

NNPC engages Cross River communities on major palm biodiesel project



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The Nigerian National Petroleum Corporation (NNPC) has recently revealed that it has commenced a "comprehensive community integration and stakeholders' engagement" to "sensitize" dwellers of Iwure, Ojor and Osomba/Akin communities of Cross River State ahead of a planned oil palm-based biodiesel project in that part of the State.



Nigerian National Petroleum Corporation (NNPC) has recently revealed that it has commenced a "comprehensive community integration and stakeholders' engagement" to "sensitize" communities of Cross River State ahead of planned oil palm-based biodiesel project (photo courtesy Gustav Melin).

According to a statement July 16, the NNPC's Group General Manager, Group Public Affairs Division, Ndu Ughamadu, said that the 26 000 hectares (ha) facility was designed to accommodate an oil palm plantation co-located with biodiesel, crude palm oil (CPO) co

accommodate an oil palm plantation co-located with biodiesel, crude palm oil (CPO) co-generation plants and other facilities including a 14 MW biomass power plant fuelled using empty fruit bunches (EFB's) and other residues from oil palm.

Corporate officials from the Group's Renewable Energy Division (RED) have embarked on the "sensitization campaign" across affected communities, providing information on the rationale and projected benefits of the biofuels project in the state. The NNPC Research and Development Division (R&D) is also being engaged for the conduct of Environmental and Social Impact Assessment (ESIA) for the projects.

Under the arrangement, the oil palm would be processed into fuel-grade biodiesel and industrial CPO as by-products. The biodiesel will be blended at a 20 percent rate with conventional diesel and sold as B20 on the domestic market. Any unutilized biodiesel quantity would be exported to the international market.

The NNPC Cross River biofuel project is in tandem with renewed drive by the corporation to develop biofuels in Nigeria through a partnership with core investors to create a low carbon economy and link oil and gas sector to the agricultural sector. This is also to mitigate the adverse effect of climate change and the transformation of NNPC into an integrated energy company with diverse portfolio.

The business model would involve a Special Purpose Vehicle (SPV) comprising NNPC, State Government and the core-investors. The State Government is expected to provide land as equity while core investors take more than 50 percent equity and operate the venture leaving NNPC and State Government with a minority share of less than 50 percent.

So far, Kebbi, Ondo, Taraba, Benue, Jigawa, Kogi, Adamawa have shown interest in [partnering with NNPC in biofuel projects](#).