



Palm Oil Industry a Viable Means for National Economic Development: A Study of Adapalm Industry in Ohaji- Egbema Local Government Area of Imo State, Nigeria

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ABSTRACT

Lack of diversification has been the major problem bedeviling Nigeria economy. Since independence in 1960, the country has relied wholly on crude oil. The over reliance on crude oil has affected the nation's economic progress. It is against this backdrop that this study examines palm oil industry as a viable means for Nigeria economic development. It focuses on Ada palm Industry in Ohaji- Egbema Local Government Area of Imo State, Nigeria. To this end, the paper employs qualitative research methods to analyze the rationale behind the establishment of Ada Palm Industry and its contribution to the economic development of the host communities and Nigeria at large. The paper reveals that during pre-colonial and colonial Nigeria, palm oil industry contributed significantly to the county's economic development. It equally shows that, at independence, efforts were made by former Eastern Central government to sustain the industry. The industry suffers neglect because of the discovery of crude oil. The crude oil boom in 1970s diverted the attention of Nigerian governments away from the industry to crude oil. It concludes that the oil palm industry in Nigeria needs to be revamped to save the nation's dwindling economy. It put into cognizance the challenges facing Ada Palm Industry and proffers some possible remedies to tackle them. It recommends that investment in the industry will increase Nigeria Gross Domestic Product and create more employment opportunity to millions of unemployed youth in the country.

Keywords: Nigeria, Palm oil, Industry, Ada Palm.

I. INTRODUCTION

In any condition of historical change, there is always an element of continuousness. The era from 1807 to 1854, was the period trade in slaves went concurrently with the trade in agriculture produce. It was also the period when trade in palm oil progressively grew from being an ancillary of the slave trade to the status of the most important item of the external trade. The rise and growth of legitimate trade in palm produce in the nineteenth century became a necessary and desirable substitute for slave trade in colonial Igbo societies. Throughout the 19th century, palm oil was the most important export from Igbo societies.¹

In Nigeria, Oil palm is among important economic oil crops. It is homegrown to the Nigerian coastal plain. However, it has come inward as a staple crop. Husbandry of oil palm has served as a source of income for several families and as well farming habit of many people in the country. Oil palm crop has multiple economic significances. Oil palm tree is made up of vital components: the fronds, the leaves, the trunk, and the fruits which serve many purposes stretching from palm oil, palm kernel cake and palm kernel oil.²

¹OnwukaNjoku, *Economic History of Nigeria*, 19th-21st centuries (Nsukka: Great AP Express Publisher Ltd, 2014), P. 174.

² Matthew O. Eshalomi, "Nigeria Palm Oil Today and Future Outlook", Paper presented at Nigeria Institute for Oil Palm Research Workshop, (2009).



The processing of palm fruit is one the most crucial economic activity engaged in Nigeria. It was believed that the Igbo have taken pride in palm oil production, especially with the establishment of palm Plantations in different part of Igbo land by former Eastern Region Government. During early 1890, Nigeria produced the highest quantity of palm oil sold in the global market and it was regarded as dominating source of foreign exchange. In the 1960s, Nigeria maintained her position as the World's major producer of palm products.³ The end products palm oil and palm kernels composed 15 to 20 percent of Nigeria's exports; in 1965 their combined value was £40 million.⁴ Additionally, palm oil is a vital item in the Nigerian food and is used for soap ingredient and cooking fat.

Actually, the oil palm had been exploited in Igbo land centuries before colonialism and palm oil had been exported from the area since the 16th century albeit in minuscule quantities to feed slaves en route to the Americas.⁵ The farmers were, therefore, not coerced into its production. Initially, the oil was produced for subsistence needs. The wine was tapped as an alcoholic beverage. The kernel was cracked and the oil extracted served as solvent in traditional medicine and complemented the eating of maize and breadfruit. The trunk was used as timber in building houses, the frond were used in making baskets while the mid-ribs of the leaves were used in making brooms. The oil palm tree seems to have been designed by nature to meet various needs of the Nigerian societies.

At independence in 1960, the Eastern Nigeria Government in her quest to make Eastern Region industrial hub, took interest in the oil palm industry. It embarked on the oil palm rehabilitation scheme, and established palm plantations in several places in the region. It has three palm programs relating to palm production—small holder palm grove rehabilitation, farm settlement and palm plantations. The palm grove rehabilitation program encouraged small farmers to replace old wild palm trees with new improved hybrid palm seedlings which were provided free of charge. In addition, the farmers were given annual cash payments, free fertilizer, and technical assistance until the palms were five years old. The farm settlement program includes palm production as part of a broader agricultural program which included several other crops and livestock. The palm

plantations were managed by a quasi-government agency called the Eastern Nigeria Development Corporation (ENDC).⁶ Palm oil was of huge importance in Nigeria's export economy. For example, N. P. Iloere reports that in 1906, Nigeria earned £22.43m from palm oil.⁷

In pre-colonial Igbo societies, no parcel of land was specifically set out for oil palm plantation. The oil palm trees were not deliberately cultivated as other trees such as coconut, orange etc. It was rather a product of dispersal by bird and other animals. Because of this, the ownership depended on the ownership of the land on which it grew. Of all other trees, it enjoys that advantage only with bush mango. To own the oil palm in Igbo land, one has to be the owner of the land on which it stands, except if the palms were given to one as security for a loan which may not include the land. The traditional Igbo society is patrilineal and gerontocratic. It is dependent upon land and what it can be made to yield. Land was obtained only by inheritance until its commercialization during the colonial period. Due to the importance of land in the society, right of ownership was only in the hands of the eldest men of the land owning lineages.⁸

The processing of palm fruit has gone through stages of developmental processes since 1960. Traditionally we have the floating method, the hand screw press, the hydraulic press the Pioneer of oil mill, the stock mill, and now the latest which is the Belgium oil mill which is regarded as the most efficient. The Adapalm Plantation was established by the East Central government under the auspices of its Agricultural Development Authority (ADA). The plantation was initiated as a part of a restoration venture to revamp oil palm processing in Nigeria.⁹

The economic and socio-cultural importance of palm oil on the Nigerian societies needs not to be over emphasized. But in recent years, its production has glaringly been decreased. This is because emphasis has been shifted from palm oil economy as the major source of livelihood to the petroleum products and nothing has been done to salvage this situation. Hence, the work unveils the contributions of Adapalm Industry to economic development of Imo state and Nigeria at large, especially now economic diversification is paramount concern to Nigerians. It proffers solutions

³Peter Kilby, *The Nigeria Palm Oil Industry* p. 177

⁴Peter Kilby, *The Nigeria Palm Oil Industry* p. 177.

⁵W. Miller, *An Economic Analysis of Oil Palm Fruit Processing in Eastern Nigeria* (London: University Micro Films, 1965), pp. 10-11.

⁶Miller, *An Economic Analysis of Oil Palm Fruit*, p. 11.

⁷N. P. Iloere, *A New Geography of Nigeria* (Norwich: Fletchers and Sons Ltd., 1965), p. 145.

⁸Kirean Nwanorah, 74 years, lecturer, interviewed, at his compound Amafor, Ohaji Egbema L.G.A Imo State, on 10th May 2021.

⁹O. K. Abosi, "Production Planning and Inventory Systems in Agro-Based Industry: A Case Study of Adapalm (NIG) LTD Ohaji-Imo State", (B.A Project University of Nigeria, Nsukka, 1995), P.4.



on ways to improve its position as a source of national income.

Origin of Ada Palm Industry

The most elaborate of agricultural programs in Eastern Region was the farm settlement scheme. In 1961, the premier of the Eastern Region, Dr. M. I. Okpara, toured on an economic mission. He travelled to India, Malaysia, Israel, West Germany, the United Kingdom and Ceylon. His visit to Israel played an important part on the development of the settlement schemes in the Eastern Region. On his return, with a team of Israeli experts, the premier announced in a speech in 1961 that a number of farm settlements would be established at a cost of £500,000 each.¹⁰ Every settlement was estimated to employ about 400 young settlers and their families on individual farms and villages with government financial and technical support.

In 1963, the United States Agency for International Development (USAID) gave technical assistance in the form of a poultry specialist and an irrigation engineer. In the same time, Israel on her part gave technical assistance to the region for the planning and execution of the farm settlement scheme. At the end of 1965, the government had gained about 148,930 acres in 22 sites for diverse schemes under the plantation development program.¹¹ The government set up six farm settlement covering 61,775 acres at Ohaji, Igbariam, Erei, Boki, Ulonna South, Ulonna North, and Uzouwani. With 1,070 settlers in 1966, over 7,829.05 acres were planted with many cash crops such as rubber, citrus fruit and oil palm.¹²

However, the outbreak of Nigerian-Biafra war in 1967 interrupted the planned scheme. Eugene Nwana, the administrator of the Ohajifarm settlement during the first five years of its establishment elucidates that, the war diverted the attention of eastern region government from the scheme as the most important thing then was to win the war. And as such, the scheme suffered setback as government cannot be able to provide incentives promised to the settlers.¹³ The Nigeria-Biafra war made USAID to stop any technical assistance and sending of seedlings for the farm settlement. Also, the Federal Government of Nigeria placed an embargo and prevented federal ministry of

agriculture from supporting the project. In 1971 after the war, the Food and Agricultural Organization (F.A.O) in co-operation with the World Bank showed interest in oil palm rehabilitation, especially the small-holder scheme, Eastern Nigeria. F.A.O and World Bank sent in special appraisal mission which were to sign agreement with Eastern Nigeria Government to support the expanding oil palm Rehabilitation program of 330,000 acres.¹⁴

The F.A.O and World Bank interest was able to exceed its pre-war achievement. There was need to effect the repairs of the damages caused by the war. To solve the problem, the mission was given every encouragement by making it easy for them to have access to all facets of agriculture, especially in area of palm oil by East Central State. After their appraisal, the mission recommended among other things that there would be enough land in the East Central State for the scheme; there would be prompt payment for seeds and seedlings supplied to the East Central state Government.¹⁵

By 1973, the task force committee on oil palm reclamation program (1972/1973) whose main objective was to assist farmers registered under the State's oil palm rehabilitation scheme to reclaim about 48,000 acres of oil palm plantations was established during the 1962-9168 Six Years Development plan under the Small-Holder Rehabilitation and the farm Settlement scheme produced their final report. According to the report, the oil palm plantations suffered neglect and destruction during the war and farmers were not able, even three years after the war, to resume regular maintenance and harvesting of the palms.¹⁶ The program, which lasted from July 1972 to March 1973, accomplished about 84% of its target. By the end of the program, oil palm farmers and farm settlers in the State had successfully reclaimed a total of 40,204.89 acres. Reclamation grants of #4.00 per acre, amounting to #160,819.56 were also paid to the farmers while 3,148 tons of fertilizers were distributed to them.¹⁷

¹⁰Korieh J. Chima, *The Land Has Changed: History, Society and Gender in Colonial Eastern Nigeria*, (Canada: University of Calgary Press, 2010), p. 207.

¹¹Chima, *The Land Has Changed* p. 207.

¹²Chima, *The Land Has Changed* p. 208.

¹³ Interview with Eugene Nwana, 85 years, retired civil servant, AssaOhaji, on 10th June, 2021.

¹⁴Intelligence report on Oil Palm Rehabilitation Project 15/10/1971, National Archives, Enugu, p. 19.

¹⁵Intelligence report on Oil Palm Rehabilitation Project, p. 22-23.

¹⁶Interview with IfediOhaji, 80 years, retired civil servant, AssaOhaji, on 10th June, 2021.

¹⁷Intelligence report on Oil Palm Rehabilitation Project, p. 66.



THE TABLE OVERLEAF SHOWS THE DETAILS OF ORIGINAL ACREAGE ESTABLISHED BEFORE THE WAR, THE ACTUAL ACREAGE RECLAIMED AND THE PERCENTAGE PERFORMANCE ON A ZONAL BASIS.

ZONE/AREA	ORIGINAL ACREAGE	ACREAGE RECLAIMED	PERCENTAGE PERFORMANCE	NO. OF BENEFICIARIES
Aba zone	5,900.00	5,141.50	87.14	361
Abakaliki zone	4,313.00	2,177.30	50.48	59
Awka ”	5,837.00	5,367.66	91.90	418
Enugu Zone	2,101.00	2,017.50	98.69	179
Nsukka Zone	1,318.00	1,724.00	130.80	126
Okigwe Zone	4, 638.00	3,642.00	78.52	339
Orlu Zone	2,558.00	1,819.33	71.11	131
Owerri Zone	2,780.00	2,632.00	94.60	585
Onitsha Zone	2,553.00	3,377.50	132.20	211
Umuahia	6,520.00	6, 104.50	93.62	491
FARM SETTLEMENTS				
Erei	2,152.00	1, 258.60	58.47	143
Igbariam	2,286.50	2,267.50	99.47	143
Ulonna North	1,376.50	1,376.50	100.00	172
Ulonna South	806.00	297.00	36.85	98
Ohaji	2, 573.00	946.00	36.76	127
	47,712.00	40,204.89	82.02	3,765

Source: Final Report of Committee on Oil Palm Reclamation, July, 1973 (Enugu National Archive).

The Ohaji farm settlement was allotted 26.00 muriatic potash of fertilizer and oil palm seedlings.¹⁸ The 1972/73 oil palm reclamation programsponsored by the Federal Government in the East Central State was a huge success. On August 1974, the Hon. Commissioner Federal Ministry of Agriculture went for a tour in Ohaji farm Settlement and a proposal was made to import oil palm seeds from Ivory Coast for large scale oil palm development in East Central State.¹⁹ Proposal was also made to establish palm plantation in Ada to give a field trial of importing seeds from Ivory Coast to that of Ohaji and Nigeria Institute for Oil Palm Research. It was estimated that 100 seeds were required per acre of filed planting. About 200, 000 acres of palm plantation were proposed for Ada project. However, the proposal to import seeds from Ivory Coast was later dropped because of its inferiority to that of Ohaji Nigeria Institute for Oil Palm Research and high cost of the importation. It was estimated that the East Central state collected from Nigeria Institute for Oil Palm Research 700,

000 sprouted oil palm seed from 1973-1974 which will be available for field planting in 1975. Another 300, 000 seeds were also released on May 1974 to make up the seeds 1, 000,000 planned for 1975. By May 1975, the seedlings were distributed for the palm plantation projects in East Central State including the Adapalm project.²⁰

Adapalm Plantation was incorporated on the 9th of May, 1975. After the division of the East Central State and the creation of Imo State in 1976, ownership of the Plantation firm was given to Imo State Government and to be controlledby the Ministry of Agriculture and Natural Resources, Owerri. Presently, the palm plantation is under thecontrol by the Imo State Government.²¹The majoraim of the firm is to develop and manage oil palm farms, and their related products, and mechanical processing of fresh fruit bunches at its mills complex at Ohaji-Egbema and Umuogu, Mbaise. Currently, the firm has 4,310 hectares of oil palm farmestablished between 1975 and 1978 while 20 hectares were planted in 1995. The products of

¹⁸Intelligence report on Oil Palm Rehabilitation Project, p. 67.

¹⁹ Interview with UkachiNwosu, 70 years, Business man, ObubaOhaji, on 10th June, 2021

²⁰Intelligence report on Oil Palm Rehabilitation Project, p.390.

²¹<https://www.investinimo.com/adapalm.orign>. Accessed on June 18th 2021.



the company are the Special Palm Oil (SPO) and Palm Kernel.²²

Raw Materials for Palm Oil Production

Palm oil is gotten from palm fruit. The palm fruit grows in clusters on a thick stalk.²³ Among the palm tree households, there are varying classes of right to ownership of palm field. These include ownership by inheritance, by gift, purchase, and pledge. Apart from Adapalm plantation, in Ohaji-Egbema, the people own palm trees which produces palm fruit for palm oil production.²⁴ Available sources have shown that palm tree is as old as Igbo societies. OzoIkeonye pointed out that oil palm and its product served the earliest inhabitants in many and varied ways. The palm trees indigenous to Ohaji-Egbema and Igbo people are blessings of inestimable value.²⁵

Most of the oil palm fruits grew wildly without human interference, especially where the soil is fertile; these are exploited by individual in who own the land. The kernel in which the saplings spring often fall from ripped bunches or has been thrown out as refuse. Those located in the bush breed typically from seed spread by birds. Little care is given to the tree until it starts to produce fruit. In Igbo land, oil palms grow naturally in groves. Oil palm is the highest yielding. Myriads of seedlings spring up annually from the scattered seeds which fall from the bunch as they are carried home.²⁶

Methods of Palm Oil Production in Adapalm Industry

There are two methods of palm oil production in Adapalm oil processing firm: the manual and mechanized (traditional and modern) methods. The former used crude mode of production and still in practice in many Igbo societies while the latter uses machine (engine). However, even as much as our study focuses on mechanized mode of production, it is also important to examine the tradition system of palm oil production because both methods are being utilized in production process in the plantation firm.

Using traditional method, production solely lied with Igbo women, who played an indispensable role in production, as well as in the storage and

commercialization of palm oil; defying the inherent tedious nature of traditional way of production. It is important to state here that the following presentation of the traditional method of production of palm oil is used in Igbo societies. This involve climbing of the oil palm trees cutting down the fruit bunches, chopping off and separation of the stalk from the bunches picking of the palm nuts (fruits), boiling of the palm fruits pounding of the fruits in a wooden mortar or treading on foot in a wooden canoe, pouring of water, separating of the nuts, pressing of the crushed mesocarp by hand for oil, and then boiling of the oil until the water evaporate.²⁷ All these processes thus produced the palm oil through traditional method.

There are two methods of mechanized production of palm oil; the manual machine and operating machine. In the manual process, the oil palm fruits are being heated first with big- drum before pounding, it will be transferred into a big drum half buried in the ground, it is normally pounded to pulp by four to five men until it is ready for extraction. The oil squeezed out from the pounded palm pulp between the wooden strips into the trough and it runs through the spout into the collecting vessel beneath. On the other hand, the operating machine process is almost the same with the screw press technique but differs in the sense that, instead of heating the palm fruits with one drum, many drums are used. The boiling pot of this technique is bigger than the other one.²⁸

In Adapalm plantation, production was done manually by using traditional ways and manual machine until 1984. In this period, the plantation firm became a combined enterprise between Imo State government and foreign investors.²⁹ Imo State Government offered land while the foreigners provided the oil mill. Palm oil productions in this period became fully mechanized. In this process of production, Palm oil is extricated from Fresh Fruit Bunches (FFB) through a motorized procedure, where a mini-mill or medium processing mill is used. The fresh fruit bunches are reaped base on harvesting cycles and are to be supplied to the mills on the same period for manufacturing of Special Palm Oil.³⁰

²²<https://www.investinimo.com/adapalm.orign>. Accessed on June 18th 2021.

²³ Interview with EjikeUnanwa, 50yearsfarmer, AssaOhaji, on 10th June, 2021.

²⁴ Interview with ChikeziBenson, 57 years, businessman, AbakuruOhaji, on 11th June, 2021.

²⁵ Interview with OzoIkeonye, 45 years, businessman, AbakuruOhaji, on 11th June, 2021.

²⁶ OzoIkeonye, Interviewed.

²⁷ Interview ChinyereUkaegbu, 47 years, farmer, AbakuruOhaji, on 11th June 2021.

²⁸ Joy Agbagha, "The Palm Oil Industry in Ideato North L. G. A, 1939-200" B.A Project, University of Nigeria, Nsukka, 2011, pp. 26-28.

²⁹ HyginusUgwu "Energy and Fuel Value Analysis of Ada Palm Oil Plantation Limited, Imo State, Nigeria", *American Journal of Mechanical Engineering*, Vol. 1, No. 4, (2013), p. 90.

³⁰ Ugwu "Energy and Fuel Value Analysis of Ada Palm, p. 90.



A palm oil mill in Adapalm plantation manufactures palm oil and kernels, as main products, and biomass as a minor product. The volume of mini-processing mills differs between 10-20 tons fresh fruit bunches a day. A typical automated mill has numerous operational units. It includes: digestion, pressing, clarification, purification, drying and storage.³¹

Contributions of Ada Palm to National Economic Development

The oil palm is a tree of immense economic value. Its products are also of great economic importance to the people. Its two major products that are of immense economic importance are palm oil and palm kernels. It has been stated that: "If crude oil is called the Black Gold because of its color and value, then palm oil is the Red Gold, it is golden red and of great value".³² However, the need for palm oil is both a matter of necessity and a natural disposition. Palm oil and kernel enjoy tremendous patronage for domestic, industrial and pharmaceutical uses. Palm oil is used in making local soap (Ncha-Ngu) when done in the proper way. The oil in the fibers is used as candles for producing light in the night. The oil itself is the major fuel in homes of people. Before the introduction of electricity, candles and hurricanes lanterns, the people depended on palm oil for lightening their homes and surroundings. In acknowledging the importance of palm oil Buchanan asserted that:

It is difficult to exaggerate the importance of the oil palm in the forest lands of the south: its leaf-ribs are used in building, the leaves in thatching, the fiber in rope making; palm wine obtained by tapping the tree is a pleasant, intoxicating drink; palm oil is used in the manufacture of tin-plate, soap, margarine and cooking fats, candles and lubricating greases. Palm kernel oil is used in the manufacture of soap, with glycerin as an important by product; it is used also in the manufacture of margarine, candy, and pharmaceutical products, while the residual kernel cake is a valuable livestock food.³³

Palm oil produced in Ada Palm contributes to the increase of Nigeria's Gross Domestic Product (GDP). In analyzing the contributions of palm oil to economic development of Nigeria, Buchanan pointed out that in 1955, palm products accounted

for almost 24% of Nigeria export value. Production for export is confined to the south, and attains its maximum importance in the Eastern Region, where palm products make up over four-fifth of the exports.³⁴ Palm oil and palm kernel oil, as well as their numerous byproducts continue to add meaningfully to the Nigeria production and exports of oils and fats. The rising output and export is as a result of increase in Nigerian population.³⁵

The Ada Palm industry and its activities attract economic development in Imo State, Nigeria. Society develops economically as its members rise mutually in their ability to deal with their environment. Economic development is a gradual growth of trade, industry, wealth of a country, an area or a society to better the lives of the people. This development is typically measured in terms of job and income, improvement in human development, health, education, and environmental sustainability. This development cannot be achieved in a vacuum, its achievement is dependent upon, the ability of a community to produce for export and in return increase net worth of the society. This income help to improve people's wellbeing and as well used for other economic development.

The location of Ada Palm in Ohaji-Egbema has turned the area into a business center for palm oil production in Imo State. Palm oil production in Ohaji-Egbema, especially with the presence of Ada Palm industry attracts people from different parts of Nigeria to the area who come to buy the product. As a result, the community's income increases. The palm oil industry has been a major source of income to different households and the community at large. However, in line with the purpose of its establishment to increase peasant production, offer job opportunities for school leavers, and decrease rural-urban drift,³⁶ the palm oil production in the area has created employment opportunities for the indigenes. The President of Oil Palm Growers Association of Nigeria points out that the Ohaji-Egbema accounts for 40% of the total palm oil production and about 200,000 people are directly or indirectly involved and earning their living from palm oil business in Imo State. Umuagwo cluster alone accounts for about half of total production from Ohaji-Egbema Local Government Area that is, 20% of State production. The cluster was purposively grouped according to communities

³¹Interview with Chetanna Amadi, 56 years, Technical Manager, Plant Operations, Status of Ada Palm Oil, Ada palm plantation, July 5th 2021.

³²Goodluck Ikubor, 'More Palm Oil, Less Kernel, Guardian Financial Weekly, (March 21, 1988), p. 17.

³³K. M. Buchanan J. C. Pugh, *Land and People in Nigeria*, (England: University of London Press Ltd., 1955), p.132.

³⁴Buchanan, *Land and People in Nigeria*, 132.

³⁵Buchanan, *Land and People in Nigeria*, 132.

³⁶Donatus Nwseke, interviewed



making up the cluster and these are Umuezewere, Umuelu, Umuguma and Umuduku.³⁷

Money derived from the selling of palm produce is used in replenishing other foodstuffs not available in the house. They are also channeled in developmental projects such as building of roads, schools, bridges, etc. The money is further used in replacing damaged farm implements used in oil palm industry, thus investing for the continuity of the industry and the economy as well. Many households in Imo State survive through the industry. They pay their children's school fees and take care of other necessary needs in the house from money gotten from palm oil sale. One also uses the money to fulfill his or her obligation to the village as may require from him or her.

Challenges of Palm Oil Production in Ada Palm Industry

Different regimes in Nigeria have refused to invest in agro-industrial assets, especially with the discovery of crude oil. This has seriously affected Ada Palm industry and palm oil industries in the country. A country that was major exporter of palm oil in colonial period and first decade of its independence can no longer produce palm oil that its citizens can consume presently. This shows the inability of Nigerian leaders to diversify the country's economy. Countries such as Indonesia and Malaysia are now leading in palm oil trade in international market. The inability of Nigerian governments to build more palm oil industries and the neglect the existing ones have suffered caused the country more than a fortune. Presently, money accrued from crude oil has declined and the country has no other viable commodities to sell in the world market. The consequence of this is continuous economic decline, which reduces the country's external reserve and the value of the country's currency.

In Igbo communities land is owned by individuals, families, and communally as the case may be. One is only entitled to the palm trees that falls within their own land. In that case, those who have less land likewise harvest less palm fruit. However, the Adapalm Plantation did not cover the whole Ohaji-Egbema, it is an area that stretched to about 200,000 acres of land as of 1975 when it was established.³⁸ Presently, the industry lacks enough

land to expand and plant more seedlings. This has made the industry to source raw materials outside its confinement for more production. More so, the host community whose land was used for the industry agitates for more compensation as land has turned into a valuable commodity.

The growth of population in the recent decades in the area, especially with the presence of aliens who work in the industry has made it impossible for the existing habitable land to meet the needs of the people. As a result, people are compelled to go into farmland to build houses. In the course of that, many palm groves are cut down and as they are not replaced by new ones thus, production is reduced. The frequent cutting of palm trees as a result of population increase and quest for more land for building project have led to shortage of raw material for production. The industry also faces the challenge of inadequate power supply. The adoption and uses of mechanized system of production needs adequate and constant power supply. Epileptic power supply in Nigeria has affected production in the industry. This made management of the industry to establish a steam power plant to provide an independent power supply.

Some of the staffs lack adequate knowledge method of operating the production machines. Workers in the industry are majorly indigenous people; they do not have sufficient knowledge on how the machine is being operated. This sometimes leads waste of materials for production. Others include, poor remuneration for workers, lack of adequate information as regards to where to get raw material as the ones in the industry are no more enough for production.

Prospects for Improvement in the Techniques

Combating illiteracy should be given a priority, especially as it pertains to the use of machines in the production process to avoid unnecessary wastage of the product. The management of the industry should give their staff adequate training and sensitization on how to operate the machine to avoid damage and increase effectiveness and efficiency in production.

Improved and dwarf varieties of oil palm seedlings should be supplied to the industry so that they can replace the wild palm grove which are becoming difficult to harvest in the area. Additionally, the Nigerian government should pay attention to the industry in order achieve the main purpose of its establishment. The present leadership at all levels of administration in Nigeria appears to be unwilling to improve and revitalize oil palm

³⁷Elekwachi James & Samuel Fadare "Palm Oil Value Chain in Rivers and Imo States, Nigeria" *Foundation for Partnership Initiatives in the Niger Delta*, 2012, p. 24.

³⁸Elekwachi James & Samuel Fadare "Palm Oil Value Chain in Rivers and Imo States, Nigeria" *Foundation for Partnership Initiatives in the Niger Delta*, 2012, p. 32.



production across the country to match the world standard. No doubt, this stops the country from being the main producer of crude oil palm in the world. It is now a net importer of palm oil and produces only 1.7% of the world consumption of palm oil, insufficient to meet its 2.7% domestic consumption.

II. CONCLUSION

In Nigeria, the oil palm was, and still is the most important economically viable crop and one of the economic foundations on which the country was built. Its antiquity is such that has no exact date. The people believe that the oil palm was among the first things God created. The importance of the oil palm to the people was such that it was all- pervasive, serving both domestic and economic purpose in the pre-colonial era. In the colonial period, oil palm witnessed much exploration.

During the colonial period, the ultimate importance of the oil palm as a high-yielding source of palm oil was at the center of international trade. Beginning from the era of legitimate commerce down to the colonial period, it was well appreciated and utilized in Nigeria. However, production of palm oil during this period was most commonly carried out by women, using fairly efficient and laborious traditional method of production. Production did not involve any new technique as Igbo societies never felt the wave of oil mills and presses during the period. The traditional mode of production of palm oil in the pre-colonial time thus continued to be used throughout the colonial period with no less satisfaction.

It is generally accepted that in the colonial Nigeria, production of oil was an important endeavor. With the spread and stronghold of the Industrial Revolution in Europe and the consequent industrial uses of and demand for palm oil, the British saw palm oil as an anchor of their economic motive in Nigeria. Their demand for oil led to heightened interest in the peasant production of palm oil all through the colonial period. To increase, the British in the 1930s through Native Administration introduced oil mills and presses, which met their purposes. The existing commercial firms were used as tools of collection and commercialization of palm oil. The independent of Nigeria in 1960 saw the plan by Eastern Region Government to establish indigenous palm oil industry to improve peasant production, proved career opportunities for school leavers and stem rural urban-drift.

The study showed that the Igbo societies were producers of palm oil during the

colonial period. The establishment of Ada Palm was to increase production and enhance effective and efficient production in the palm oil industry in East Central State. The industry is one of the major sources of income to the people and has contributed a lot in reduction of unemployment level in the area. The industry is also the source through which the country is getting her palm produce, particularly palm oil.

The survey of the production of palm oil in Adapalm industry showed that with innovations in oil mills and presses, there have been increases in output, efficiency, and effectiveness in production. Both traditional and mechanized methods of production are in use to facilitate production and to avoid wastage. Moreover, from evidence, this study has demonstrated that Ohaji-Egbema women played, and is still playing an essential role in the production, storage and commercialization of palm oil. Even with the advent of production machines, the role of women in the palm oil production process is still in need.

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