the economic system, has sought to promote plantations through private enterprise, foreign-aided government ventures, and joint government-private projects. The resultant plantations include the three major ones established by the government-owned but foreign-assisted Ghana Oil Palm Development Co. (GOPDC) located around Kwae; the government/privately owned Twifo Oil Palm Plantations Ltd. (TOPP) located around Twifo Praso/Ntafrewaso; and the government/privately owned Benso Oil Palm Plantations Ltd. (BOPP) located around Benso/Adum Bansa.

The three major new palm plantations (GOPDC, TOPP, and BOPP), have been established on land compulsorily acquired from peasants by the government in the humid tropical environment of the interior. In addition to developing the acquired areas into palm plantations, the companies involved were to encourage palm fruit production among the peasants in the plantation hinterland through the nuclear or nucleus estate system to help sustain their huge palm-oil-processing mills located inside the plantations.

Since about 1977, when they started, the three plantations have developed rapidly and contributed significantly towards the expansion of Ghana's oil-palm hectares from 18,000 to 103,000 between 1970 and 1990. This growth of 24 per cent per annum has resulted in the re-emergence of the palm as a major commercial crop rivaling cocoa; has served as a basis for the fast-developing palm oil and other agro-industrial processing industries; and rendered the country more than self-sufficient in palm-oil production.<sup>161</sup>

According to the FAO, oil palm plantations covered 304,000 hectares in 2002,<sup>162</sup> while a EuropAid document describes the situation as follows: "In 2004, around 285,000 ha of oil palm was cultivated. Smallholders cultivated nearly 88% of the total area under production but produced only 72% of the oil palm fresh fruit bunch (FFB). The remaining 28% was produced by the private estates cultivating less than 12% of the total area. The existing plantations operate on the basis of a nucleus estate with associated smallholder schemes and independent out-growers. The out-growers own and cultivate oil palm on their land, receive planting

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<sup>161</sup> All the above is based on Edwin A. Gyasi's "The environmental impact and sustainability of plantations in Sub-Saharan Africa: Ghana's experiences with oil-palm plantations"

<http://www.unu.edu/unupress/unupbooks/80918e/80918E10.htm#The%20evolution%20of%20plantations%20in%20Ghana>

<sup>162</sup> <http://www.fao.org/docrep/008/a0013e/a0013e06.htm>

material and other inputs and technical advice from the companies (usually on credit) to whom they are contractually obliged to sell their production.”<sup>163</sup>

The main companies are now mostly foreign:

1) Ghana Oil Palm Development Co. (GOPDC), privatized in 1995, is owned by three shareholders: Siat of Belgium, SSNIT of Ghana and ATMF, with Siat holding the majority shares. It has a concession on 14,000 hectares.<sup>164 165166</sup>

2) At Twifo Oil Palm Plantation Limited (TOPP) the major shareholders are Unilever and the government of Ghana. The Estate is situated in the Twifo Ntafrewaso/Twifo Mampong area. TOPP is one of the largest producers of palm oil in Ghana.<sup>167</sup>

3) Benso Oil Palm Plantation Limited (BOPP) used to be a subsidiary of Unilever Ghana Limited and was recently sold to Singapore-based Wilmar International.<sup>168 169</sup> It includes 6,157 hectares of oil palm plantations.<sup>170</sup>

4) Norwegian Palm Ghana Limited (NORPALM), based at Prestea in the Ahanta West District of the Western Region. In 2000 this company took over the plantation from the former National Oil Palm Limited.<sup>171</sup>

5) Herakles Farms (US), affiliate of Herakles Capital, intends to plant 4,364 hectares starting in 2012 in Dodo Pepesu region.<sup>172</sup>

6) The DOS Palm Oil Production Ltd. is a UK-based company aiming to develop oil palm plantations in Africa. By 2012, it had 700 hectares of oil palm plantations in Ghana, intending to extend this area to 3,000 hectares.

It is interesting to note that outside industrial plantation schemes, traditional processing of palm fruit is still carried out manually by women at the village level. What follows is the description of a palm oil processing operation in Christian village, near Accra:

“All operations are carried out by women. Palm fruits are purchased from the local market. The fruits are boiled in water for about 2 hours and then transferred to a large pit dug in the ground containing water. The pit is about 2 ft deep and 5 ft in diameter. A woman enters the pit and treads on the fruits, liberating palm oil which floats to the surface of the water. Handfuls of fruit are then collected from the bottom of the pit and wrung out by hand on to the surface of the water. When all the fruits have been collected from the pit and wrung out, the oil is scooped off the top and collected. The oil is boiled to remove water traces and is then ready for use. The woman stays in the pit to receive the next batch of palm fruits to be processed. The palm nuts are separated from the palm fibre by hand and are sold in the local market. The fibre is dried and used as fuel. About 240 litres of clarified oil can be produced in two days. The oil

<sup>163</sup> [http://www.europeansolutions.nl/upload/download/tor\\_1258728834.doc](http://www.europeansolutions.nl/upload/download/tor_1258728834.doc)

<sup>164</sup> <http://www.gopdc-ltd.com/index.cfm/page:home>

<sup>165</sup> [http://business.everythinghana.com/index.php?option=com\\_mtree&task=viewlink&link\\_id=42&Itemid=26](http://business.everythinghana.com/index.php?option=com_mtree&task=viewlink&link_id=42&Itemid=26)

<sup>166</sup> <http://www.siat-group.com/company-profile/>

<sup>167</sup> [http://business.everythinghana.com/index.php?option=com\\_mtree&task=rate&link\\_id=43&Itemid=26](http://business.everythinghana.com/index.php?option=com_mtree&task=rate&link_id=43&Itemid=26)

<sup>168</sup> <http://investing.businessweek.com/research/stocks/snapshot/snapshot.asp?ticker=BOPP:GN>

<sup>169</sup> <http://www.ghanabusinessnews.com/2010/05/31/unilever-ghana-sells-benso-oil-palm-plantation/>

<sup>170</sup> <http://www.grain.org/article/entries/4479-grain-releases-data-set-with-over-400-global-land-grabs>

<sup>171</sup> <http://allafrica.com/stories/200312170769.html>

<sup>172</sup>

is either used by operators or sold locally. The women operators state that oil processed in this way tastes better and sells more easily than that produced by mechanized processes. Two people are employed full time for two days on this process.”<sup>173</sup>

Industrial oil palm production is again being promoted by government, with support from international actors. The process was apparently restarted during President Kufuor's government (2001-2009) who, according to the media, “targeted 300,000 hectares of oil palm in the next few years, and is seriously encouraging the nursing of the right seedlings for a major take-off this year.”<sup>174</sup>

The World Bank's International Finance Corporation (IFC) says it “engaged extensively throughout the supply chain in the palm oil sector, with investments in plantations”. In Ghana, IFC investments amounted to US\$ 12.5 million in 2007.<sup>175</sup>

More recently (2010), the media has informed about a “new global strategy ... being developed by experts from the World Bank Group and International Finance Corporation (IFC). The strategy, to be ready in September 2010, is expected to quick-start a multi-million dollar oil palm programme for policymakers and government and will focus on access to financing, certification, land-use policy, technology transfer, and infrastructure development from the farm to the port, as well as pricing mechanism and marketing.”<sup>176</sup>

EuropeAid –whose mission is to implement the European Commission's external aid instruments- is also active on this issue and has called for a consultancy to carry out “Feasibility Studies and Plans for Establishment of Palm Oil Mills in Ghana.” The consultancy “will inform the formulation of further any support required from Government, including the mobilisation of adequate domestic and foreign investment from the private sector into the establishment of Palm Oil mills and related industries.”

The EuropeAid document mentions the “renewed global interest and demand in the crop in recent years” as a biofuel and mentions, as an example, “the European Union's target of reducing green house emission by 20% by the year 2020 (partly through demanding that 10% of automobiles use bio-fuels)” that “could lead to a surge in demand.”<sup>177</sup>

The same document informs that the government intends “to develop 10,000 hectares of plantations in the short-term and in the medium term over 100,000 hectares to support primary processing and the manufacture and marketing of valued added products from palm and palm kernel oils. Over the long-term, it is estimated that 300,000 hectares of oil palm plantation would have developed and an oleo-chemical industry emerged.”<sup>178</sup>

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<sup>173</sup> [http://www.appropedia.org/Original:Small\\_Scale\\_Vegetable\\_Oil\\_Extraction\\_6](http://www.appropedia.org/Original:Small_Scale_Vegetable_Oil_Extraction_6)

<sup>174</sup> <http://www.thefreelibrary.com/PSI,+a+sure+winner!+The+most+exciting+industrial+news+in+Ghana+must...-a0114926162>

<sup>175</sup> [http://www.ifc.org/ifcext/agriconsultation.nsf/AttachmentsByTitle/Discussion+Paper/\\$FILE/Discussion+Paper\\_FINAL.pdf](http://www.ifc.org/ifcext/agriconsultation.nsf/AttachmentsByTitle/Discussion+Paper/$FILE/Discussion+Paper_FINAL.pdf)

<sup>176</sup> <http://news.myjoyonline.com/business/201006/47320.asp>

<sup>177</sup> [http://www.aca-expertise.com/aca\\_frameworks/framework\\_2009-11-20\\_16-39-19.pdf](http://www.aca-expertise.com/aca_frameworks/framework_2009-11-20_16-39-19.pdf)

<sup>178</sup> [http://www.aca-expertise.com/aca\\_frameworks/framework\\_2009-11-20\\_16-39-19.pdf](http://www.aca-expertise.com/aca_frameworks/framework_2009-11-20_16-39-19.pdf)

## Oil palm in Guinea

There are close to two million hectares of natural palm groves in Guinea, but very few palms have been planted in the country.<sup>179</sup> There are no large oil palm plantations in Guinea. According to the figures available, in 2006, there were a total of 9,000 hectares of oil palm plantations in the country, divided between family-owned plantations and industrial plantations.<sup>180</sup> More than 90% of all oil palms in Guinea are of the native Dura variety.<sup>181</sup>

Palm oil production is the leading source of agricultural sector income in the regions of Guinée Forestière (Forested Guinea) and Basse Guinée (Lower Guinea, also known as Guinée Maritime or Maritime Guinea). National palm oil output is estimated at 50,000 tons annually, of which:

- 80% is produced from natural oil palm groves (Dura variety);
- the remainder, around 9,000 tons, is produced by SOGUIPAH (Société Guinéenne de Palmier à Huile et Hévéa) from selected hybrid palms (Tenera variety).<sup>182</sup>

As of 2003, the plantations established by SOGUIPAH comprised:

- 1,500 hectares of industrial plantations
- 1,866 hectares of family-run plantations.<sup>183</sup>

Village oil palm plantations are currently very profitable, even on a very small scale (0.4 hectares per family). The palm oil sector involves numerous actors along the industrial and artisanal production chains (planters, artisanal processors, industrial processors, traders). The artisanal extraction of palm oil has become a highly lucrative activity for a large proportion of families in Guinée Forestière and Guinée Maritime, especially for women.<sup>184</sup>

In the sub-equatorial climate of Guinée Forestière, while oil palms produce fruit all year round, fruit production is highest at the end of the dry season. Professional “climbers”, as the pickers are known, work in all seasons, but they are joined during this period by occasional labourers, farmers, artisans and even students who participate in the harvesting for two or three months. Picking the fruit bunches is dangerous and poorly paid work; within the family circle, the harvesting of the fruit is followed by the extraction of red palm oil by the women, which is what makes the activity profitable. In Gouéké, professional pickers are thus able to make an average income of two million Guinean francs, whether through the direct sale of the fruit bunches or the extraction of the oil by their wives. “I earn my living with my back,” commented one picker, but his annual income is a good deal higher than that of a low-level civil servant. The work season is shorter for farmers, who generally pick oil palm fruit after they have finished working on their fields; as a result, they are rarely seen in the forest before the month of March, but they continue with this activity until the heavy rains arrive in July. The income they earn during this time averages around 500,000 Guinean francs, which is an important contribution to their annual income: it not only allows them to buy seeds for the

<sup>179</sup> <http://www.syfia.info/index.php5?view=articles&action=voir&idArticle=3128>

<sup>180</sup> [http://www.hubrural.org/pdf/guinee\\_pnda\\_vision2015\\_synth.pdf](http://www.hubrural.org/pdf/guinee_pnda_vision2015_synth.pdf)

<sup>181</sup> [http://www.hubrural.org/pdf/guinee\\_filiere\\_huile\\_palme\\_resume.pdf](http://www.hubrural.org/pdf/guinee_filiere_huile_palme_resume.pdf)

<sup>182</sup> [http://www.hubrural.org/pdf/guinee\\_filiere\\_huile\\_palme\\_resume.pdf](http://www.hubrural.org/pdf/guinee_filiere_huile_palme_resume.pdf)

<sup>183</sup> [http://www.hubrural.org/pdf/guinee\\_filiere\\_huile\\_palme\\_resume.pdf](http://www.hubrural.org/pdf/guinee_filiere_huile_palme_resume.pdf)

<sup>184</sup> <http://www.ifad.org/operations/projects/design/99/guinea.pdf>

current year, but also to eat during the idle period before the rainy season and to pay off the debts they have accumulated in the past year.<sup>185</sup>

It is interesting to note that 80% of the artisanal palm oil produced is sold on the local market, and that the sale of palm oil brings in earnings of approximately:

- 600,000 Guinean francs per family per year in Guinée Forestière
- 800,000 Guinean francs per family per year in Guinée Maritime.<sup>186</sup>

The growing importance of palm oil has led to changes in both the landscape and social relations.

The search for cash income has brought about a proliferation of small jobs and the widespread use of a system of “contracting” agricultural day labourers, while traditional aspects of social regulation have become increasingly affected. One of the most important activities today in Guinée Forestière, from both an economic viewpoint and that of the evolution of the natural landscape, is the harvesting of “wild” oil palms. The oil palm, which grows in secondary forests, thrives on fallow lands where it predominates over low thickets and young trees. When the oil palms are protected by farmers, they form denser groupings of vegetation than previously found in the area. In Guinée Forestière, these oil palms belong to the village community, and can therefore be harvested by anyone.<sup>187</sup>

However, the success of the palm oil sector has given rise to tensions around the harvesting of fruit bunches, even though the utilization of wild oil palms has traditionally been free to all. The conflict concerns the notion of open forests, where all members of the village community have rights. In Gouécké, for example, where population density is high and the land is clearly appropriated, pickers who are not working on lands corresponding to their family lineages must request permission from the “owners” of the fallow lands where the oil palms are growing. While this was formerly done out of simple courtesy, the request has now become obligatory, and permission, while normally obtained, requires time and sometimes “persuasion” of a monetary nature.<sup>188</sup>

Industrial production of palm oil has also led to significant changes in the region, as described in a 1996 newspaper article quoted below:

“In 1988, the Société Guinéenne du Palmier à Huile (SOGUIPAH) began to create new plantations with improved oil palm varieties. On the Nzérékoré Plain, these seeds, planted in drained lowland areas, have grown very well thanks to abundant rainfall (2,300 mm annually).

“Out of a production of close to 45,000 tons of oil palm fruit bunches annually, the oil mill in Diécké is only able to process 15,700 tons. For the rest, SOGUIPAH was forced to turn to artisanal processing. To absorb the fruit bunches harvested on family plantations, eight oil pressing centres were created, which employ a total of 1,392 people. Three other centres employing 2,000 people process the surplus production from the industrial plantations that the mill is not able to absorb. These artisanal processing centres work at full capacity. Located on the banks of rivers, they receive tons of oil palm kernels delivered by SOGUIPAH trucks. The villagers begin by separating the fruits from the bunches before boiling the kernels. These are then poured into pits lined with stones and wood, where they are crushed with pestles. The

<sup>185</sup> <http://com.revues.org/index1066.html>

<sup>186</sup> [http://www.hubrural.org/pdf/guinee\\_filiere\\_huile\\_palme\\_resume.pdf](http://www.hubrural.org/pdf/guinee_filiere_huile_palme_resume.pdf)

<sup>187</sup> <http://com.revues.org/index1066.html>

<sup>188</sup> <http://com.revues.org/index1066.html>

pulp obtained is washed and then pressed by hand. Then come the cooking, decanting and filtering operations. It takes three to five days to produce palm oil from the palm kernels. 'Officially,' said a SOGUIPAH official, 'we employ 1,500 salaried agricultural workers (for the plantations and the oil mill), but with the artisanal extraction of oil, no one could precisely state the number of people whose livelihoods are tied to our company.' Today, this activity is so attractive that some women have left regions located hundreds of kilometres away to come and extract palm oil. 'I now earn more than my husband,' commented one woman 'extractor'. 'I hope it will last, so that we can finally have a roof over our heads of our own.'

"Artisanal oil palm extraction mobilizes the entire labour force of the Guinée Forestière region, to such an extent that, according to a SOGUIPAH agent, 'There is no one left to take care of the children: everyone is obsessed with the profits to be made from oil extraction.' Artisanal oil processing has created a situation of full employment that was totally unheard of in this region in the past. But for the directors of the oil mill, the artisanal solution is just a stopgap measure. The real solution has already been found, in the construction of a new oil mill, with a production capacity of 10 tonnes per hour (four times the capacity of the current facility). This new mill, on which construction began last February 20, was financed by the European Investment Bank. It will have a processing capacity of around 55,000 tons annually. Once it begins operation, it will immediately be able to process the entire output of SOGUIPAH's industrial plantations and family plantations. This will mean an abrupt halt to artisanal oil extraction. Overnight, the interests of thousands of people will be endangered. Women accustomed to earning millions of francs will be forced to turn to other activities, undoubtedly less lucrative."

A thesis presented in 2007 provides information about the changes that have taken place since the installation of the new processing plant:

"From 1997 until around 2003, the new plant's capacity of 10 tons an hour was fully adequate for the output of the plantations. Since 2003, however, its capacity has been surpassed during peak periods. SOGUIPAH pushes the plant beyond its capacity by processing 13 tons an hour during three to four months. Meanwhile, during the other months of the year, the plant operates below capacity." These two situations create new problems, because "there is a serious dispute between SOGUIPAH and the planters under contract with the company, who process part of their yield themselves in order to satisfy their cash flow needs."

"The first consequence for SOGUIPAH is a reduction in its total palm oil output. The scarcity of fresh fruit bunches during the rainy season leads to heavy competition between collection by SOGUIPAH and processing by producers who want to make a profit from the seasonal increase in palm oil prices. Although SOGUIPAH also raises its buying price for fruit bunches in October and November, since the price is indexed on the price of oil on the regional markets, there is a delay in this price adjustment. Moreover, the cash flow problems faced by producers at this time of year (the end of the gap between farming seasons, the return to school) serve as a strong incentive for them to produce oil for immediate sale."

"To stop the processing of oil during the rainy season, inspections are carried out in the villages, and equipment may be seized by the police. The planters viewed as the worst offenders are frequently called to order."

The changes that have taken place in the region point to the need for a series of studies, with the active participation of local communities and especially women, on the oil palm plantation model that it was considered desirable to implement in the country.

However, this has not happened, and the government's current plans (the 2007 National Agricultural Development Policy: Vision 2015) include the expansion of family and industrial oil palm plantations in Basse Guinée and Guinée Forestière to 15,000 hectares by 2015 and an increase in palm oil production from 34,000 tons in 2005 to 84,000 tons in 2015 (of which 50,000 tons would be provided by the new SOGUIPAH plantations).<sup>189</sup>

## The Oil Palm in Guinea-Bissau

The oil palm grows wild across most of Guinea-Bissau, including the Bijagos Islands, which also form part of its territory. In a 1925 article, the distribution of the oil palm was described as follows:

"It is found dispersed across all Guinea, including the coast, where its density is greatest. The principal regions of palm groves are the Bijagós archipelago, Costa de Baixo, as well as Pecixe, Jata, São Domingos, and a small region on the banks of the Geba River, between Bambadinca and Báfatá. Important palm groves are also found in the interior of the province."<sup>190</sup>

The same source explains that "the indigenous peoples, in most cases, are limited to utilizing the palm just as they find it in the forest, whether for extracting the oil from the tree or its fruit... or extracting palm wine."<sup>191</sup>

With respect to the last, the same study states that "throughout all of Guinea the indigenous people extracted wine from the palm, especially the Balantas, Papeis, Manjacos and Felupes," underscoring that "the indigenous person does not consume it fresh; it is left to ferment over three days, transforming into a highly prized alcoholic beverage with which they become inebriated."<sup>192</sup>

In 1879, Portugal declared Guinea-Bissau a Portuguese province. A military coup in Portugal brought dictator António de Salazar to power in 1926. His repressive regime transformed Guinea-Bissau into a vast plantation of peanuts and oil palm.<sup>193</sup> Forced labour was imposed for the extraction of palm oil as well as on the rice and peanut plantations.<sup>194</sup>

Today, the palms are abundant in the coastal areas. These are palm trees that grow spontaneously and which people protect when clearing land to prepare the soil for cultivation. The harvesting and processing of dried fruits extends from March to July, and then begins the agricultural harvest.

Although the harvesting of the fruits is a male activity, the rest of the processing (milling, sieving and refining) is carried out by women, who also have the responsibility of negotiating the sale of oil (see photos of the process at: [http://www.attenzione-foto.com/features\\_show.php?id=84](http://www.attenzione-foto.com/features_show.php?id=84)). To produce on a bigger scale, the women form seasonal cooperative groups, in associations or within the same family. These groups supply local palm

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<sup>189</sup> [http://www.hubrural.org/pdf/guinee\\_pnda\\_vision2015\\_synth.pdf](http://www.hubrural.org/pdf/guinee_pnda_vision2015_synth.pdf)

<sup>190</sup> <http://tiny.cc/4tucv>

<sup>191</sup> <http://tiny.cc/4tucv>

<sup>192</sup> <http://tiny.cc/rkpt6>

<sup>193</sup> <http://spot.pcc.edu/~mdembrow/Guinea-Bissau%20Fact%20Sheet.htm>

<sup>194</sup> [http://www.harambee.es/conoce\\_africa-pais.aspx?idpais=8](http://www.harambee.es/conoce_africa-pais.aspx?idpais=8)

oil for Bissau, which is preferred over imported refined oil, despite the higher price, because a smaller amount of this oil is needed in cooking for the dish to acquire the desired taste.

These groups serve a vital function in processing the raw material and in supplying the urban markets. Without them, the fruit of the palm would only be used for the consumption of rural families, save for those coming from palm plantations near the capital where they are sold at market without any processing. That added value encourages the farmers to protect the palm and at the same time carry out improvements and expand cultivation.

Palm oil is also an important source of revenues for the country. In Senegal, palm oil is a luxury, making that country a destination for Guinea-Bissau to export its surplus.

As in many other African countries (Cameroon, Liberia, Sierra Leone, Tanzania, Nigeria, Ghana), the Dutch management and consulting company HVA International conducted studies for various clients about palm oil projects in Guinea-Bissau.<sup>195</sup> Nevertheless, to date no one has shown serious interest in investing in this country.

Given the excellent conditions for developing this crop in Guinea-Bissau, it is likely that the lack of interest is due to the political instability that has afflicted the country since the assassination of its independence leader Amílcar Cabral in 1973. Furthermore, in more recent times, the country appears to have gotten caught up in the narcotics trade, with a strong presence and influence of Colombian drug traffickers.<sup>196</sup>

In this context, the current government's attempts to attract investors<sup>197</sup> appear to have little chance of success.

## Oil palm in Liberia

The oil palm tree is native to large parts of Liberia, where the climate provides the hot and tropical conditions under which the palm tree flourishes. The interior is heavily forested and has hills and mountains reaching 1,380 m of elevation. These hilly areas are very suitable for some economic trees and tree crops, as well as for agro-forestry practices. In fact, the interior areas have a long tradition of cultivating oil palm.<sup>198</sup>

Half of Liberia's palm oil is produced by 220,000 women and men on small farms, harvested from forests where it grows abundantly.<sup>199</sup> However, it is mostly the women who carry out the task of processing the oil palm fruit into red palm oil, using traditional methods.<sup>200</sup> Recently, USAID and Winrock International have promoted the use of what they have termed the "Freedom Mill",<sup>201</sup> which is a more efficient way for extracting the oil from the fruit. It would be good to know what Liberian women think about this new development, which could weaken women's traditional role in the production of palm oil.

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<sup>195</sup> [http://www.hvainternational.nl/oil\\_palm.htm](http://www.hvainternational.nl/oil_palm.htm)

<sup>196</sup> [http://www.taringa.net/posts/noticias/1288185/Guinea-Bissau\\_-el-primer-narco-Estado-del-mundo.html](http://www.taringa.net/posts/noticias/1288185/Guinea-Bissau_-el-primer-narco-Estado-del-mundo.html)

<sup>197</sup> [http://www.waw2010.com/waw\\_mag\\_001\\_ENG\\_a4.pdf](http://www.waw2010.com/waw_mag_001_ENG_a4.pdf)

<sup>198</sup>

[http://www.tabj.co.za/africa\\_in\\_action/may10\\_aia/liberating\\_liberia\\_how\\_equatorial\\_palm\\_oil\\_and\\_the\\_palm\\_oil\\_indu.html](http://www.tabj.co.za/africa_in_action/may10_aia/liberating_liberia_how_equatorial_palm_oil_and_the_palm_oil_indu.html)

<sup>199</sup> [http://www.usaid.gov/press/frontlines/fl\\_mar10/p12\\_liberia100318.html](http://www.usaid.gov/press/frontlines/fl_mar10/p12_liberia100318.html)

<sup>200</sup> see part of the process in picture "Part of processing palm oil, Kolahun Lofa County" at

[http://www.pahte.com/Liberia\\_\\_Lofa.html](http://www.pahte.com/Liberia__Lofa.html)

<sup>201</sup> <http://www.youtube.com/watch?v=vLt0FTXg2KM>



The rest of the palm oil produced in the country comes from more than 70,000 hectares of oil palm plantations which started to be established in the 1970s.<sup>202</sup>

Over the past few years, Liberia has been targeted by oil palm corporations for the establishment of large scale plantations. Such are the cases of Golden Veroleum (Indonesia), Equatorial Palm Oil (UK) and Sime Darby (Malaysia).

The push for the expansion of oil palm plantations is described in a 2008 government “submission to the World Bank’s Forest Carbon Partnership Facility”, which states that “the Liberia Government is inundated with requests for ... expansion of oil palm plantations for biofuel production ...”<sup>203</sup>

Although the government recognizes that forests “may potentially be converted to other land use after harvesting” and that “the pressure for conversion will arise as investors in rubber and oil palm plantations, including biofuels, seek areas for new concessions”,<sup>204</sup> oil palm investments are receiving strong support from the Liberian government, as well as from influential agencies such as USAID and the US Department of Agriculture (USDA).<sup>205</sup>

The World Bank is also involved in the promotion of oil palm in Liberia. In 2008, the World Bank’s International Financial Corporation (IFC), presented the government with the findings of a study that reviewed the country’s oil palm sector, assessing its competitiveness and identifying potential investment opportunities. A press release quoted IFC resident representative Jumoke Jagun as saying that the sector has potential “to attract significant private investment, and to be a key driver of inclusive growth, development and job creation for the country.”<sup>206</sup>

An important event in this process of creating enabling conditions for the expansion of oil palm plantations was the two-day workshop held in Monrovia in January 2010, whose aim was “to link key oil palm industry stakeholders ... and draw a master plan for Liberia’s oil palm industry.” The workshop was organized by the Ministry of Agriculture in collaboration with Mercy Corps, Sustainable Tree Crops Program (STCP) and Winrock International, and was sponsored by USAID, USDA and the Oil Palm Association of Liberia (OPAL).<sup>207</sup>

The “key oil palm industry stakeholders” are at the present the following:

1) Sime Darby: Malaysian company that in 2009 signed a 63-year concession agreement with the Liberian government. According to the agreement, the company has been granted a concession of 311,187 hectares<sup>208</sup> - in Bomi, Gbarpolu, Grand Cape Mount and Bong counties- where it will establish oil palm and rubber plantations. About 80 percent of the land will be dedicated to oil palm. Of the total concession area, 120,000 hectares was originally provided for under the original agreement with another Malaysian company (Guthrie Company), and an additional area has been provided to Sime Darby through the recent agreement.<sup>209 210</sup>

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<sup>202</sup> <ftp://ftp.fao.org/docrep/fao/009/ah213e/ah213e00.pdf>

<sup>203</sup> [http://www.forestcarbonpartnership.org/fcp/sites/forestcarbonpartnership.org/files/Documents/PDF/Liberia\\_FCPF\\_R-PIN.pdf](http://www.forestcarbonpartnership.org/fcp/sites/forestcarbonpartnership.org/files/Documents/PDF/Liberia_FCPF_R-PIN.pdf)

<sup>204</sup> [http://www.forestcarbonpartnership.org/fcp/sites/forestcarbonpartnership.org/files/Documents/PDF/Liberia\\_FCPF\\_R-PIN.pdf](http://www.forestcarbonpartnership.org/fcp/sites/forestcarbonpartnership.org/files/Documents/PDF/Liberia_FCPF_R-PIN.pdf)

<sup>205</sup> <http://www.liberianobserver.com/node/4144>

<sup>206</sup> <http://www.africa-agri.com/liberia-govt-secures-huge-investment-in-palm-oil-production/>

<sup>207</sup> <http://www.liberianobserver.com/node/4144>

<sup>208</sup> [http://wrm.org.uy/countries/Liberia/uncertain\\_futures.pdf](http://wrm.org.uy/countries/Liberia/uncertain_futures.pdf)

<sup>209</sup> <http://allafrica.com/stories/200905050726.html>

<sup>210</sup> <http://www.afriqueavenir.org/en/2010/04/05/new-rubber-company-commences-oil-palm-plantation-in-liberia/>

2) Equatorial Palm Oil: Company based in the United Kingdom. The company has a total land holding of 169,000 hectares - in Grand Bassa, River Cess and Sinoe counties- of which 68,391<sup>211</sup> hectares were acquired through concession agreements with the Liberian government and the remainder through an earlier stage memorandum of intent with an internal Liberian group. In 2010, the company had 10,000 hectares planted with oil palm.<sup>212</sup>

3) Golden Agri Resources: Singapore-listed company belonging to the Indonesian Sinar Mas Group. The company negotiated a concession agreement over 350,000 ha<sup>213</sup> with the Liberian government; it operates in the country as Golden Veroleum. The company plans to cultivate over 240,000 hectares of oil palm in southeastern Liberia, specifically in Sinoe, Grand Kru, Rivercess and Maryland counties (including 40,000 hectares via outgrower contracts), with the goal of producing more than one million tons of palm oil per annum.<sup>214</sup>

In total, the three foreign oil palm companies control 830,187 hectares of land, which is a huge amount of land in a country such as Liberia, whose total land area expands over some 11 million hectares.

In addition, SIFCA from Ivory Coast, partly owned by Wilmar and OLAM from Singapore, signed an agreement in 2011 for a 25-year lease with the Liberian government to rehabilitate 8,800 hectares of oil palm plantation and carry out an outgrower scheme involving 6,600 hectares.<sup>215</sup>

## Oil palm in Madagascar

In contrast to its wide social utility on the African mainland, the African oil palm is of limited importance in Madagascar.<sup>216</sup> This is probably due to the fact that it seems to have been brought to the island with the slave trade.<sup>217</sup> As a result, it does not form part of the culture of the island's peoples. The oil palm that grows in Madagascar is unique, owing to its short trunk and small fruits.<sup>218</sup>

In 1967-1968, the Ministry of Agriculture implemented an agricultural policy on "large agricultural operations". It was aimed at promoting the revival of agricultural industries through the creation of large industrial-scale farming operations in order to provide a domestic supply of raw materials for key agro-industries, so as to provide the national economy with a substitute for import commodities, on the one hand, and new export commodities, on the other. In the framework of this policy, the government established a large-scale oil palm operation in Tamative to supply the Société Malgache du Palmier à Huile (SOMAPALM) palm oil mill.<sup>219</sup>

With the aim of improving Madagascar's self-sufficiency in edible oil products, the European Development Fund provided financing first for the establishment and later the rehabilitation (in

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<sup>211</sup> [http://wrm.org.uy/countries/Liberia/uncertain\\_futures.pdf](http://wrm.org.uy/countries/Liberia/uncertain_futures.pdf)

<sup>212</sup> [http://www.tabj.co.za/africa\\_in\\_action/may10\\_aia/liberating\\_liberia\\_how\\_equatorial\\_palm\\_oil\\_and\\_the\\_palm\\_oil\\_indu.html](http://www.tabj.co.za/africa_in_action/may10_aia/liberating_liberia_how_equatorial_palm_oil_and_the_palm_oil_indu.html)

<sup>213</sup> [http://wrm.org.uy/countries/Liberia/uncertain\\_futures.pdf](http://wrm.org.uy/countries/Liberia/uncertain_futures.pdf)

<sup>214</sup> <http://farmlandgrab.org/10208>

<sup>215</sup> <http://www.grain.org/article/entries/4479-grain-releases-data-set-with-over-400-global-land-grabs>

<sup>216</sup> <http://www.fao.org/docrep/x0451e/x0451e09.htm>

<sup>217</sup> <http://library.wur.nl/ojs/index.php/njas/article/viewFile/506/220>

<sup>218</sup> <http://www.ias.ac.in/jgenet/Vol89No2/temp/jg235.pdf>

<sup>219</sup> <http://www.fao.org/docrep/004/ab597f/AB597F01.htm>

1985) of SOMAPALM. The state-owned company set up plantations and oil mills in two sites (Toamasina and Manakara).<sup>220</sup>

The transformation of the oil palm sector began in the 1990s. Several oil mills (Huilerie Centrale, SOMAPALM, INDOSUMA) closed down,<sup>221</sup> while the government agreed to implement a privatization programme (under pressure from the World Bank). SOMAPALM was listed among a group of state enterprises to be sold to the private sector.<sup>222</sup> However, the process turned out to be more complicated than expected, and in the end, the company that purchased SOCAPALM did so knowing that it was buying only the factory and the plantation, but not the land.<sup>223</sup>

The situation in the oil palm sector seemed to undergo a spectacular change when Madagascar Future Enterprise (owned by the South Korean corporation Daewoo) announced plans to establish 300,000 hectares of oil palm plantations on the island.

However, the Daewoo project sparked widespread opposition. In November 2008, Madagascar made international headlines following an article published in the *Financial Times*<sup>224</sup>: Daewoo Logistics of South Korea was reported to be in talks with the government of Madagascar for the leasing of 1,300,000 hectares of farmland in four coastal regions. Daewoo was planning to produce 500,000 tons of palm oil in the eastern regions of the country (on 300,000 hectares of plantations) and 4,000,000 tons of corn in the western region (on 1,000,000 hectares), of which the bulk would be exported to the Korean market.<sup>225</sup>

This massive project was immediately protested by opposition groups, who accused President Marc Ravalomanana of selling off the country's resources to foreigners. This accusation was reinforced by the revelation in the newspaper *Le Monde* of another agro-industrial project headed up by the Indian company Varun International involving more than 200,000 hectares of land in the Sofia region. The opposition was partially fuelled by international media networks, which mobilized public opinion in Western countries. In Madagascar, opposition to these projects combined with other national demands and contributed to the downfall of the government in March 2009. Both of the projects have now been suspended and their main promoters have left the country.<sup>226</sup>

Two other large-scale oil palm plantation projects are currently awaiting approval:

1) Sithe Global (United States-based energy company): 60,000 hectares to be used for palm oil production for biodiesel;

2) Les Cultures du Cap Est (Malagasy company, financed by an Indian group): 9,100 hectares of palm oil plantations and the extension of an existing oil palm plantation (1,000 hectares).<sup>227</sup>

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<http://europa.eu/rapid/pressReleasesAction.do?reference=IP/85/545&format=HTML&aged=1&language=EN&guiLanguage=en>

221 [http://www.madadoc.mg/9349\\_SectorReviewPartenariat.pdf](http://www.madadoc.mg/9349_SectorReviewPartenariat.pdf)

222 <http://www.fdi.net/documents/WorldBank/databases/plink/factsheets/madagascar.htm>

223 [http://pdf.usaid.gov/pdf\\_docs/PDABI538.pdf](http://pdf.usaid.gov/pdf_docs/PDABI538.pdf)

224 [http://us.ft.com/ftgateway/superpage.ft?news\\_id=fto111820081356372891](http://us.ft.com/ftgateway/superpage.ft?news_id=fto111820081356372891)

225 <http://www.observatoire-foncier.mg/index.php?mode=download&type=list> (Après Daewoo ?)

226 <http://www.observatoire-foncier.mg/index.php?mode=download&type=list> (Après Daewoo ?)

227 <http://www2.gtz.de/wbf/4tDx9kw63gma/gtz2010-0063en-foreign-direct-investment-madagascar.pdf>

## Oil palm in Mozambique

In 2011, the Brazilian company Vale, one of the biggest mining companies in the world, together with the Brazilian state agricultural research institution Embrapa, entered in a joint venture to plant 30,000 hectares of oil palm in the country<sup>228</sup>.

In addition, the UK based holding company MedEnergy, owned by Italy's Belleli family, intends to invest in a 10,000 hectares oil palm project in the Cabo Delgado province.

## Oil palm in Nigeria

West Africa used to be the centre of the palm oil industry. The export of palm kernels began in 1832 and by 1911 "British" West Africa alone exported 157,000 tonnes of which about 75 percent came from Nigeria. In the 1870s, British administrators took the plant to Malaysia and in 1934 that country surpassed Nigeria as the largest exporter of the product. Led by Nigeria and Zaire, Africa continued to lead the world in production and export of palm oil throughout the first half of the 20th century. By 1966, however, Malaysia and Indonesia had surpassed Africa's total palm oil production.<sup>229 230</sup>

In Nigeria, oil palm is indigenous to the coastal plain, having migrated inland as a staple crop. For millions of Nigerians, oil palm cultivation is part of the way of life - indeed it is part of their culture. 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.<sup>231</sup>

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 ranging from 1.65 million hectares<sup>232</sup> to 2.4 million hectares<sup>233</sup> and to a maximum of 3 million hectares.<sup>234</sup>

As documented in the case of Akwa Ibom State, women play an important role in the production, storage and commercialization of red palm oil (see details in annex below).

Regarding plantations, estimates range from 169,000 hectares (72,000 ha of estate plantations and 97,000 ha of smallholder plantations)<sup>235</sup> to 360,000 hectares of plantations.<sup>236 237 238</sup>

Many of those plantations are the result of past attempts of the Nigerian government to implement large-scale plantations, most of 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

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<sup>228</sup> <http://www.grain.org/article/entries/4479-grain-releases-data-set-with-over-400-global-land-grabs>

<sup>229</sup> [http://news.bbc.co.uk/2/shared/spl/hi/picture\\_gallery/08/africa\\_nigerian\\_palm\\_oil/html/1.stm](http://news.bbc.co.uk/2/shared/spl/hi/picture_gallery/08/africa_nigerian_palm_oil/html/1.stm)

<sup>230</sup> <http://www.fao.org/DOCREP/005/y4355e/y4355e03.htm>

<sup>231</sup> <http://www.wrm.org.uy/bulletin/47.html#Nigeria>

<sup>232</sup> <http://ageconsearch.umn.edu/bitstream/11483/1/sp97-05.pdf>

<sup>233</sup> <http://www.cambridge.org/us/books/kiple/palmoil.htm>

<sup>234</sup> <http://www.wrm.org.uy/plantations/material/OilPalm.pdf>

<sup>235</sup> <http://www.cambridge.org/us/books/kiple/palmoil.htm>

<sup>236</sup> <http://www.wrm.org.uy/plantations/material/OilPalm.pdf>

<sup>237</sup> <http://www.nigerianmuse.com/20080819050044zg/projects/science-technology/the-mirage-of-palm-oil-availability-by-matthew-eshalomi/>

<sup>238</sup> <http://www.stocknewsline.com/regions/africa/how-to-resuscitate-oil-palm-industry-by-stakeholders/>

hectares of oil palm within an area thought to be one of the largest remnants of tropical rainforest in Nigeria and it was implemented by a company called Risonpalm Ltd., partly owned by the government. In spite of local opposition, the project moved forward and EU funding was only discontinued in 1995, seven years after its approval.<sup>239</sup> The plantation was abandoned in 1999 and reactivated in 2003.<sup>240</sup> In 2010, the local governor announced his intention to privatize it, stating that “We will not put money into Risonpalm again” and that “We will only bring people who will put in their money and manage Risonpalm very well.”<sup>241</sup>

The World Bank played an important role in the promotion of the oil palm business in Nigeria. According to a recent World Bank document, Nigeria has been “the second largest recipient of World Bank palm oil sector projects, with six projects over the 1975 to 2009 period. One project is still under implementation. Results achieved included the plantation of 42,658 ha of oil palm, as well as road improvement and increased milling capacity.”<sup>242</sup>

Government management of its plantation estates proved to be disastrous. As the governor of Rivers State recently said “Government has put so much money in Risonpalm and so many people became rich out of Risonpalm by stealing the money. Now we will not put money again so that people won’t steal our money anymore.”<sup>243</sup>

As a result, many oil palm producers eventually inherited abandoned government plantations which were sub-divided and leased to private producers. Some individual owners formed limited liability companies. These have younger plants/fields some of which are yet to fruit, while most of the oil palm plantations are over 30 years.<sup>244</sup>

The Federal Government appears to be now willing to revitalise oil palm production. In April 2010, the government launched –together with the UN’s Industrial Development Organization (UNIDO) and the government of Cameroon- a Common Fund for Commodities “in order to improve the income generating potential of oil palm in West and Central Africa.” The initiative was developed by UNIDO and funding is shared between Nigeria, Cameroon, UNIDO and the private sector.<sup>245</sup>

In line with the above, officials of Nigerian Institute for Oil Palm Research (NIFOR) have recently said that “promotion of private sector participation in oil palm plantation holds the ace in effective revival of the produce business in the country.” Director of NIFOR, Dr Dere Okiy has stated that “the land tenure system in the country” is a “limiting factor against private mass production of palm oil by individuals” and “called on local and state governments to provide land areas to oil palm farmers to encourage mass production of palm oil.”<sup>246</sup>

The increasing imports of palm oil -widely used by the Nigerian people as edible oil- may help to explain the recent government’s interest in palm oil production. Such may be the case with Presco, a subsidiary of Belgian company Siat S.A. that has oil palm plantations in two concessions in Edo State (the Obaretin Estate with 7,000 hectares and the Ologbo Estate with 6,000 hectares), and one in Delta State (the Cowan Estate, with 3,000 hectares). The company processes the oil palm fruit into different products within the country.<sup>247</sup>

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<sup>239</sup> <http://www.wrm.org.uy/bulletin/47/Nigeria.html>

<sup>240</sup> <http://news.biafranigeriaworld.com/archive/2003/apr/07/0264.html>

<sup>241</sup> [http://www.facebook.com/note.php?note\\_id=309809493976](http://www.facebook.com/note.php?note_id=309809493976)

<sup>242</sup> [http://www.ifc.org/ifcext/agriconsultation.nsf/AttachmentsByTitle/Discussion+Paper/\\$FILE/Discussion+Paper\\_FINAL.pdf](http://www.ifc.org/ifcext/agriconsultation.nsf/AttachmentsByTitle/Discussion+Paper/$FILE/Discussion+Paper_FINAL.pdf)

<sup>243</sup> [http://www.facebook.com/note.php?note\\_id=309809493976](http://www.facebook.com/note.php?note_id=309809493976)

<sup>244</sup> <http://www.insipub.com/jasr/2009/827-832.pdf>

<sup>245</sup> <http://allafrica.com/stories/201004290225.html>

<sup>246</sup> <http://www.nigerianbestforum.com/generaltopics/?p=52105>

<sup>247</sup> <http://www.presco-plc.com/index.cfm/page:company-profile>

However, the current worldwide push for the use of palm oil as the basis for the production of biodiesel probably provides a better explanation.

Italian company Fri-El Green Power is a good example of the above. The company first started investigating the potential for palm oil production in Nigeria during 2005 and in 2007 the first privatisation agreement for the government-owned Abia Palm oil palm plantation –in southern Nigeria- was signed. In July 2008, Fri-El Abia Palm Ltd. was officially opened by the Abia State governor during a ceremony in Ohambele. Shortly after this, work on the rehabilitation of the plantation started. At the same time the old oil mill in Mbwasi was repaired and brought into production.<sup>248</sup>

The Italian company plans to eventually use the palm oil processed in Nigeria to fuel liquid biomass power plants in Europe. Fri El Green Power has an 80% stake in the project while the Abia State Government has 20% with an obligation to transfer 10% to the local community. The company got a concession of 11,292 hectares, including the former Abia Palm plantation, and a right to extend the concession up to 100,000 ha.<sup>249</sup>

In spite of Nigeria's massive electricity shortage, Fri-El Green Power does not plan to supply electricity locally. According to the company's president Thomas Gostner. "We plan to invest in the palm oil plantation, the processing of the fruit and convert it into electricity in Europe." In the best of cases, "each oil mill can additionally produce some electricity for local needs using waste product."<sup>250</sup>

Everything seems to point at the possible expansion of oil palm plantations in Nigeria - revitalizing old ones and establishing new ones- both aimed at the national and international market. Local communities should be aware that local and state governments may in the future – as NIFOR demands- "provide land areas to oil palm farmers to encourage mass production of palm oil."<sup>251</sup>

Singapore-based Wilmar has recently moved to Nigeria, in a joint venture with PZ Cussons. In 2012, the company declared it had acquired 35,000 hectares in the southern Cross River State. It company has announced plans for, a total area of about 50,000 hectares for oil palm plantations.<sup>252</sup>

SIFCA Group plans to develop 14,000 hectares of plantations in Nigeria. 27 percent of SIFCA shares are held by a company in which Wilmar International Ltd. and Olam International Ltd. (OLAM) are equal owners..<sup>253</sup>

### *Annex 1: Oil Women of Akwa Ibom State*

The red palm oil is a common ingredient in the cooking of almost every type of dish prepared in Nigeria. Akwa Ibom state, a coastal state in south eastern Nigeria is one of the areas where oil is produced in large quantities, mainly by women.

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<sup>248</sup> [http://www.tradeinvestnigeria.com/feature\\_articles/964299.htm](http://www.tradeinvestnigeria.com/feature_articles/964299.htm)

<sup>249</sup> [http://www.tradeinvestnigeria.com/feature\\_articles/964299.htm](http://www.tradeinvestnigeria.com/feature_articles/964299.htm)

<sup>250</sup> [http://www.tradeinvestnigeria.com/feature\\_articles/964299.htm](http://www.tradeinvestnigeria.com/feature_articles/964299.htm)

<sup>251</sup> <http://www.nigerianbestforum.com/generaltopics/?p=52105>

<sup>252</sup> <http://farmlandgrab.org/post/view/21323>

<sup>253</sup> <http://farmlandgrab.org/post/view/22333>

The processing of the fruits into vegetable oil is most commonly carried out by women. It begins with harvesting the ripe fruits which grows in clusters weighing between 20-30 Kilos. The women work communally in groups of 2 or 3. 10-20 bunches of ripe fruit from the palm tree are cut and gathered. The harvested fruits are then cut into smaller clusters and sprinkled with water, and then, covered with thick jute bags or banana leaves to aid fermentation and make it easy for the seeds to be picked easily from its spiky stalks.

Two or three days after, the seeds are picked, washed and packed in to iron drums and boiled. This process is tedious. Fire kindled from gathered fire-wood is usually prepared a night before and at intervals, rekindled to keep the fire cooking constantly hot. As early as 4 or 5 a.m. the boiled seeds whose fleshy pericarp has become soft and tender are scooped with a small basket or sieve bowl into an earth dug-out mortar, which has been fitted with a metal drum. The boiled seeds are then pounded with a wooden pestle to separate the fleshy pericarp from its hard kernel seeds.

The next stage involves scooping this mixture onto a flat trough or onto the ground which had been covered with banana leaves. The kernel seeds are then separated from the fibrous mash. This is then scooped into a cylindrical hollow press. The wrench is then turned slowly and gradually, as this is being done, the extracted oil from the holes in the press is guided through a duct at the bottom of the press into a large bowl, trough or container. This process is carried out several times until oil is drained from the marshy mixture.

The next stage is carefully draining the oil into containers; in doing so, the women are careful not to allow dirt, fiber or other foreign matter into the oil. The finished product if in large quantity may be further stored in larger metal drums awaiting buyers who come to buy them off these women and transported to other towns. If the oil is not so large in quantity they are then taken to the local market for sale; either way, the Akwa Ibom woman earns her money. Though the process is tedious, the oil is top quality if processed by an experienced producer.

Excerpted from “Oil Women of Akwa Ibom State” by Patrick B. Akpan  
<http://akwaibomstate.com/?p=209>

### *Annex 2: “Foot pressing” of palm fruit into palm oil*

A BBC slideshow describes with pictures the processing of the palm oil <sup>254</sup>

The process is described as follows:

“Once the kernels have been picked and brought home, women take over the palm oil production. They pour the hot kernels into a hollowed out log, placed in a shady spot. A woman steps into the trough and walks up and down its length. As they add more water, the husk begins to fall away from the nut, releasing the fatty yellow juice. As the woman treads up and down, the mixture makes a sucking, burping sound. It clings to her feet, clogging her toes and spreading a vivid yellow stain up her ankles.

There are two places in the state that have machines to do this, but people have stopped taking their crop to them as police demand bribes from people moving goods, wiping out their profits.

This harvest from a handful of trees has taken 48 hours to process. “This amount of kernels will get us one full jerry can of oil, that’s about 20 litres,” says one woman. They will be able

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<sup>254</sup> [http://news.bbc.co.uk/2/shared/spl/hi/picture\\_gallery/08/africa\\_nigerian\\_palm\\_oil/html/4.stm](http://news.bbc.co.uk/2/shared/spl/hi/picture_gallery/08/africa_nigerian_palm_oil/html/4.stm)

to sell that for 3,000 naira (\$20; £14). In the wet season they can make more oil, but the price goes down.

Traders come and buy the seeds for further processing. The seeds are roasted and then broken open. The translucent white inside the nut can be eaten and is itself rich in oil. This oil is extracted by a more complicated process and turned into a kind of tonic oil, which people rub on their children's bodies. They say the oil prevents colds and flu.

Source: "In pictures: Nigerian palm oil", by Andrew Walker

## Oil palm in the Republic of Congo

Oil palm grows naturally in the forest regions of the Republic of Congo, particularly in the north of the country in the departments of Sangha, La Cuvette, La Cuvette-Ouest and Likouala. There is evidence of a longstanding tradition of the planting of oil palm by local populations, as can be seen at the archaeological sites of abandoned villages "which are characterized by the presence of trees such as mango and palm trees."<sup>255</sup>

One of the main actors in the oil palm sector was the Compagnie Française du Haut et du Bas Congo (CFHBC), which was granted a concession for 75,000 square kilometres of land during the French colonial era. We were unable to find specific information on the subject, but would presume that the company established operations in Etoumbi (Sangha) due to the presence of natural palm groves in the region. The company created 1,000 hectares of plantations in the years 1968 to 1972 and 1,072 hectares between 1986 and 1987.<sup>256</sup>

After the country gained independence, the company was placed under state ownership and renamed Sangha Palm in 1983.<sup>257</sup> At the time, a combined total of 33,000 hectares of land had been allocated to Sangha Palm by the Congolese state. Meanwhile, in the department of Likouala, villagers were encouraged to work on village oil palm plantations and to sell their output to agro-industrial companies that had set up operations in the region.<sup>258</sup>

Following the closure of the Sangha Palm oil factory in 1990, the plantations were abandoned. For a number of years, local peasant farmers have been harvesting the fruit from the former plantations on their own, despite the difficulties they encounter in doing so, and producing palm oil through artisanal methods. The oil they produce has become their main source of income.<sup>259</sup>

Women play an important role in both the production and sale of palm oil. A woman peasant who produces palm oil through traditional methods said that "in Etoumbi we have always extracted palm oil. With the money we make from selling our oil we buy medicine and clothes for our children." Women also prepare a traditional sauce called "mouambé" made from oil palm nuts.<sup>260</sup>

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<sup>255</sup> Geerling, Chris, N'Sosso, Dominique and Kitemo, Gaston (1991). Plan d'Aménagement Environnemental. Congolaise de Développement Forestier, Pointe Noire: CDF

<sup>256</sup> <http://tiny.cc/egwyl>

<sup>257</sup> <http://www.congopage.com/30-des-palmeraies-de-la-Sangha>

<sup>258</sup> <http://www.congobrazzainvest.com/page.php?ident=74>

<sup>259</sup> <http://tiny.cc/egwyl>

<sup>260</sup> <http://www.syfia.info/index.php5?view=articles&action=voir&idArticle=3484>



Women are actively involved in the domestic palm oil market. For example, Savon Plus, a soap company located in Pointe-Noire, reports that “the company produces and sells household soaps made with palm oil purchased from groups of women who regularly supply Savon Plus from the backcountry.”<sup>261</sup>

In 2007, Sangha Palm had 5,000 hectares of plantations, of which 1,000 hectares were in Mokéko and 4,000 hectares in Kandéko.<sup>262</sup> But these plantations had already been described in 2002 as follows: “The abandoned plantations are totally invaded by forest regrowth, surrendered to fires and degradation of every kind.” The same source also warned that the lack of maintenance threatened to turn the oil factory in Mokéko into a mere scrap heap.<sup>263</sup> Closed in 1990 and then reopened in 1994, Sangha Palm ceased operations once again in 1997.<sup>264</sup>

The second major state-owned enterprise in the sector was the Régie Nationale des Palmeraies du Congo or Congo National Palm Plantations Authority (RNPC), located in Owando<sup>265</sup>, with around 5,000-8,000 hectares of plantations in Lebango and 1,325 hectares in Etoumbi (both in La Cuvette-Ouest) and 450 hectares in Kunda (La Cuvette).<sup>266</sup>

The city of Owando was heavily hit by the bankruptcy, in the early 1990s, of the RNPC, which had brought a certain degree of prosperity to the region in the 1970s and 1980s.<sup>267</sup>

The Republic of Congo is currently a minor producer of palm oil.<sup>268</sup> However, significant changes have begun to take place since 2006, after two Italian companies and a Spanish company became involved in the development of oil palm plantations in the country for agrofuel production.<sup>269</sup>

In March 2007, Spanish company Aurantia announced its plans to invest in palm plantations in the Republic of Congo with the aim of producing biodiesel from the oil. After a visit with President Denis Sassou-Nguesso, CEO Rafaël Naranjo Anegon announced that Aurantia would be building four oil palm mills to process fresh fruits from a plantation that would cover several thousand hectares. Feasibility studies were carried out to analyse different plantation and mill sites, and to assess the state of the existing logistical infrastructure in the country. The actual size of the investment was not disclosed.<sup>270</sup> However, whether these plans, launched during the ‘biofuel boom’ of 2007, have materialised is unknown.<sup>271</sup>

In May 2008, Italian energy company ENI announced an investment of three billion dollars in three projects in the Republic of Congo for the development of tar sands, palm oil and a gas-powered electricity plant.<sup>272</sup>

ENI and the Congolese government signed a memorandum of understanding for the cultivation of oil palm on “approximately 70,000 unfarmed hectares in the Niari region, in the north-west of the country.” This investment is expected to result in an output of “approximately 340,000 tons per year of crude palm oil, enough to cover domestic demand for food uses and produce 25,000 tons per year of biodiesel.” The crude palm oil not used for food “will be destined to

<sup>261</sup> <http://www.tech-dev.org/fonds-afrique/images/savon-plus.pdf>

<sup>262</sup> <http://www.congobrazzainvest.com/page.php?ident=74>

<sup>263</sup> <http://www.congopage.com/30-des-palmeraies-de-la-Sangha>

<sup>264</sup> <http://www.congopage.com/30-des-palmeraies-de-la-Sangha>

<sup>265</sup> <http://www.netnewspublisher.com/italian-fri-el-greenpower-to-produce-biofuel-in-congo/>

<sup>266</sup> <http://www.congobrazzainvest.com/page.php?ident=74>

<sup>267</sup> <http://tiny.cc/qaasv>

<sup>268</sup> <http://news.mongabay.com/bioenergy/2007/03/spanish-company-aurantia-to-invest-in.html>

<sup>269</sup> <http://www.congobrazzainvest.com/page.php?ident=74>

<sup>270</sup> <http://news.mongabay.com/bioenergy/2007/03/spanish-company-aurantia-to-invest-in.html>

<sup>271</sup> <http://www.rainforestfoundationuk.org/files/Seeds%20of%20Destruction,%20February%202013.pdf>

<sup>272</sup> <http://www.foeeurope.org/corporates/Extractives/Congo%20Report%20FRa.pdf>

biodiesel production using ENI's proprietary Ultra-Bio-Diesel technology. After a first pilot phase, the feasibility of building a bio-refinery in the Congo will be considered."<sup>273</sup>

There are doubts with regard to the exact location of this vast plantation. ENI has stated that it will be situated "in the Niari region, in the north-west of the country," but Niari is actually in the south of the Republic of Congo.<sup>274</sup>

ENI emphasizes that the project is being undertaken in partnership with the Congolese Ministry of Agriculture, and that it will be implemented by an "Agricultural Consortium" formed by the Ministry of Agriculture and international organizations/institutions "such as FAO, IFAD, IAB, WB, EU."<sup>275</sup> While ENI does not specify which international organizations have been contacted for the project, we know that IFAD<sup>276</sup> is currently promoting the creation of village oil palm plantations in the Republic of Congo, through a project that will: (i) finance the production of improved oil palm seedlings by nurseries; (ii) identify areas for the establishment of plantations, placing priority on areas where old plantations already exist; (iii) organize the sale of palm seedlings to the project beneficiaries at reasonable prices; set a limit on the number of seedlings purchased by each beneficiary of no more than 30; place particular emphasis on women and youth in the selection of beneficiaries for the establishment of village oil palm plantations; (iv) organize technical support for the establishment and running of the plantations; and (v) introduce prototype adapted oil presses and assess their profitability before more widely distributing them.<sup>277</sup>

In July 2008, Italian renewable fuel specialist Fri-El Green signed a 30-year draft agreement with the Republic of Congo to grow 40,000 hectares of oil palm to make biofuels<sup>278</sup> in Sangha (30,000 hectares), La Cuvette (5,000 hectares) and La Cuvette-Ouest (5,000 hectares, primarily in savannah areas).<sup>279</sup>

Under the agreement, Fri-El Green (in a joint venture with German energy company RWE) would take control of Congolese state-owned companies Sangha Palm and Congo National Palm Plantations Authority (RNPC).<sup>280</sup>

The Malaysian-run company Atama Plantations signed a concession agreement in 2010 for a total area of 470,000 hectares of which 180,000 hectares in Cuvette and Sangha provinces have thus far been considered suitable for oil palm development. Planting is expected to start in 2013.

Another company, Biocongo Global Trading, signed an agreement with the government for 24,280 hectares in the north-west of the country (La Cuvette and Cuvette-Oest).<sup>281</sup>

Furthermore, CIB, a company owned by the Singapore-based OLAM, is negotiating a deal for oil palm and cacao plantations, although the area size and location are not known.<sup>282</sup>

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<sup>273</sup> <http://www.foeeurope.org/corporates/Extractives/Congo%20Report%20FRa.pdf>

<sup>274</sup> <http://www.foeeurope.org/corporates/Extractives/Congo%20Report%20FRa.pdf>

<sup>275</sup> <http://www.foeeurope.org/corporates/Extractives/Congo%20Report%20FRa.pdf>

<sup>276</sup> International Fund for Agricultural Development

<sup>277</sup> <http://www.fidafrique.net/article1366.html>

<sup>278</sup> <http://in.reuters.com/article/idINL23101125320080723>

<sup>279</sup> <http://www.congobrazzainvest.com/page.php?ident=74>

<sup>280</sup> <http://in.reuters.com/article/idINL23101125320080723>

<sup>281</sup> <http://www.rainforestfoundationuk.org/files/Seeds%20of%20Destruction,%20February%202013.pdf>

<sup>282</sup>

<http://www.greenpeace.org/international/Global/international/publications/forests/2012/Congo/PalmOilsNewFrontier.pdf>

## The Oil Palm in São Tomé and Príncipe

Oil palm grows naturally on the two main islands comprising this country, and today is found mostly in secondary forests.<sup>283</sup> Although the islands were not inhabited when the Portuguese arrived between 1469 and 1472, the subsequent introduction of sugar cane cultivation based on slave labour<sup>284</sup> led to the forced arrival of Africans from Benin, Congo and Angola,<sup>285</sup> who brought with them the traditional uses of this palm.

As such, today not only are the leaves used in weaving baskets and bags and for making brooms, but also the palm is used to produce wine across the entire country. According to data collected during field visits, the regions of Bombaim, Nova Ceilão and Claudino Faro now have more than 500 people working as palm wine extractors. The product generates considerable income for wine extractors and vendors.<sup>286</sup> In the interior of the country, palm wine can be purchased at low cost from sellers along the roadside.<sup>287</sup> Palm oil is of major importance for the local economy. This oil is extracted by the local suppliers for agricultural use,<sup>288</sup> although it is also sold – in the same way as wine – by women fish merchants known as "palayes."<sup>289</sup>

Following São Tomé and Príncipe's 1975 independence, the European Community financed the plantation of 650 hectares of oil palm in Ribeira Peixe, in the south of São Tomé island. A loan from the European Investment Bank made it possible to establish a palm oil factory (Empresa de Óleos Vegetais - EMOLVE) with sufficient capacity to meet the comestible oil needs of the entire population.<sup>290</sup> By 1990, EMOLVE's industrial plant produced about 2,000 tonnes of oil per year, which covered the needs of the country. During the 1980s, EMOLVE continued expanding its palm plantations, but the end of the Pinto da Costa government in 1990 led to a decline in production, falling to less than 100 tonnes annually,<sup>291</sup> and finally coming to a halt in 2007. Several factors were behind this: for one, the oil palm groves grew old, and for another, the company's equipment and infrastructure deteriorated.<sup>292</sup> In 2008, the equipment was somewhat improved with a contribution from the government of Taiwan,<sup>293</sup> but the problem was not fully resolved.

Then, in 2009, a new actor appeared on the scene: the Belgian-French company Socfinco (registered locally as Agripalma),<sup>294</sup> which is part of the powerful Bolloré Group, based in France.<sup>295</sup> Socfinco's project is aimed at producing approximately 20,000 tonnes of palm oil intended for the manufacture of biofuels in Belgium.<sup>296</sup> The company hopes to begin exporting its first supply of oil palm within five years.<sup>297</sup>

<sup>283</sup> <http://www.cbd.int/doc/world/st/st-nr-03-en.pdf>

<sup>284</sup> [http://es.wikipedia.org/wiki/Santo\\_Tom%C3%A9\\_y\\_Pr%C3%ADncipe](http://es.wikipedia.org/wiki/Santo_Tom%C3%A9_y_Pr%C3%ADncipe)

<sup>285</sup> [http://www.persee.fr/web/revues/home/prescript/article/cea\\_0008-0055\\_1986\\_num\\_26\\_101\\_2168](http://www.persee.fr/web/revues/home/prescript/article/cea_0008-0055_1986_num_26_101_2168)

<sup>286</sup> <http://www.cbd.int/doc/world/st/st-nr-03-en.pdf>

<sup>287</sup> [http://wikitravel.org/en/Sao\\_Tome\\_and\\_Principe](http://wikitravel.org/en/Sao_Tome_and_Principe)

<sup>288</sup> <http://www.cbd.int/doc/world/st/st-nr-03-en.pdf>

<sup>289</sup> <http://www.ifad.org/gender/learning/sector/agriculture/26.htm>

<sup>290</sup> [http://www.euforic.org/courier/168e\\_cor.htm](http://www.euforic.org/courier/168e_cor.htm)

<sup>291</sup> [http://www.continentalmag.com/site/index.php?option=com\\_content&task=view&id=1291](http://www.continentalmag.com/site/index.php?option=com_content&task=view&id=1291)

<sup>292</sup> <http://www.cbd.int/doc/world/st/st-nr-03-en.pdf>

<sup>293</sup> [http://www.correiodasemana.info/IMG/\\_article\\_PDF/article\\_422.pdf](http://www.correiodasemana.info/IMG/_article_PDF/article_422.pdf)

<sup>294</sup> [http://www.ipim.gov.mo/worldwide\\_partner\\_detail.php?tid=13115&type\\_id=1277&lang=en-us](http://www.ipim.gov.mo/worldwide_partner_detail.php?tid=13115&type_id=1277&lang=en-us)

<sup>295</sup> <http://www.socfinal.lu/Public/>

<sup>296</sup> [http://www.continentalmag.com/site/index.php?option=com\\_content&task=view&id=1291](http://www.continentalmag.com/site/index.php?option=com_content&task=view&id=1291)

<sup>297</sup> [http://www.ipim.gov.mo/worldwide\\_partner\\_detail.php?tid=13115&type\\_id=1277&lang=en-us](http://www.ipim.gov.mo/worldwide_partner_detail.php?tid=13115&type_id=1277&lang=en-us)

The project is to be developed on approximately 5,000 hectares for which the company has signed an agreement with the government, for a period (revocable) of 25 years.<sup>298</sup> The project includes the rehabilitation and expansion of oil palm plantations in the north of Príncipe island and in the south of São Tomé, in addition to the construction of a palm oil factory in Roça Sundy, on Príncipe island, and the rehabilitation of the oil business of Ribeira Peixe, on São Tomé.<sup>299</sup>

## Oil palm in Senegal

Oil palm groves, estimated at around 50,000 hectares, are primarily located on the banks of the Casamance River, in the southern part of the country.<sup>300</sup> Oil palm is very widespread in Lower and Middle Casamance regions, sometimes growing singly, sometimes in tightly packed clumps. It reproduces everywhere, in closed forested areas and on secondary savannah woodlands, on the borders of marshes, along river valleys, and in the shelter of coastal dunes. Because they are found near villages and on land used for farming, extensive use is made of oil palms by local populations, who harvest their fruits (for oil and nuts) and use their sap to make wine.<sup>301</sup>

The harvesting of oil palms to produce palm oil and palm wine are agricultural activities for which Casamance is well known. During the dry season, the men gather the fruits and the sap of large numbers of oil palms, known as “kabekel” in the Diola language, and the women process them to make oil and wine. The oil palm fruits are used to make palm oil used in cooking. Ripe bunches of fruit are separated and left out to dry for several days. The women then crush the fruits in a mortar. The resulting pulp is boiled until the oil no longer rises to the surface. This highly sought-after condiment is carefully preserved and used to season the rice traditionally served on holidays.<sup>302</sup> The nut contained inside the fruit’s kernel is also crushed and boiled to extract oil.<sup>303</sup>

Palm wine is produced by fermenting the sap of the oil palm. The sap is collected in bottles placed under holes cut into the tree with a knife. Twice a day, the full bottles are collected and replaced with new empty bottles by the harvesters, who climb up the tree with the help of a rope slung around the trunk and their waists. The freshly collected sap is thirst-quenching. After it is fermented it is the alcoholic drink known as palm wine or “bunuk” as it is called locally. Bunuk is the traditional drink of the Diola, who drink it in groups. Around 300,000 litres are produced annually.<sup>304</sup>

It is interesting to note that the traditional uses of oil palm in Africa have led it to be described as “a classic multipurpose species, unlike the plantation counterpart which is focused only on palm oil and palm kernel oil.”<sup>305</sup>

In 2004, the president of Senegal instructed the ministry responsible for scientific research to conduct a pilot project for oil palm research and development “in order to provide a technical frame of reference with a view to agro-industrial production.”<sup>306</sup>

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<sup>298</sup> <http://www.siged-diplomatique.com/spip.php?breve562>

<sup>299</sup> <http://tiny.cc/gtwb9>

<sup>300</sup> [http://www.ceps.gouv.sn/doc\\_publication/planification/PAER/paer\\_ziguinchor.pdf](http://www.ceps.gouv.sn/doc_publication/planification/PAER/paer_ziguinchor.pdf)

<sup>301</sup> <http://www.fao.org/docrep/004/x6815f/X6815F06.htm>

<sup>302</sup> <http://www.casamance.net/traditions/photos/huile.html>

<sup>303</sup> <http://www.kassoumay.com/casamance/vin-de-palme.html>

<sup>304</sup> <http://www.kassoumay.com/casamance/vin-de-palme.html>

<sup>305</sup> <http://www.fao.org/docrep/x0451e/x0451e09.htm>

One of the objectives of the project was “the development and improvement of selected palm yields in suitable regions of Senegal, with a view to industrial exploitation.” In the southern region, oil palm trial areas planted with the Tenera variety<sup>307</sup> were to be established in Teubi, Badiana, Fanda, Dialang and Boukitingho, while in the north, they would be set up in Keur Momar Sarr, Syer, Guidick, Lompoul and Sanghé.

One specific target of the project was to sow at least 5,000 hectares of land in the country with oil palm annually, in the regions of Ziguinchor, Kolda, Sédhiou, Thiès and Louga. Unfortunately, there is no information available on the implementation and results of this project.

In the meantime, the introduction of the Tenera variety of oil palm, which is the most widely used on large commercial plantations, has also been promoted by other organizations. For example, a Tenera oil palm plantation was established in the Kalounayes region through a partnership between the local rural community, the Kalounayes Economic and Social Development Association (KDES), the non-governmental organization ACRA in Ziguinchor, and the Global Environment Facility (GEF).<sup>308</sup>

Another example is the reforestation programme based on “fast-growing” (i.e. Tenera) oil palm in the Kindakame Valley in the region of Sédhiou. This programme is being financed with Austrian cooperation funds through the Community-Based Food Security Project (PILSA).<sup>309</sup>

The fact that large-scale plantations are not more widely developed in Senegal could perhaps be partly explained by the existence of an armed independence movement in Casamance, the region best suited to oil palm cultivation. But the fact remains that the lobbying power of the peanut oil industry, which dominates the domestic oil market, could also be partly responsible.

As proof of the power of this sector, it should be noted that, in September 2009, Senegal banned the import of palm oil for public health reasons, leading to a major confrontation with Côte d’Ivoire, the country’s principal supplier of palm oil (from which more than 26,000 tons were imported in 2008).<sup>310</sup> According to the local media, Suneor<sup>311</sup>, Senegal’s leading peanut oil manufacturer, “clearly had a hand in the prohibition of palm oil imports.” For his part, Mbaye Dièye, the general secretary of Suneor, declared, “Palm oil is the oil of the poor. It’s not good for anything but cars.”<sup>312</sup> This was an unfortunate statement in a country and a region where palm oil is extremely popular among the population. But even less fortunate was his blatant show of power: “We are the largest oil manufacturer in Africa. We are a giant and we can crush the little guys.”

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<sup>306</sup> <http://www.recherche.gouv.sn/spip.php?article16>

<sup>307</sup> A hybrid resulting from a cross between the dura and pisifera varieties

<sup>308</sup> [http://www.lesoleil.sn/article.php3?id\\_article=30151](http://www.lesoleil.sn/article.php3?id_article=30151)

<sup>309</sup> [http://www.sendeveloppementlocal.com/Menace-de-disparition-des-palmiers-a-huile-Les-paysans-de-Sedhiou-se-mobilisent-pour-reboiser\\_a1073.html](http://www.sendeveloppementlocal.com/Menace-de-disparition-des-palmiers-a-huile-Les-paysans-de-Sedhiou-se-mobilisent-pour-reboiser_a1073.html)

<sup>310</sup>

[http://gain.fas.usda.gov/Recent%20GAIN%20Publications/Oilseeds%20and%20Products%20Annual%20Update%202009\\_Dakar\\_Senegal\\_12-31-2009.pdf](http://gain.fas.usda.gov/Recent%20GAIN%20Publications/Oilseeds%20and%20Products%20Annual%20Update%202009_Dakar_Senegal_12-31-2009.pdf)

<sup>311</sup> Suneor was bought by Advens France in 2005: <http://advens.hworks-agency.com/Le-groupe>

<sup>312</sup> <http://www.nettali.net/L-huile-de-palme-c-est-l-huile-des.html>

## Oil palm in Sierra Leone

Oil palm has been an important cash and export crop in this country. After the civil war (1991-2000), production has rebounded to around 195,000 tons despite the fact that government plantations are badly neglected, comprising mainly of aged, low yielding trees. The small-scale traditional system relies mainly on wild plants for production.<sup>313</sup>

Cocoa and coffee are the two major cash crops historically, with some palm oil also being exported to neighbouring countries. Available data from the Ministry of Trade and Industry suggests that about 18,000 hectares are devoted to estate oil palm. In addition, there is a substantial amount of land in smallholder oil-palm production -- perhaps 32,000 hectares. Almost all production currently takes place on smallholder plantations averaging 1 to 2,5 hectares in size.<sup>314</sup>

The current government is actively promoting two export-oriented cash crops for the production of agrofuels: oil palm and sugarcane.<sup>315</sup> For that purpose, the government created the Sierra Leone Investment and Export Promotion Agency, as the country's official agency "to assist and inform investors and exporters." SLIEPA's international and local consulting team is funded by the World Bank's International Finance Corporation and the UK's Department for International Development (DFID).<sup>316</sup>

According to SLIEPA, Sierra Leone has a "Pro-business government", stating that "As a former businessman, President Koroma is focused on encouraging investment and private enterprise and continued streamlining of the 'costs of doing business'". The same document explains that "The President and Cabinet have identified oil palm as a priority growth sector and are prepared to provide support at the highest levels to accelerate investment". As evidence of that, "The Sierra Leone Investment and Export Promotion Agency (SLIEPA) ... is in the process of earmarking and preparing a number of suitable sites for 10,000+ hectare palm plantations". Additionally, SLIEPA "has a team dedicated to helping agribusiness investors handle land, infrastructure and other issues."<sup>317</sup>

At present there are at least five European companies each seeking to lease huge areas in the country for palm oil for agrofuel and other plantation products for export.<sup>318</sup> Sierra Leone Agriculture (subsidiary of the UK-based Caparo Group) has signed a lease for 41,000 hectares and plans to develop 30,000 hectares of oil palm in the north west of the country, starting with 10,000 hectares plantation estate plus 5,000 hectares of plantations under smallholder contracts. Portugal-based group Quifel, with operations in Portugal, Spain, Brazil, Angola, and Mozambique has signed agreements with local communities in Lokomasama and Masimera to prospect for land for rice, oil palm, and sugar cane, with a total area of 130,000 hectares<sup>319</sup>. The UK group Gold Tree - who recently closed a \$19 million deal with FinnFund for the production of palm oil in the country - plans to install an oil mill to process own and smallholder crop and plans to replant and expand old plantation at Daru, Kailahun District and

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<sup>313</sup> <http://www.sierra-invest.com/15.0.html>

<sup>314</sup> <http://za.mg.co.za/article/2007-12-21-sierra-leone-faces-different-kind-of-battle>

<sup>315</sup> <http://www.sliepa.org/news/sliepa-launches-initiative-bring-25000>

<sup>316</sup> <http://allafrica.com/stories/201005061088.html>

<sup>317</sup> [http://www.sliepa.org/sites/default/files/documents/SL\\_OilPalm\\_Investment\\_Opp.pdf](http://www.sliepa.org/sites/default/files/documents/SL_OilPalm_Investment_Opp.pdf)

<sup>318</sup> <http://allafrica.com/stories/201005061088.html?page=3>

<sup>319</sup>

source from smallholders in region, for a total of 30,800 hectares.<sup>320 321 322</sup> In addition, SOCFIN, owned by the French Bolloré group, signed an agreement in 2011 to develop 11,500 hectares of oil palm and rubber in Pujehun District.<sup>323</sup> And the Guernsey-based Agriterria Group from the UK, negotiated access to about 45,000 hectares of land also in the Pujehun District.<sup>324</sup>

From Asia, Biopalm Energy from India, a subsidiary of Singapore-based group SIVA, was granted for 80,000 hectares of oil palm plantations. An Iranian group, Sepahan Afrique, obtained access to 10,000 hectares in Port Loko region in 2007, for palm oil and rice development. Furthermore, FELDA, a state institution from Malaysia, secured a concession to develop a smallholder scheme on 2,500 hectares.<sup>325</sup>

The incentives provided by the government are extremely generous. According to SLIEPA,<sup>326</sup> they include:

- Foreign companies are able to lease land for up to 71 years, and lease terms are being further improved
- Leases on good land range from \$5 to \$20 per hectare per year
- Basic labour costs of \$2-3 per day
- Flexible labour regulation, permitting productivity-linked payment structures
- Attractive tax rates, with 0% taxes and duties for qualified investors

Two additional factors –also according to SLIEPA-<sup>327</sup> make investments even more attractive:

- President and Cabinet have identified agribusiness as key to development of the country and are ready to work with investors to assist with land leases and other requirements;
- International agencies are eager to support rural development and may be able to assist with project financing, small-holder training and outreach, supporting infrastructure and more.

Although a government official admits that “there is 'a lot of controversy' on whether it is wise to invite, even bend over backwards to woo investors to lease huge tracts of Sierra Leone's farmland to produce agrofuels for export in a country still trying to regain its own food security after a long civil war”,<sup>328</sup> the government is moving forward very quickly along this road. As a result, corporations are starting to flow into the country in a land-grabbing process disguised under the terms “development” and “employment”.

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<http://www.greenpeace.org/international/Global/international/publications/forests/2012/Congo/PalmOilsNewFrontier.pdf>

<sup>321</sup> [http://www.sliepa.org/sites/default/files/documents/SL\\_OilPalm\\_Investment\\_Opp.pdf](http://www.sliepa.org/sites/default/files/documents/SL_OilPalm_Investment_Opp.pdf)

<sup>322</sup> <http://www.visitsierraleone.org/Sierra-Leone-News/Daily/The-Sierra-Leone-Investment-Forum-An-Overview.html>

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<http://www.greenpeace.org/international/Global/international/publications/forests/2012/Congo/PalmOilsNewFrontier.pdf>

<sup>324</sup> <http://www.grain.org/article/entries/4479-grain-releases-data-set-with-over-400-global-land-grabs>

<sup>325</sup> <http://www.grain.org/article/entries/4479-grain-releases-data-set-with-over-400-global-land-grabs>

<sup>326</sup> [http://www.sliepa.org/sites/default/files/documents/SL\\_OilPalm\\_Investment\\_Opp.pdf](http://www.sliepa.org/sites/default/files/documents/SL_OilPalm_Investment_Opp.pdf)

<sup>327</sup> [http://www.sliepa.org/sites/default/files/documents/SL\\_OilPalm\\_Investment\\_Opp.pdf](http://www.sliepa.org/sites/default/files/documents/SL_OilPalm_Investment_Opp.pdf)

<sup>328</sup> <http://allafrica.com/stories/201005061088.html?page=2>

## Oil palm in Tanzania

Tanzania is not (yet) a palm oil producing country. However, the government is preparing conditions for entering the agrofuel business, mostly involving sugarcane, jatropha and oil palm.

In 2006, the Government of Tanzania created the National Biofuels Task Force to promote development of the sector. The goals of the taskforce include:

- Designing biofuels policies and regulations suitable for Tanzanian conditions (e.g. mandate, obligation, tax breaks, enabling fuel standards);
- Ensuring co-operation between Ministries involved in the development of biofuels policies;
- Acting as an information channel between Government and biofuels stakeholders;
- Designing financing options (e.g. capital allowances, tax breaks) and set-up incentives for (local and foreign) investors;
- Securing international funding for biofuel development, such as the EU Partnership Dialogue Facility, the FAO International Bioenergy Programme, and the G8 Global Bioenergy Partnership.<sup>329</sup>

One year after the creation of the Task Force, the investment promotion manager of the Tanzania Investment Centre,<sup>330</sup> informed that more than 160,000 hectares suitable for oil palm and jatropha production had already been identified.<sup>331</sup>

In 2009, an IIED report found that over 4 million hectares of land had been requested for biofuel investments, particularly for jatropha, sugar cane and oil palm, of which 640,000 hectares had already been allocated and of these, some 100,000 hectares had been granted formal rights of occupancy.<sup>332</sup>

Regarding oil palm, this crop is only popular to the west of the country, particularly in Kigoma District, where local farmers have cultivated this palm for the production of edible oil since the early 1920s. More recently, additional uses for this crop have developed, such as local soap production using palm oil. Oil palm production in Tanzania is carried out primarily by smallholder farmers living in Kigoma Region (Kigoma Rural District), as well as in Mbeya Region (mostly Kyela District) and some parts of Tanga Region.<sup>333</sup> In the case of Kigoma, the local cooperative collects about 150,000 litres of palm oil annually and sells this to local refineries and soap producers in Dar es Salaam. At the local level, women are in charge of boiling and milling of palm oil as well as in selling palm oil products (oil, soap).<sup>334</sup>

Things began to change in Kigoma in 2005, when FELISA Ltd planted its first hybrid palm seedlings in the region. The company has 24 (majority Belgian) shareholders and started operations at a 100 hectare oil palm plantation 75km from Kigoma town. They later obtained another 4,258 hectares of land 150km from Kigoma, where they plan to plant oil palm. FELISA also aims to purchase fruits from local small-scale farmers as part of a proposed outgrower scheme.<sup>335</sup> The company is targeting production of 10,000 hectares of oil palm in

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<sup>329</sup> [http://www.zjfdi.com/UploadFiles/aaf001200751195949\\_2.pdf](http://www.zjfdi.com/UploadFiles/aaf001200751195949_2.pdf)

<sup>330</sup> The Tanzania Investment Centre (TIC) plays a key role in identifying land which is available for investment, which it has organised into a so-called 'land bank' comprising over 2.5 million ha to which investors may apply.

<http://www.iied.org/pubs/pdfs/12560IIED.pdf>

<sup>331</sup> <http://allafrica.com/stories/200707250465.html>

<sup>332</sup> <http://www.iied.org/pubs/pdfs/12560IIED.pdf>

<sup>333</sup> <http://www.iied.org/pubs/pdfs/12560IIED.pdf>

<sup>334</sup> <http://www.iied.org/pubs/pdfs/12560IIED.pdf>

<sup>335</sup> <http://www.thebioenergysite.com/articles/309/tanzania-palm-oil>



the region; roughly half of this is expected to come from local smallholder outgrowers and half from its nearly 5,000 hectares plantation.<sup>336</sup>

More recently, the company African Green Oil Limited has applied for a land-lease to the Tanzania Investment Center (TIC) for more than 10,000 hectares of land in the Rufiji river delta in south-east Tanzania for oil-palm plantation. African Green Oil Limited has been granted a land lease for 250 hectares as a trial investment and the area will be increased depending on their performance. The company aims at producing palm-oil for selling to different buyers including biofuel producers.<sup>337</sup> According to the company's web page its aim is to establish "a 20,000 hectares oil palm plantation by 2020. AGO current annual planting is 800 hectares with the aim of reaching 2,500 hectares by 2013. AGO had already acquired 5,000 hectares and planted 435 hectares by 31st May 2009."<sup>338</sup>

Two other oil palm projects identified by IIED's report are Tanzania Biodiesel Plant Ltd, with 16,000 hectares acquired in Bagamoyo and InfEnergy Co. Ltd, with 5,818 hectares located in Kilombero.<sup>339</sup> Additionally, a report commissioned by Oxfam (2008) mentions further projects: TM Plantations Ltd, a Malaysian company planning plantations in Kigoma; Sithe Global Power, LLC (US), with plans to develop 50,000 hectare of oil palm plantations and refineries in Tanzania; InfEnergy (UK) which has optioned a 10,000 hectare site for an irrigated oil palm plantation; an unknown "palm oil group" from Malaysia, planning to plant 40,000 hectares in the Kigoma area.<sup>340</sup>

According to a paper presented in 2009 in Nairobi by the Ministry of Agriculture, Food Security and Cooperatives ("Tanzania Government Perspective On Biofuels"), the "Areas Earmarked for Biofuels Crops Production" include oil palm in Kigoma and in Ruvuma, near the border with Mozambique.<sup>341</sup> However, the above-mentioned projects appear to show that oil palm plantations will be established in a large number of locations throughout the country.

The promotion of investments in agrofuel production (including sugarcane, jatropha, sunflower and oil palm) can result in serious social and environmental impacts, among which the following:<sup>342</sup>

- increased pressure on food supplies further eroding food sovereignty
- rise in food prices, leading to hunger and malnutrition
- eviction of small scale farmers
- forcing farming communities out of their territories
- forcing pastoralists out of their land
- conflicts over use of water
- human rights violations related to monoculture expansion
- environmental pollution.

In spite of the above threats, the government is pushing forward for the development of agrofuels, with support from agencies such as the Swedish SIDA (which provided the funding

<sup>336</sup> <http://www.iied.org/pubs/pdfs/12560IIED.pdf>

<sup>337</sup> <http://snrecmitigation.wordpress.com/2009/04/22/in-search-for-the-silver-bullet-mitigating-climate-change-through-oil-palm-agroforestry/>

<sup>338</sup> <http://www.africagreenoils.com/>

<sup>339</sup> <http://www.iied.org/pubs/pdfs/12560IIED.pdf>

<sup>340</sup> [http://www.coet.udsm.ac.tz/biofuel%20documents/July08%20-%20\(Oxfam\)%20BIOFUELS.doc](http://www.coet.udsm.ac.tz/biofuel%20documents/July08%20-%20(Oxfam)%20BIOFUELS.doc)

<sup>341</sup>

<http://energycenter.epfl.ch/webdav/site/cgse/shared/Biofuels/Regional%20Outreaches%20&%20Meetings/2009/East%20Africa/Govt%20Tanzania.pdf>

<sup>342</sup> Abdallah Mkindi (2007).- The socio-economic and environmental impacts of a biofuel industry in Tanzania <http://www.biofuelwatch.org.uk/UKFG/envirocare.pps>

which enabled the National Biofuel Task Force to conduct initial meetings), and the German GIZ (that commissioned the first ever comprehensive study on the prospects of biofuels (for the transport sector) in Tanzania).<sup>343</sup> In such context, it is crucial that civil society organizations and local communities involve themselves in the issue to influence both corporate practice and government policy in positive ways.

As Abdallah Mkindoo of Envirocare, Tanzania explains: “With Tanzania routinely dependent on imported food aid as drought occurs with increasing frequency, the policy of producing fuel for export instead of food for Tanzanians, will deepen poverty and food insecurity in Tanzania in the years to come.”<sup>344</sup>

## Oil palm in Gambia

Most of the palm oil produced in the country comes from natural palm stands and not from large-scale plantations. A pilot scheme was begun in the mid-1960s to introduce plantation oil palm production, but this has had little impact on the national economy.<sup>345</sup> Oil palms are also one of the many species used in agroforestry.<sup>346</sup> Oil palms provide oil for local consumption and kernels for export, as well as palm wine from the tree’s sap, livestock feed and other products used locally.<sup>347</sup>

Most of the oil palm processing is carried out in rural areas by women using traditional methods, described by foreign eyes as follows: “The compound was also in the middle of the process of preparing palm oil that would be put into large jugs and then sold at the market. From this process they are also able to make their own soap .... The palm oil making process would seem quite primitive for us ... No fancy machinery just fire and big metal oil drums with hoses connecting the ones that need oil transferred from one drum to another.”<sup>348</sup>

Palm oil production was estimated at 2,000 tons in 1999, and kernels at 3,000 tons.<sup>349</sup> If one is to believe Madame Koiteh –a New York based “spiritualist and herbalist”- red palm oil from the Gambia is also being traded internationally –probably in small amounts to niche markets.<sup>350</sup>

In 2007 there were some new movements, when the media informed that a new company, Gambia Vegetable Oil Company, would soon start to operate a palm oil refinery in the country. The company is jointly owned by four Gambian nationals. Some of the refined oil would be sold in Gambia for local consumption but 70% would be exported to other African countries because of the low consumption of palm oil in Gambia.<sup>351</sup>

Until now, Spanish company Mercatalonia’s “Afropalma 2020 Project”, appears to be the only proposal for the production and export of agrofuels based on oil palm and sugarcane to have

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<sup>343</sup> [http://www.coet.udsm.ac.tz/biofuel%20documents/July08%20-%20\(Oxfam\)%20BIOFUELS.doc](http://www.coet.udsm.ac.tz/biofuel%20documents/July08%20-%20(Oxfam)%20BIOFUELS.doc)

<sup>344</sup> <http://www.africanbiodiversity.org/media/1210585739.pdf>

<sup>345</sup> <http://all-history.org/01un63.html>

<sup>346</sup> <http://www.agrigambia.gm/agric.htm>

<sup>347</sup> <http://www.accessgambia.com/information/palm-oil.html>

<sup>348</sup> <http://eliasandjess.blogspot.com/>

<sup>349</sup> <http://www.nationsencyclopedia.com/Africa/The-Gambia-AGRICULTURE.html>

<sup>350</sup> “Fresh from West Africa, Madame Koiteh's Red Palm Oil is high grade food quality. It is superior to any palm oil available in stores, because my palm oil is imported fresh every month from Mali, Senegal, and the Gambia. It is a brilliant crimson color and has excellent viscosity.” <http://www.etsy.com/listing/42515740/red-palm-oil-manteca-de-corojo>

<sup>351</sup> [http://www.gambianow.com/news/General/Gambia\\_Palm\\_Oil\\_Refinery\\_in\\_the\\_Making.html](http://www.gambianow.com/news/General/Gambia_Palm_Oil_Refinery_in_the_Making.html)

been presented to the government.<sup>352</sup> It is unclear if a Memorandum of Understanding has been signed or not.

## Oil palm in Togo

Natural palm groves in Togo have very different characteristics depending on the area where they are located. In the southern part of the country, oil palms are harvested for a large number of purposes (to produce oil, wine, alcohol, etc.). In the north, oil palm stocks are only very partially exploited.<sup>353</sup>

National production is estimated at more than 130,000 tonnes annually. Out of a total area of 600,000 hectares of natural palm groves, 70% are found in the south in the coastal and plateau regions. In the north, they are mainly concentrated in the Kara region, and more specifically in the prefecture of Doufelgou.<sup>354</sup>

The many different uses of the oil palm explain why it is referred to as a “miracle plant” by the rural population:<sup>355</sup>

- The palm nut is used to prepare sauces, as well as to produce palm oil and palm kernel oil;
- The sap is used to produce palm wine and the alcoholic beverage “sodabi”;
- The palm kernel shells are used as fuel for cooking;
- The resulting ashes are used to produce potash, which is used in cooking and also in artisanal soap production;
- The leaves are used to make brooms and mats;
- The branches are used to make racks and baskets;
- The trunks are cut and used for building houses;
- The roots are used for medicinal purposes.

Therefore, the oil palm plays an important role in the peasant economy, due to the fact that its cultivation contributes, on the one hand, to satisfying the daily household needs of farmers/planters, and on the other hand, to providing them with supplementary income through the sale of a part of the products derived from oil palms. Natural palm groves account for the bulk (90%) of the production of oil palm fruit bunches, while selected oil palm plantations account for only 10%. It is due to the very limited area suitable for the development of selected oil palm plantations that natural palm groves continue to be the country’s main source of palm fruit. Oil palms remain an important cash crop for farmers despite the fact that the fruit is

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<sup>352</sup> [http://www.mou.mercatalonia.net/mou\\_gambia\\_eng.pdf](http://www.mou.mercatalonia.net/mou_gambia_eng.pdf)

<sup>353</sup> <http://base.d-p-h.info/fr/fiches/premierdph/fiche-premierdph-4739.html>

<sup>354</sup> <http://base.d-p-h.info/fr/fiches/premierdph/fiche-premierdph-4739.html>

<sup>355</sup> <http://base.d-p-h.info/fr/fiches/premierdph/fiche-premierdph-4739.html>

gathered from natural groves that have low yields (1.5 to 2.5 tonnes/hectare as compared to 7 tonnes/hectare for selected oil palm plantations).<sup>356</sup>

In many areas where oil palm grows, it is groups of women who extract the oil through traditional, manual methods at the village level. Because these women do not own their own palm groves, they have no way of controlling the supply of palm fruit available to them, in terms of both quantity and quality. As a result, these groups of women normally occupy the third rung among those involved in the sector: planters, traders, processors.<sup>357</sup>

As in other countries in the region, the government of Togo has in the past made significant investments in the oil palm sector, both in establishing industrial plantations and building industrial facilities. This was the case in the region of Agou, where the state-owned enterprise Société Nationale pour la Promotion des Huileries et des Palmeraies (SONAPH) has created several thousand hectares of plantations and a large palm oil factory.<sup>358</sup>

In addition, as in numerous other countries as well, the multilateral financial institutions (World Bank, International Monetary Fund) have imposed privatization programmes on Togo. In this framework, the oil factory in Agou was privatized in 1998 and bought by l'Industrie Togolaise des Corps Gras (ITCG). To supply the factory, the government had entrusted groups of local farmers to tend industrial plantations which occupied around 1,800 hectares of land in 2000. There were also some 1,500 hectares of improved palm plantations and 60,000 hectares of natural palm plantations under private Togolese ownership. The factory operated at only 8% percent of its full production capacity because of a lack of raw materials.<sup>359 360</sup>

In an attempt to solve this problem, Togo obtained 200 million CFA francs from the European Union, under the STABEX finance scheme, for the establishment of private oil palm seedling nurseries, aimed at the creation of 2,000 hectares of improved oil palm plantations.<sup>361</sup>

The current situation has been described by the Togolese edible oil company Nioto as follows: "The shortage of precipitation<sup>362</sup>, the aging of the plantations, and the limited profitability of production have contributed to a drastic reduction in industrial oil palm plantations, with the result that the factory in Agou has only marginal palm oil production activity and Nioto must seek supplies of raw materials from the areas where natural oil palm is grown and from Benin in order produce palm kernel oil."<sup>363</sup>

The same source continues: "Natural oil palm is still found in the coastal, plateau and Kara regions. And 'red palm oil', the traditional palm oil, is still commonly used; likewise, especially in the Mono area, palm kernel nuts are manually crushed and ground."<sup>364</sup>

Changes in the government's policy have had several consequences. On the one hand, the government has stopped investing in the creation of new plantations, and on the other hand, the farmers, disappointed in the prices offered to them, have begun to cut down the natural oil palms to produce sodabi, a traditional local alcohol made from oil palm sap. At the same time,

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<sup>356</sup> <http://base.d-p-h.info/fr/fiches/premierdph/fiche-premierdph-4739.html>

<sup>357</sup> <http://www.codeart.org/pdf/dossier/essai-de-mecanisation-de-l-extraction-de-l-huile-de-palme-au-niveau-des-communautes-villageoises.pdf>

<sup>358</sup> [http://base.afrique-gouvernance.net/fr/corpus\\_dph/fiche-dph-219.html](http://base.afrique-gouvernance.net/fr/corpus_dph/fiche-dph-219.html)

<sup>359</sup> [http://base.afrique-gouvernance.net/fr/corpus\\_dph/fiche-dph-219.html](http://base.afrique-gouvernance.net/fr/corpus_dph/fiche-dph-219.html)

<sup>360</sup> <http://www.syfia.info/index.php5?view=articles&action=voir&idArticle=1072>

<sup>361</sup> <http://www.syfia.info/index.php5?view=articles&action=voir&idArticle=1072>

<sup>362</sup> Since the 1980s, rainfall has decreased from more than 1,500 mm to less than 1,200 mm annually.

<http://www.syfia.info/index.php5?view=articles&action=voir&idArticle=1072>

<sup>363</sup> <http://www.nioto-togo.com/spip.php?rubrique4>

<sup>364</sup> <http://www.nioto-togo.com/spip.php?rubrique4>

on the industrial oil palm plantations, the local peasants have demanded the return of the lands seized, expropriated or leased by the state for several decades in order to create these plantations. Dissatisfied with the financial compensation they have received, they have knocked down and set fire to oil palms. As a result of these actions, SONAPH, the state-owned enterprise that managed the palm oil factory and plantations, lost close to one half of the improved oil palm plantations that once covered 3,600 hectares.<sup>365</sup>

## Oil palm in Uganda

In the Ugandan case, the United Nations International Fund for Agricultural Development has been – and still is - at the forefront in facilitating and supporting foreign investment in the palm oil industry.

Investment in oil palm started in 2003, when the Government of Uganda, the United Nations International Fund for Agricultural Development (IFAD) and private foreign investors teamed up to establish an oil palm project based on Buggala Island in Kalangala (a district composed of a number of islands in Lake Victoria). The project is intended to grow 10,000 hectares of palm on the Island. Of the total project area, 6500 hectares will be under the nucleus estate and 3500 hectares will be by out growers/small holders.<sup>366</sup>

The project is a component of the Vegetable Oil Development Project which was started by the Government to increase the production of vegetable oil. It is a joint effort between the Government, IFAD, the World Bank and Oil Palm Uganda Limited. The latter consists of Wilmar, a Singapore-based conglomerate specialised in palm oil and BIDCO, an oil processing company. The project received a loan of \$19.9m. from IFAD, while the government contributed with \$12m for land purchases, electricity and roads.<sup>367</sup> In July 2010, the Government was seeking Parliament approval for a \$52m loan from the International Fund for Agricultural Development to expand oil palm production in the country.<sup>368</sup>

So far 10,000 hectares of land have been sourced for oil palm in Buggala Island. While the researches are still under way to expand oil palm to the mainland, some 2,000 hectares have been surveyed for oil palm in Buvuma Island. The government has agreed to source 30,000 more hectares of oil palm on the mainland with 20,000hectares of nucleus estate and 10,000hectares for the outgrowers and smallholder farmers.<sup>369</sup>

Agriculture state minister Aggrey Bagire has said that trials had started in Buvuma, Kibaale, Kabarole, Hoima, Masindi, Bundibugyo, Bugiri, Jinja, Iganga and Masaka, as possible areas where palm trees can grow.<sup>370</sup> Additionally, a recent study has indicated that oil palm can grow in Mukono, Mayuge, Oyam, Amolatar, Dokolo and Bundibugyo districts.<sup>371</sup>

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<sup>365</sup> <http://www.syfia.info/index.php5?view=articles&action=voir&idArticle=1072>

<sup>366</sup> <http://www.wrm.org.uy/countries/Uganda/Kalangala.pdf>

<sup>367</sup> <http://www.newvision.co.ug/D/8/220/710786>

<sup>368</sup> [http://www.soyatech.com/news\\_story.php?id=19297](http://www.soyatech.com/news_story.php?id=19297)

<sup>369</sup> <http://www.wrm.org.uy/countries/Uganda/Kalangala.pdf>

<sup>370</sup> [http://www.soyatech.com/news\\_story.php?id=19297](http://www.soyatech.com/news_story.php?id=19297)

<sup>371</sup> <http://www.landcoalition.org/cpl-blog/?p=4420>

The Buggala Island plantations have already resulted in a large number of social and environmental impacts -documented in a study commissioned by the Kalangala District NGO Forum-<sup>372</sup> which have been summarized as follows:

**Socio-economic Impacts:**

- Violation of Land Rights of Indigenous Peoples and Local Communities
- Loss of Land as a Safety net
- Human Rights Violations
- Denied access to resources and the resultant conflicts
- The Project employment opportunities are not attractive to the local communities
- Sudden rise in the price of land
- Destruction of community-based economy
- Exposure to Health Risks
- Food [in]security
- Loss of Cultural heritage and Values
- Insecurity

**Environmental Impacts:**

- Impact on biodiversity
- Increased pressure on Central Forest Reserves
- Depletion of forest products
- Deforestation
- Soil erosion
- Draining of wetlands
- Impact on micro-climate
- Use of agrochemicals
- Reduced wind breaks

Regarding forests, it is important to note that the oil processing plant uses fuelwood as its energy source in spite of the fact that over 40% of the forests were destroyed to make way for the plantations. What this means is that the remaining forest reserves are the next target for the supply of biomass, given that the company doesn't have any woodlot to provide firewood for their factory.<sup>373</sup>

However, the government has chosen to ignore those claims and the country's President Yoweri Museveni has criticised environmentalists saying that "... some people wanted to block it because they wanted to protect butterflies instead of development. But butterflies can go and live elsewhere."<sup>374</sup>

While the President evades the issue talking about butterflies, IFAD's country programme manager Marian Bradley brings in an equally irrelevant argument: orangutans. She said that

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<sup>372</sup> "A study to identify key issues for engagement about the oil palm project in Sese Islands Kalangala district: a case study of Buggala and Bunyama Island in Kalangala District", March 2009  
<http://www.wrm.org.uy/countries/Uganda/Kalangala.pdf>

<sup>373</sup> Kureeba David, NAPE – Uganda, personal communication 2010

<sup>374</sup> <http://ipsnews.net/news.asp?idnews=49113>

"There's been an inability of the NGO community to acknowledge the efforts the industry has made in terms of cleaning up what it's been doing. By innuendo this has been applied to Uganda. If a company in Malaysia is damaging a habitat of orangutans, the oil palm industry must be damaging a habitat in Uganda."<sup>375</sup>

The fact is that oil palm plantations **are** damaging habitats in Uganda and it would have been more relevant for her to talk about monkeys instead of orangutans. Harriet Saawo, the Kalangala district natural resources officer, has said that BIDCO destroyed 40 percent of the natural forest cover on Buggala. Paul Drichi, the director of plantations at Uganda's National Forestry Authority stated that the destruction of natural forests in Buggala has threatened forest-dependent wild animals like monkeys." According to what IPS journalist Wambi Michael saw in November 2009, "the monkeys were seen roaming about. Residents in the area complained that the monkeys were now destroying the crops more frequently than in the past, presumably searching for new food sources now that the original forest is gone."<sup>376</sup> In April 2010, the Kalangala District authorities took the drastic measure of ordered the killing of all monkeys to protect the palm oil trees,<sup>377</sup> because monkeys eat ripe palm fruits, posing a big threat to the oil palm project.<sup>378</sup>

As a result, not only monkeys, but also the tourism sector will pay the cost of habitat destruction. An estimated 30 tourists go to Kalangala every day where monkeys remain one of the attractions. At his Hornbill Tourist Camping Site Dicker Whitmann says: "They want to keep us out of business, because a majority of tourists that come here want to see monkeys. The other day, I had a group of students from a British university who had come to see nothing else but monkeys. So, if they kill all the monkeys here, would there be a reason for tourists to continue coming?" he asked.<sup>379</sup>

However, the main issue related to the expansion of oil palm plantations -and other agrofuel crops such as sugarcane being promoted in Uganda- is the impact they may have on peoples' food security. Morrison Rwakakamba, the Secretary General of the Uganda National Chamber of Commerce and Industry has recently declared that "we consider food as basic and first line of security for our members and the Country and our primary demand in regard to biofuels is that Government hastens the policy and regulation of biofuels." In relation to oil palm, he added that "we consider as unsustainable actions that mean degazattement and destruction of forests for planting palm oil or sugar cane."<sup>380</sup>

As the Kalangala District NGO Forum's report concludes from its analysis of the social and environmental impacts of the BIDCO plantations and the threat of destruction of 30,000 more hectares of tropical rainforest "This calls for the need for action against the spread of oil palm plantations in Uganda."<sup>381</sup>

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<sup>375</sup> <http://ipsnews.net/news.asp?idnews=50881>

<sup>376</sup> <http://ipsnews.net/news.asp?idnews=49113>

<sup>377</sup> Whoever produces a tail of a monkey is rewarded with 2000 Uganda shillings. The Kalangala administration first ordered for the killing of dogs on the island as they also attempted to taste the sweetness of the fruits (Kureeba David, NAPE – Uganda, personal communication 2010)

<sup>378</sup> [http://www.observer.ug/index.php?option=com\\_content&task=view&id=8034&Itemid=59](http://www.observer.ug/index.php?option=com_content&task=view&id=8034&Itemid=59)

<sup>379</sup> [http://observer.ug/index.php?option=com\\_content&view=article&id=8034:kalangala-decides-to-exterminate-monkeys&catid=78:topstories&Itemid=59](http://observer.ug/index.php?option=com_content&view=article&id=8034:kalangala-decides-to-exterminate-monkeys&catid=78:topstories&Itemid=59)

<sup>380</sup> <http://256news.com/page.php?aid=1280>

<sup>381</sup> <http://www.wrm.org.uy/countries/Uganda/Kalangala.pdf>