



OKOMU

Responsible tropical agriculture

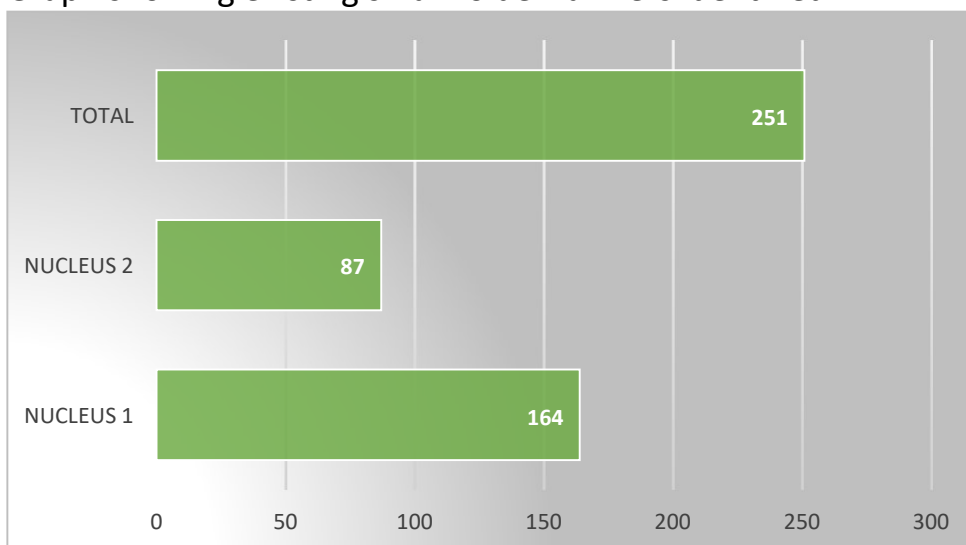
**REPORT ON PROGRESS
FOR SMALLHOLDER
INCLUSION IN OKOMU
FFB SUPPLY BASE
INTERIM
REPORT**

SEPTEMBER 2020

A total of 42 communities/clusters were covered in this study (26 communities/ clusters and 16 communities/clusters in Nucleus 1 and Nucleus 2 respectively). The communities covered, spanned the following LGAs within the study area: Ovia Southwest, Ovia Northeast, Uhumwonde, Owan West, Ikpoba-Okha, and Esan West LGAs. Generally, the clusters are characterized by small-sized farm holdings of less than one hectare per household. Men dominate farming while the women were more involved in marketing of oil palm products. A few oil palm plantations can be found in the communities while the wild grooves are scattered all over the study area.

6. The primary data were collected from a total of 511 respondents in the study area. These respondents comprised 251 existing oil palm smallholders and 260 prospective (intending) oil palm smallholders. Out of the 251 existing oil palm smallholders, 164 were in Nucleus 1 (Okomu EXT2) while the remaining 87 were in Nucleus 2 (Main Okomu+ Ext 1) representing 65.3% and 34.7% respectively. Also, the 260 prospective oil palm smallholders were made up of 217 and 43 respondents in Nucleus 1 (Ext. 2) and Nucleus 2 (Main Okomu+Ext1) respectively.

7. Graph showing existing smallholder farmers identified



8. Nuclues 1 is Ext.2 while Nuclues 2 is Main okomu

9. So far 4 cooperative farmers' organizations have expressed interest in working with Okomu on this

10. Below are the next steps in the plan to bring smallholders into the Okomu FFB supply base

11. The strategy to be used is to rehabilitate, and expand existing farms especially the younger areas of mostly Tenera farms , while the older areas above 25 years of Dura farms will be replanted in the first instance
12. Areas with mixed crop of more than 50% Dura but less than 20 years will also be replanted in the next
13. New areas for farmers identified within the 50km areas will be planted
14. The funding will be loans to be obtained for the farmers through commercial banks from CBN for the above activities
15. All the planting material will be from Okomu nurseries
16. Initially all tools, fertilizers will be obtained through Okomu for quality assurance and later service providers will be brought in to take up that role
17. In September 2020 a design workshop on the smallholder project for Okomu was completed and the outcomes was to continue with extra work on mapping of farmers with a consultant for which the ToR has been prepared and will be financed by 2SCALE by mid October to provide results by the end of December 2020 .
18. In addition, 2SCALE is to engage a consultant for the development of the pricing formula and has developed a Terms of Reference (TOR) for that along with Okomu. The results of such a study will be ready by middle of November 2020
19. 2scale and Okomu will validate outcomes of the design workshop before the Middle of October, 2020.
20. All things being equal Okomu will begin the process of FFB purchases by week 1 of Dec 2020 from areas around Udo
21. An SOP for FFB purchases including quality issues will be prepared by mid November 2020
22. Prepare a draft purchase agreement between Okomu and Terra Agric and farmers
23. Terra Agric will be the aggregation and purchasing organization.
24. 2SCALE will fund the training of extension agents who will provide training to farmers while Okomu will provide the training as part of its contribution
25. Part of the strategy for farmer inclusion is to ensure compliance with RSPO P&C which will be part of the training of the extension agents

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