Solidaridad

NATIONAL OIL PALM VALUE CHAIN POLICY AND IMPLEMENTATION PLAN

Validation workshop

Venue: Sierra Palm Resort Hotel, Aberdeen Date: 15-16 November 2023



VALIDATION WORKSHOP

Report

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Introduction

A two (2) day validation workshop for the National Oil Palm Value Chain Policy and Implementation Plan was held on 15th & 16th November 2023 at the Sierra Palms Hotel, Beach Road, Aberdeen. The purpose of the workshop was to engage stakeholders on the validation of the national oil palm value chain policy and implementation plan documents

About 93 participants from various government agencies, CSOs, NGOs, Development Partners, International Organisations, Ministries, Departments, and Agencies MDAs), Local Councils representatives, producer organizations, and other value chain actors participated in the workshop. The workshop provided an opportunity for the stakeholders to discuss the main findings from the desk research, internet surfing, one on one engagement, and focus group discussions.

The expected outputs of the workshop were:

- Detailed comments made by the participants on the Draft report
- Recommendations for additions and removals in the report
- Validation of the draft report by participants
- Consensus on the way forward

This report includes all comments and feedback provided by all participants during the validation workshop. It should be noted that the report uses transcripts of what was actually said and agreed on. To the extent possible and realistic, the comments and suggestions will be incorporated into the final revised version of the policy and implementation plan before submission.

Workshop objectives

The primary goal of the validation workshop is to engage key stakeholders to validate the vision and mission statements, goals and specific objectives and policy statements, and components, institutional arrangements, timeline, monitoring and evaluation, and financing plan.
Specifically, the workshop shall initiate the following:

- Create a forum and opportunity for all the Ministry of Agriculture and Food Security (MAFS) and other key stakeholders to clearly understand their respective responsibilities and how they interlink to each other for an effective and efficient policy delivery.
- Facilitate the full implementation of the planned activities in the respective components;
- Engage key stakeholders including policy makers to deliberate on and buy into the policy implementation plan, establishing the basis for ownership.

Opening Session

The opening session was characterized by opening remarks from the following individuals from different organizations:

- Solidaridad – West Africa (Regional Director via Video): **Isaac GYAMFI**
- National Union of Oil Palm Platform (NUOPP): **Edward SESAY**
- Produce Monitoring Board (PMB) – Executive Director: **Didan SANKOH**
- Ministry of Agriculture and Food Security (MAFS) – District Crop Officer: **Kadija KOROMA** represented the Director of Crops who was unavoidably absent
- European Union Delegation, Sierra Leone – **Alexander SERRAS**
- National Federation of Farmers of Sierra Leone (NaFFSL) – President: **Yatta SAMA**
- Keynote address Deputy Minister 2 MAFS: Hon. **Sahr HEMORE**

Presentations and Plenary Discussions

The following presentations and plenary discussions were held during the validation workshop of the National Oil Palm Value Chan Policy and Implementation Plan development:

Presentation on the diagnostic study and plenary discussions

The presentation focused on the analysis of information gathered from literature review: reports, strategic documents, national and international policies, acts, etc. The summary of the findings and recommendations include:

Key findings focusing on;

- Production, processing and marketing
- Policy issues
- Challenges related to production, processing and marketing
- Market demand – local, regional and international
- Market constraints
- Shares along the value chain among major actors
- Investment projects in Sierra Leone
- Strategic intervention areas
- Priority intervention areas
- Innovation along the value chains

Key recommendations;

- Empower smallholders and workers, especially women and youth, to access resources and opportunities in the oil palm sector.
- Adopt and implement good practices and standards to improve quality and sustainability of oil palm products and reduce environmental and social impacts.
- Foster dialogue and collaboration among stakeholders at national and regional levels to harmonize and align policies and regulations of the oil palm sector.
- Support knowledge and innovation development and dissemination in the oil palm sector and raise awareness and advocacy of the benefits and challenges of the sector.
- Increase technical capacity of the sub sector
- Reorganization of sub sector on basis of a well-structured cooperatives
- Implementation of credit lines appropriate to sub sector
- Improve palm oil quality and make it valuation
- Set up institutional support to sub-sector

Presentation on policy direction and plenary discussions

The policy direction presentation focusses on the following policy focus areas, policy statements with contextual analysis and strategies:

1. Policy Focus Area 1: Enhancement of production and productivity
    a. Policy statement 1.1: To increase the productivity of smallholders' oil palm plantations
    b. Policy statement 1.2: Develop actions for Sierra Leone that support oil palm smallholder development and ensure appropriate community engagement in the oil palm production landscape

2. Policy Focus Area 2: Investment in the sub-sector

a. Policy statement 2.1 Develop a credit system for the acquisition of agricultural equipment adapted to the context of smallholder farmers by considering the previous failed experiences

b. Policy statement 2.2 Develop a subsidy system that encourages producers to invest in new agricultural technologies.

c. Policy statement 2.3 Introduce a land banking/profiling activity

3. Policy Focus Area 3: Market development
    a. Policy statement 3.1 Provide access to price and market information

    b. Policy statement 3.2 Improve entrepreneurship skills of smallholder farmers for income earning, value addition, and participation in high-value market

    c. Policy statement 3.3 To improve market access for smallholder farmers while improving accessibility for consumers and minimizing post-harvest losses.

4. Policy Focus Area 4: Enabling business environment

    a. Policy statement 4.1 Develop a conflict resolution mechanism and a feedback grievance redress mechanism

    b. Policy statement 4.2 Develop an integrated land use plan in conformity with the Sierra Leone Land Rights Act (2022), with a specific focus on the acquisition of deed for customary land

    c. Policy statement 4.3 integrate sustainable conservation practices in oil palm production landscapes, in conformity with the Sierra Leone national REDD+ strategy and other relevant national and international commitments

    d. Policy statement 4.4 Reduction in the high-interest rates on loans for smallholder farmers of financing institutions

    e. Policy statement 4.5 Provide sustainable and regular financing for the oil palm sector development

Presentation on implementation plan and plenary discussions

The strategic orientation which included the vision and mission statements, goal, strategic objectives and the various components were presented to the stakeholders. The summary includes;

Vision by 2030 and mission statements

The policy highlights key challenges that need to be overcome in order to make the sub sector sustainable and profitable to smallholder farmers.

With all challenges, the long-term vision is in line with the development vision of Sierra Leone that we want in 2030 as follows;

…….by 2030, Sierra Leone will have a dynamic, innovative, sustainable and self-sufficient palm oil industry that provides benefits to various stakeholders, and have enough palm oil/vegetable oils for the country and for export.

To achieve this vision, is to improve the main factors that strengthen the development of the palm oil value chain which are the infrastructures, the cost of energy, the governance and the fight against corruption, the containment of inflation of the national currency and the promotion of education. They are limiting factors to industrialization and mechanization

The mission of this policy is to develop the oil palm sector through gainful production, processing and marketing of palm oil products and by-products to ensure food security, increased income and rural employment through good agricultural and manufacturing practices and sustainable oil palm development

The strategic objective of the policy

The policy is based on the following strategic objectives that are essential for the orientation of all proposed directions, including:

1. To increase production and productivity of smallholder farmers through innovative cost-efficient technologies.
2. To improve the environmental sustainability of the whole value chain.
3. To identify districts and chiefdoms where oil palm planting shall be expanded to guide the planners and builders of farm-to-market roads and training facilities.
4. To encourage and provide incentives to local or foreign investors to provide their rural oil palm-growing communities with basic amenities such as housing, health facilities, schools and recreational centers in all oil palm production regions.
5. To improve on the marketing and distribution of palm oil to improve market access for farmers while improving accessibility for consumers and minimizing post-harvest losses, while improving food security.
6. Develop a conflict resolution mechanism for the Sierra Leone oil palm sector
7. Develop a 5-Year Implementation to guide sustainable oil palm development in Sierra Leone.
8. To ensure compliance with national standards for the Sierra Leone oil palm sector
9. Develop an integrated land use plan that protects ownership, and user rights in conformity with the Sierra Leone Land Rights Act (2015), with specific focus on the acquisition of deed for customary land.
10. Integrate sustainable conservation practices in oil palm production landscapes, in conformity with the Sierra Leone national REDD+ strategy and other relevant national and international commitments.

The SWOT analysis was also presented to the stakeholders for their input. See below

Strengths	Weaknesses
● The non-industrial sector in Sierra Leone provides a potential source of income, employment and development especially in the rural settings/communities ● Intercropping of oil palm together with some food and cash crops ● It prevents soil erosion, optimizes the utilization of different soil nutrients and enhances food security ● High profitability for palm oil produces as a result of value addition ● Presence of both domestic and sub-regional markets. ● Growing demand for CPO ● Availability of commercial investment. ● Availability of downstream processing capacity ● NGOs providing services for farmers (oil palm seedlings and trainings). ● Large number of smallholdings ● Availability of degraded land	● Dominance by smallholders processing using rudimentary facilities ● Poor attitude toward work and inadequate government policies. ● Poor quality of palm oil produced because of aged trees. ● Inadequate credit facilities and unequal distributions. ● Poor infrastructural facilities. ● Greed and costly palm oil – low duties as result of smuggling and rampant under invoicing ● Limited extension services
Opportunities	**Threats**
● Improved varieties. ● Employment creation and labour forces. ● High profitability ● Growing demand for vegetable cooking oil ● Availability of potential consumers of oil palm products. ● Availability of local and sub-regional markets. ● Development of rural areas. ● Commercial foreign direct investment. ● Connecting small products to commercial CPO supply chains. ● Good agroclimatic conditions. ● To develop more formal linkages to export market, selling well-branded products to the diaspora.	● Political environment ● Land grabbing and pollution ● Climate change ● Human rights violations and abuses. ● Lack of appropriate policies. ● Pest and diseases. ● Porous borders

Presentation on crossing cutting issues and plenary discussions

Though no presentation was made on cross cutting issues, in the implementation plan the following cross cutting issues were included in the document.

- Gender distribution
- Women's access to resources
- Environmental issues
    - Impact of expansion of oil palm production and processing on the environment
    - Smoke
    - Sanitation
    - Forest fires
    - Management of waste and by-products
    - Roundtable for Sustainable Palm Oil (RSPO)
    - Climate change

Group work and presentations

After the presentations on the policy direction and implementation plan, the 4 groups were allowed to go into their groups to deliberate and discuss the key issues. This allowed them to make their own inputs and also critic the documents prepared by the consultant.

On the policy direction, the groups were able to make input on the contextual analysis and the policy strategies.

Similarly, the implementation plan was reviewed by the groups including the strategic statement, rationale, current status, outputs and proposed areas of interventions.

These inputs will be incorporated into the documents concerned and finalized as a validated policy and implementation plan with inputs from the relevant stakeholders.

Comments and feedback

Feedback and concerns received from stakeholders……

***EU comments via email*:**

The palm oil policy should provide:

- updated data on the sector (national production, consumption, economic value, land size, surface of tenera vs a vs dura, productivity, number of smallholder, number of private operators and installed capacity vis a vis real capacity)
- clearly guide on the rejuvenation of old oil palm plantation against expansion or expand on abandon farm or grass land
- guide strategic replanting approach: Ha of Tenera vs ha of Dura
- set objectives in terms of production (Metric tons), land occupation (ha), and quality
- identified most suitable agroclimatic areas of the country for palm oil value chain development
- introduce safeguards for environmental impact (effluent pollution and deforestation)
- include measures to comply with the EU no-deforestation policy
- guide the value chain approach – agroforestry, regenerative agriculture organic, RSPO, fair trade, zero deforestation, etc.
- provide a legal and regulatory framework for smallholder farmers to benefit the most from the value chain development: out growers scheme, ABC, cooperatives, etc.)
- promote farming as business for small holder and by-product valorization
- introduce opportunities for carbon financing and climate financing

Also, just to remind that UK based companies cannot be categorized as European Investors/companies as since 31/01/2020, UK is no longer part of the European Union.

Moreover, I believe it would be good that the team of experts engage with private operators in the country to collected updated information on their current situation in terms of production volumes and markets vis a vis installed capacities. In the same vein, it would be good that the team collects from PMB and MAFS all the required data on the sector to guide the drafting of policy notably in terms of objectives and expected output of the policy. Finally, yet importantly, the policy should come with an M&E framework as well

MAFS officials and NGOs confirmed that the absence of a competent authority or agency to supply certified planting materials to farmers is a critical factor affecting productivity in the oil palm sector. SLeSCA's mandate to provide certified seeds and planting materials to farmers is not being fully fulfilled.

Ministry of Environment and Climate Change (MOECC):

The MOECC appreciates the opportunity to participate in the workshop and to learn from the experiences and best practices of other stakeholders in the oil palm sector. The MOECC is committed to supporting the implementation of the National Oil Palm Strategy and Action Plan which aims to place the oil palm sector as a strategic engine for national and inclusive rural economic growth.

The MOECC recognizes the importance of ensuring that oil palm production is done sustainably and responsibly to:

- respecting the rights of the people who live in and rely on the forests;
- protecting the environment and biodiversity;
- avoiding land conflicts and labor issues;
- endorses the principles of No Deforestation, No Peat, No Exploitation;
- encourages all actors in the supply chain to adopt and implement similar policies and standards;
- acknowledges the challenges and opportunities for improving the traceability and transparency of the oil palm supply chain;
- capacity building and technical assistance for smallholders and cooperatives.

The MOECC hopes to collaborate with the relevant partners and stakeholders to apply these tools and methods and to monitor and evaluate the impacts and outcomes of the interventions.

The MOECC also suggests that the workshop outcomes and recommendations are disseminated widely and followed up with concrete actions and commitments from all parties involved.

District Agriculture Officers (DAOs)

The workshop is very informative and useful for understanding the current situation and challenges of the oil palm sector in Sierra Leone. The value chain analysis (Key findings and recommendations) presented by the consultant was very comprehensive and insightful, covering the functional, economic, social, and environmental aspects of the sector. The workshop also provided a good opportunity for networking and sharing experiences with other stakeholders, such as farmers, processors, traders, researchers, and policymakers.

The workshop highlighted the potential of the oil palm sector to contribute to economic growth, job creation, food security, and poverty reduction in Sierra Leone. However, the workshop also raised some concerns and challenges that need to be addressed to realize this potential. Some of these include:

- The low productivity and quality of the traditional sector, which accounts to lack of inputs, inadequate processing facilities, and low extraction ratio;
- The lack of access to finance;
- The lack of markets, infrastructure, and extension services for the small-scale producers and processors, who face high transaction costs and price fluctuations;

- The environmental and social impacts of the commercial sector, which has been expanding in recent years, but has faced difficulties in obtaining land

Proposed recommendations and actions for improving the oil palm value chain in Sierra Leone:

- Developing and implementing a national oil palm policy and strategy, with clear vision, objectives, targets, and indicators, and involving all relevant stakeholders in the process;

- Promoting the adoption of improved varieties and practices to enhance productivity and quality;

- Supporting the development of small and medium enterprises (SMEs) in the oil palm value chain, by providing access to finance, markets, technology, training, and certification, and facilitating linkages with the commercial sector

- Strengthening the institutional and regulatory framework for the oil palm sector, by establishing a national oil palm board;

- Enforcing environmental and social safeguards, harmonizing taxes and tariffs, and improving data collection and dissemination;

- Enhancing the competitiveness and sustainability of the oil palm sector, by diversifying the product portfolio, increasing value addition, reducing post-harvest losses, improving quality standards, and promoting regional and international trade.

SOCFIN:

We appreciate the opportunity to participate in the workshop and share our experiences and perspectives on the oil palm sector in Sierra Leone. We commend Solidaridad and the ministry for their efforts to develop a comprehensive and inclusive policy that will enhance the sustainability and competitiveness of the sector.

Summary of comments, suggestion, and feedback:

- Socfin supports the vision and objectives of the policy, especially the promotion of good agricultural practices, environmental and social standards, value addition, market access, and smallholder empowerment. We believe that these are key elements for improving the productivity, profitability, and resilience of the oil palm value chain;

- We are concerned about the lack of clarity and consistency in the regulatory framework and the enforcement of existing laws and regulations;

- We urge the government to address the issues of land tenure, taxation, import tariffs, and quality control, among others, that affect the viability and attractiveness of the sector for investors and producers;

- We request the government to provide adequate incentives and support for the private sector to implement the policy and to ensure a level playing field for all actors in the value chain.

We welcome the establishment of a multi-stakeholder platform to facilitate dialogue and collaboration among the government, the private sector, civil society, and the development partners. We are ready to contribute to the platform and to share our best practices and lessons learned from

our operations in Sierra Leone and other countries. We also look forward to receiving the draft policy and implementation plan for further review and feedback.

Closing remarks and Conclusions

Closing remarks:

Lahai Tucker, PMEL officer, Solidaridad.

Mr. Lahai Tucker expressed his thanks and appreciation for the 2-day workshop which aimed to share knowledge and insights on the challenges and opportunities of the oil palm sector in Sierra Leone and to develop a policy and implementation plan for promoting sustainable and inclusive development of the value chain comes to an end. He thanked all the participants for their active and constructive contributions, as well as the consultant, facilitators, and organizers for their excellent work.

He continued by stating that the workshop has provided all participants with a comprehensive overview of the current situation and trends of the oil palm sector, both globally and regionally, as well as the socioenvironmental impacts and trade-offs associated with its expansion. Lessons learned from the experiences and best practices of various stakeholders, including governments, the private sector, civil society, research institutions, and smallholder farmers and workers, who are involved in different segments of the value chain.

He emphasizes that this workshop is not the end, but the beginning of our journey towards a more sustainable and inclusive oil palm sector in Sierra Leone. He encourages all participants that there is more work ahead and there is a need to maintain the momentum and commitment that have been generated during the workshop.

Edward Sesay, CSSL.

Mr. Edward Sesay on behalf of the CSSL, thanked Solidaridad and the Ministry of Agriculture and Food Security for organizing the oil palm value chain policy and implementation plan workshop. He stated that It was a great opportunity for all participants to learn about the current situation and the prospects of the oil palm sector in Sierra Leone.

Moreover, he continued by appreciating the presentations and discussions that covered various aspects of the oil palm value chain, such as the policy framework, the market analysis, the environmental and social impacts, the quality standards, the certification schemes, the processing technologies, and the best practices.

He also hopes that the just concluded workshop will strengthen the collaboration and coordination among the different stakeholders in the oil palm sector, such as the Government, the private sector, the civil society, the research institutions, and the development partners.

He thanked Solidaridad and the Ministry of Agriculture and Food Security for this valuable workshop, and we look forward to more fruitful engagements in the future. Thank you.

Mr. David Sam Suale, Consultant.

Mr. Suale expressed his pleasure and privilege to work on developing the draft policy and implementation plan for the oil palm value chain. He also shed light on all participants for their valuable input, feedback, and suggestions that have enriched and improved the quality and relevance of the document.

He explains that the final policy and implementation plan will be the result of a participatory and consultative process that will involve a wide range of stakeholders from different sectors. It will reflect the common vision, objectives, and actions that we have agreed upon to address the challenges and opportunities of the oil palm sector in Sierra Leone. It will also provide a framework and a roadmap for our future collaboration and coordination to achieve our desired outcomes and impacts.

However, the consultant highlighted that the policies and initiatives discussed are in place or under development to enhance the governance and sustainability of the sector, such as the Roundtable on Sustainable Palm Oil (RSPO), the Sustainable Palm Oil Initiative (SPOI), and the African Palm Oil Initiative (APOI). Based on these inputs, all efforts have been put together to identify the key issues and gaps that need to be addressed to achieve our vision of a profitable and sustainable oil palm sector that contributes to economic growth, social equity, and environmental protection

Mr. Suale believed that this document has the potential to make a significant contribution to the sustainable and inclusive development of the oil palm sector and to the well-being of the people in Sierra Leone.

Lastly, he expressed his gratitude and appreciation to Solidaridad West Africa for entrusting him with this important assignment, and for providing him with the necessary guidance and support throughout the process. He also thanked the facilitators and organizers of the workshop for their excellent work and hospitality.

Conclusions:

The validation workshop was a successful and fruitful event that brought together various stakeholders from the public and private sectors, civil society, academia, and development partners. The workshop provided a platform for constructive dialogue and feedback on the draft policy and implementation plan, which aim to promote the sustainable development of the oil palm sector in Sierra Leone. The workshop also facilitated the identification of key challenges and opportunities for the sector, as well as the roles and responsibilities of different actors in the policy implementation process.

Participants expressed their appreciation and commitment to the policy and implementation plan development process and urged the Ministry of Agriculture and Food Security and Solidaridad West Africa to expedite the finalization and approval of the documents. The workshop concluded with a set of recommendations and action points for the next steps, which include the incorporation of the workshop inputs into the draft policy and implementation plan, the validation of the revised documents by the consultant, the submission of the final documents to the cabinet for endorsement, and the dissemination and advocacy of the policy and implementation plan to the relevant stakeholders. This workshop report will serve as a reference document for the policy formulation and implementation process and will contribute to the achievement of the vision and objectives of the oil palm sector in Sierra Leone.

Annex 1: Validation Workshop Agenda

TIME	ACTIVITY	RESPONSIBILITY
Day 1: Wednesday 15th November, 2023.		
08:30 – 08:45	Arrival and registration	Participants
08:45 – 09:00	Self-Introduction	Participants
09:00 – 09:40	Welcome and opening statements	Director of Crops
	Statements: ● Solidaridad – West Africa ● National Oil Palm Platform (CSSL) ● Produce Monitoring Board ● Ministry of Agriculture and Food Security (MAFS) ● European Union Delegation, Sierra Leone ● Keynote address	● Regional Director via Zoom ● Coordinator ● Executive Chairman/Director ● Ag. CAO ● Representative ● Deputy Minister 2, MAFS
09:40 – 09:45	Group Photograph	All/Photographer
09:45 – 10:00	***TEA/COFFEE BREAK***	**ALL**
10:00 – 10:15	● *Workshop objectives* ● *Processes of policy formulation* ● *Overview of oil palm production and marketing in Sierra Leone – diagnostic study*	Consultant
10:15 – 10:30	Discussions	Facilitator
10:30 – 10:45	*Enhancement of production and productivity of the oil palm value chain*	Consultant
10:45 – 11:00	Discussions	Facilitator
11:00 – 11:15	*Increase investment along the oil palm value chain*	Consultant
11:15 – 11:30	Discussions	Facilitator
11:30 – 11:45	*Market development*	Facilitator
11:45 – 12:00	Discussions	
12:00 – 12:15	*Enabling business environment*	
12:30 – 13:00	Discussion	
13:00 – 14:00	**LUNCH BREAK**	**ALL**
14:00 – 15:00	Group Discussions: Group 1: *Enhancement of production and productivity* Group 2: Increase investment along the oil palm value chain Group 3: *Market development* Group 4: Enabling business environment	Facilitator/Participants /Consultants
15:00 – 17:00	Presentation of group work and discussion	Facilitator/Participants /Consultants
17:00 – 17:15	Concluding remarks for Day 1	

TIME	ACTIVITY	RESPONSIBILITY
Day 2: Thursday 16th November, 2023.		
08:30 – 09:00	Arrival and registration	Participants
09:00 – 09:45	Recap of day 1	Participants
09:45 – 10:00	**TEA/COFFEE BREAK**	**ALL**
10:00 – 10:30	*Strategic orientation* ● *Vision and mission statements* ● *Strategic objectives* ● *SWOT analysis* ● *Stakeholders*	Consultant
10:30 – 10:15	Discussions	Facilitator
10:15 – 10:45	*Implementation framework* ● *Components* ● *Objectives* ● *Outputs/results* ● *Intervention areas*	Consultant
10:45 – 11:00	Discussions	Facilitator
11:00 – 11:15	*Crosscutting issues* ● *Gender* ● *Women's access to resources* ● *Environmental issues* ● *Waste and by-products* ● *RSPO* ● *Climate change*	Consultant
11:15 – 11:30	Discussions	Facilitator
11:30 – 11:45	*Institutional arrangements* *Risks and sustainability* *Monitoring and evaluation* *Financing resources*	Facilitator
11:45 – 12:00	Discussions	
12:00 – 13:00	Group Discussions: Group 1: *Enhancement of production and productivity* Group 2: Increase investment along the oil palm value chain Group 3: *Market development* Group 4: Enabling business environment	
13:00 – 14:00	**LUNCH BREAK**	**ALL**
14:00 – 15:00	Continue discussions	Facilitator/Participants /Consultants
15:00 – 17:00	Presentation of group work and discussion	Facilitator/Participants /Consultants
17:00 – 17:15	Concluding remarks and way forward.	

Annex 2: Opening remarks speeches

Solidaridad – West Africa (Regional Director Via Video): Isaac GYAMFI

Good morning, distinguished guests, partners, and colleagues. I am very pleased to welcome you all to this important workshop on oil palm value chain policy and implementation plan, organized by SOLIDARIDAD West Africa in collaboration with the Ministry of Agriculture and Food Security (MAFS). I regret to inform you that I am unable to attend this workshop in person due to some urgent matters that require my attention. However, I am following the proceedings and I am confident that you will have fruitful discussions and outcomes that will contribute to the development of the oil palm sector in Sierra Leone and the region.

As you may know, SOLIDARIDAD West Africa is a leading civil society organization that works to promote sustainable and inclusive development in the agricultural sector, with a focus on improving the livelihoods of smallholder farmers, workers, and communities. We have been working in the oil palm sector since 2011, supporting the adoption of good agricultural practices, enhancing access to markets and finance, strengthening farmer organizations and cooperatives, and advocating for enabling policies and regulations.

We believe that oil palm is a strategic crop that can contribute to the economic growth, food security, and environmental sustainability of Sierra Leone and the region if managed responsibly and inclusively. That is why we are committed to supporting the implementation of the National Oil Palm Transformation Plan, which aims to increase the productivity, profitability, and sustainability of the oil palm value chain while ensuring the protection of the rights and interests of smallholder farmers, workers, and communities.

This workshop is a timely and relevant opportunity to review the progress and challenges of the oil palm value chain policy and implementation plan and to identify the gaps and opportunities for improvement. It is also a platform to share experiences and best practices from other countries and regions and to foster collaboration and coordination among the different actors and stakeholders in the oil palm sector.

I hope that you will make the best use of this workshop to exchange ideas, insights, and recommendations that will help to advance the oil palm value chain policy and implementation plan and to achieve the vision of a prosperous and sustainable oil palm sector in Sierra Leone and the region. I wish you all a successful and productive workshop. Thank you for your attention.

National Union of Oil Palm Platform (NUOPP): Edward SESAY

Good morning, distinguished guests, partners, and colleagues. It is my pleasure and honour to welcome you all to this 2-day workshop on oil palm value chain policy and implementation plan, organized by the Solidaridad, West Africa, in partnership with the Ministry of Agriculture and Food Security.

As the chairman/coordinator of the National Oil Palm Platform, I am proud to lead this multi-stakeholder initiative that aims to facilitate dialogue, coordination, and collaboration among the different actors and stakeholders in the oil palm sector.

This workshop is a critical and timely opportunity to review the progress and challenges of the oil palm value chain policy and implementation plan, and to identify the gaps and opportunities for improvement. It is also a platform to share experiences and best practices from other countries and regions and to foster collaboration and coordination among the different actors and stakeholders in the oil palm sector.

I hope that you will make the best use of this workshop to exchange ideas, insights, and recommendations that will help to advance the oil palm value chain policy and implementation plan and to achieve the vision of a prosperous and sustainable oil palm sector in Sierra Leone and the region. I wish you all a successful and productive workshop.

Produce Monitoring Board (PMB) – Director: Didan SANKOH, Executive Director

Good morning, distinguished guests, ladies and gentlemen. It is my pleasure and an honour to welcome you all to this workshop on the oil palm value chain policy and implementation plan. This workshop is organized by Solidaridad, West Africa, in partnership with the Ministry of Agriculture and Food Security (MAFS).

The oil palm sector is one of the most important and dynamic sectors in Sierra Leone, contributing to the livelihoods of millions of smallholders, workers, and entrepreneurs, as well as generating significant export earnings, fiscal revenues, and employment opportunities. However, the sector also faces many challenges and risks, such as low productivity, poor quality, weak governance, environmental degradation, social conflicts, and market volatility. These challenges and risks undermine the potential of the sector to achieve sustainable and inclusive growth, as well as to contribute to the national development goals and the global sustainable development agenda.

Therefore, there is an urgent need to develop and implement a comprehensive and coherent policy framework that can address the complex and interrelated issues affecting the oil palm value chain, from production to processing to marketing. Such a policy framework should be based on sound evidence, stakeholder consultation, and international best practices, and should aim to promote the production, processing, and marketing of high-quality and sustainable palm oil products, while ensuring the economic, social, and environmental benefits for all actors in the value chain, especially the smallholders and the local communities.

This workshop is a timely and strategic opportunity to discuss and deliberate on the key elements of such a policy framework, as well as to identify the roles and responsibilities of the different stakeholders in its implementation. The workshop will also provide a platform for sharing experiences, lessons learned, and good practices from other countries and regions that have successfully developed and implemented oil palm value chain policies.

I hope that this workshop will be fruitful and productive and that it will result in concrete and actionable recommendations that can guide the development and implementation of a robust and effective oil palm value chain policy and implementation plan for Sierra Leone. I also hope that this workshop will foster stronger collaboration and coordination among the various stakeholders in the oil palm sector, as well as enhance the capacity and commitment of the PMB to deliver on their mandates and responsibilities.

I would like to thank all the participants for their presence and participation, and I look forward to engaging with you in the next two days. I would also like to express my sincere appreciation and gratitude to the organizers, facilitators, resource persons, and sponsors of this workshop for their hard work and support. Together, we can make the oil palm sector a catalyst for sustainable development and prosperity in Sierra Leone. Thank you and God bless you all.

Ministry of Agriculture and Food Security (MAFS) – District Crop Officer: Kadija KOROMA

Good morning, distinguished guests, ladies and gentlemen. On behalf of the Ministry of Agriculture and Food Security, I am delighted to join you in this workshop on oil palm value chain policy and implementation plan. This workshop is a critical step towards developing a comprehensive and coherent policy framework that can address the challenges and opportunities in the oil palm sector in Sierra Leone.

The Ministry of Agriculture and Food Security is committed to supporting the development of the oil palm sector, as it is one of the key pillars of the national agricultural transformation agenda. The oil palm sector has the potential to contribute significantly to the food security, income generation, poverty reduction, and economic diversification of the country, as well as to the achievement of the sustainable development goals. However, the sector also faces many constraints and threats, such as low yields, high costs, limited access to markets and finance, weak institutional and regulatory frameworks, land tenure issues, environmental and social impacts, and competition from other oil producing countries.

Therefore, there is a need to develop and implement a policy framework that can enhance the competitiveness, sustainability, and inclusiveness of the oil palm value chain, from the farm to the fork. Such a policy framework should be based on a thorough analysis of the current situation, gaps, and opportunities in the sector, as well as on a broad and inclusive consultation with all the relevant stakeholders, including the government, the private sector, the civil society, the research and development institutions, and the development partners.

This workshop is an important platform for such a consultation, as it brings together the key actors and experts in the oil palm sector, both from within and outside the country, to share their views, experiences, and recommendations on the policy framework and its implementation plan.

I hope that this workshop will be productive and constructive, and that it will result in a clear and consensus-based policy framework and implementation plan that can guide the development and transformation of the oil palm sector in Sierra Leone.

I would like to thank all the participants for their attendance and contribution, and I look forward to engaging with you in the next two days. I would also like to express my sincere appreciation and gratitude to the Solidaridad, West Africa and its partners for organizing and hosting this workshop, and for their continuous efforts and leadership in the oil palm sector. Thank you and God bless you all.

Opening Remarks by European Union Delegation, Sierra Leone – Alexander SERRAS

Good morning, distinguished guests, ladies and gentlemen. On behalf of the European delegation to Sierra Leone, I am very pleased to participate in this workshop on oil palm value chain policy and implementation plan. This workshop is a valuable initiative to develop a policy framework that can foster the sustainable and inclusive development of the oil palm sector in Sierra Leone.

The European Union is a major partner and supporter of the oil palm sector in Sierra Leone, as well as in other African countries. The European Union has been providing technical and financial assistance to the sector through various programmes and projects. These programmes and projects aim to enhance the productivity, quality, and competitiveness of the oil palm value chain, as well as to improve the access to markets, finance, infrastructure, technology, and innovation for the sector.

The European Union is also committed to promoting the production and consumption of sustainable palm oil products, in line with the European Green Deal and the EU Biodiversity Strategy. These strategies seek to ensure that the palm oil products imported and consumed in the European market are produced in a way that respects the environmental, social, and human rights standards, and that contributes to the global efforts to combat climate change, biodiversity loss, and deforestation.

This workshop is an excellent opportunity to exchange views, experiences, and best practices on the policy framework and implementation plan for the oil palm value chain in Sierra Leone. The workshop will also provide a forum for strengthening the dialogue and cooperation among the various stakeholders in the oil palm sector, including the government, the private sector, the civil society, the research and development institutions, and the development partners.

I hope that this workshop will be fruitful and constructive, and that it will result in a policy framework and implementation plan that can unleash the full potential of the oil palm sector in Sierra Leone, while ensuring the sustainability and inclusiveness of the oil palm value chain, from the plantation to the plate. I also hope that this workshop will enhance the partnership and collaboration between the European Union and Sierra Leone in the oil palm sector, as well as in other areas of mutual interest and benefit.

I would like to thank all the participants for their presence and input, and I look forward to engaging with you in the next two days. I would also like to express my sincere appreciation and gratitude to Solidaridad, West Africa and its partners for organizing and facilitating this workshop, and for their continuous efforts and leadership in the oil palm sector.

National Federation of Farmers of Sierra Leone (NaFFSL) – President: Yatta SAMA

Good morning, distinguished guests, ladies and gentlemen. On behalf of the National Federation of farmers Sierra Leone, I am very happy to be part of this workshop on oil palm value chain policy and implementation plan. This workshop is a crucial initiative to develop a policy framework that can support the development and empowerment of the oil palm farmers in Sierra Leone.

The oil palm farmers are the backbone of the oil palm sector in Sierra Leone, as they produce the raw material that feeds the entire value chain, from the millers to the refiners to the exporters. The oil palm farmers also play a vital role in the food security, income generation, poverty alleviation, and social cohesion of the country, as they provide food, oil, and other products for their own consumption and for the local markets. However, oil palm farmers also face many challenges and difficulties, such as low prices, high inputs, limited extension services, inadequate infrastructure, land disputes, pests and diseases, and climate change. These challenges and difficulties affect the profitability, productivity, and sustainability of the oil palm farming, as well as the quality and safety of the oil palm products.

Therefore, there is a need to develop and implement a policy framework that can address the needs and aspirations of the oil palm farmers, as well as to protect and promote their rights and interests in the oil palm value chain. Such a policy framework should be based on a participatory and inclusive approach, involving the oil palm farmers and their representatives, as well as other stakeholders, such as the government, the private sector, the civil society, the research and development institutions, and the development partners. The policy framework should also be aligned with the national and international standards and commitments.

I hope that this workshop will strengthen the solidarity and cooperation among the oil palm farmers and their associations, as well as the support and recognition of the national federation of farmers Sierra Leone and its partners to advocate and represent the oil palm farmers in the sector.

Thank you.

Key Note Address by The Honorable Deputy Minister II Sahr HEMORE - The Ministry of Agriculture and Food Security

Mr. Chairman,
The Regional Director Solidaridad - West Africa,
The Honorable Minister of Trade and Industry,
Executive Director, Sierra Leone Produce Monitoring Board,
Representative of the European Union,
The President, of Sierra Leone Farmer's Federation,
All Protocols observed.

Sierra Leone is a country with an agrarian economy. The strength of our economy therefore must be built with the building blocks of the agriculture sector. A very important component of this sector is the tree crop industry. Before the civil conflict, the mining and tree crop sector in Sierra Leone contributed to the stabilization of the Leone to the United State Dollars. In fact, in the 50s, 60s and early 70s, the exchange rate of the Leone to the United State dollars was around sixty Sierra Leonean cents to one United States Dollar. The Tree crop industry played a very important role in the stabilization of the Leone then. I believe that if we inject the right kind of investment in this industry, the country's economy will be revived and the gap between the Sierra Leonean Leone and the United States Dollars will be reduced.

Cocoa, coffee, cashew, and oil palm are the major tree crops grown in the country, and oil palm accounts for 195,000 tons of tree crops produced. The small-scale oil palm traditional system relies mainly on wild plants for production. Available data from the Ministry of Trade and Industry indicates that oil palm estates accounts for 18,000 hectares of the area under production. In addition, there is a substantial amount of land in smallholder oil palm production, accounting for about perhaps 32,000 hectares. Almost all production currently takes place on smallholder plantations averaging 1 to 2.5 hectares in size. This is also changing as we experience private sector investment in the sector. Despite the fact that government plantations are not properly managed and, in some cases, neglected, comprising mainly of aged, and low yielding trees the sector does has a lot of potentials. In fact, if properly managed, the sector is more profitable than the other tree crop sectors. Government is presently, replacing the aged plants in its plantation estate with improved varieties.

The government is also actively promoting the production of agro-fuels using oil palm formally sugarcane, and now cassava. For this purpose, the government created the Sierra Leone Investment and Export Promotion Agency (SLIEPA), 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 United Kingdom's Department for International Development (DFID). State House is focused on encouraging investment by the private sector enterprises, in the sector, and continues to streamline the 'costs of doing businesses". "The ministry has identified oil palm as a priority growth sector and are prepared to provide support at the highest levels to accelerate investment".

At present there are several foreign companies each seeking to lease land in the country for the establishment of oil palm plantations for agro-fuel and other plantation products for export. Similarly, there is also a list of requests from other private sector enterprises for land leases for the establishment of cashew, cocoa, and coffee plantations. As a ministry, we look forward to more investment in the sector by the private sector players.

Consequently, as part of the feed Salone Strategy, the Office of the Chief Minister is in the process of identifying suitable land for agricultural investment in Sierra Leone. Additionally, SLIEPA and the Sierra Leone Chamber of Commerce, agriculture, and Industry "has a team dedicated to helping agribusiness investors handle land, infrastructure and other issues.

To promote such ventures, the Ministry of Agriculture and Food Security with financial and technical support from the European Union through the Boosting Agriculture and Food Security was able to develop the cocoa, coffee, and cashew value chain policies and implementation plans. Recently, with financial and technical support from Solidaridad the ministry has been able to develop the Oil Palm Value Policy and Implementation Plan.

As part of the Feed Salone strategy, the Government is committed to transforming the tree crop sector into a very vibrant socio-economic, and financial sector that will stimulate job creation, income generation and rural infrastructural development.

In this vein, the Ministry will work with communities to establish district and chiefdom commercial clonal gardens of tree crops based on their comparative advantages. These commercial clonal gardens will have improved varieties of tree crops and will serve as the major source of planting materials for the establishment of community chiefdom tree crops nurseries. Farmers will then be able to source planting materials for the rehabilitation of their plantations and for the establishment of new plantations.

Your presence has been requested here today and tomorrow to peruse through the draft documents and make relevant contributions towards fine tuning the oil palm value chain policy and its implementation plan.

I am confident that with the caliber of the organizations and people here today, the documents will be well treated and will stand the test of time. I wish you a fruitful discussion and I now have the pleasure to declare this workshop opened.

Annex 3: Presentations

Presentation on the Diagnostic Study Report: Key findings and recommendations

By Consultant, Mr. David Sam SUALE

After rigorous and lengthy consultations, one one-on-one sessions with key stakeholders, focus group discussion and engagement producers and processers along the value chain, the consultant identified key findings and recommendations. However, the draft report provides sound basis and opportunity to reflect on key important findings and recommend necessary actions to be taken.

Key Findings

Production - Pre-germinated improved seeds are usually sourced from regional suppliers in Benin, Côte d'Ivoire and Ghana. The "Dura" (red) oil palm variety is endemic to Sierra Leone. Together with the introduced "Tenera" (yellow) variety, it can be found across the country in wild groves, small plots and in commercial plantations. The sector is dualistic between the small-scale traditional and the large-scale commercialized sub-sectors.

Production of oil palm in Sierra Leone can be grouped into three categories based on the use of inputs and scale of operations:

- The first is family farms which use family labor and planting materials are usually sourced from what is sometimes referred to as the second-generation seedlings for Tenera and wild palm trees in the forest. They sell their product to middlemen/traders or directly in the local market.
- The second is the small-/medium-scale producers. This type of method uses hired labor and use Tenera seedlings. They sell to middlemen/traders, who channel the product to local markets.
- The third, which is the large-scale producers, are mainly the Foreign Direct Investors (FDI) that has large Tenera plantations. Because of their size, they either sell to middlemen/traders directly in local markets or channel their product to the export market.

Large scale palm oil producing companies in Sierra Leone

	Land cultivated (Ha)		Production capacity (mt)		Marketing (Mt)			
					Domestic Market		Export Market	
Company	Nucleus	Out-grower	2019	2020	2019	2020	2019	2020
Socfin	12,349	-	24,986	30,748				
NedOil	68	6,578.47	3,358	2,152	50	200	341	40
Goldtree	2000	11,000	21,761.1	23,410				
Natural Habitats	216	N/A	540	648	102.6	123.12	N/A	N/A

(Source: Field data, 2021)

Industrial production of refined oil and biofuel with the presence of five groups (mainly FDI):

- SAC (SocFin Agricultural Company) with 12 000 ha production area (and small volumes from out growers) + refinery
- Natural Habitat Group[1]: Organic, Fair Trade and RSPO certified palm oil. Acquisition of NedOil[2] (in Yele, Tonkolili - mill capacity of 3 t of fresh fruit/h)

[1] https://www.natural-habitats.com/

[2] http://www.rsep.rspo.org/index.php/oil-palm-smallholder-initiatives-worldwide/item/nedoil-ltd-farmers-cooperatives

- Planting Naturals[3] which took over GoldTree (in Daru - Kailahun)[4]
- SIVA group (India) has several companies in Sierra Leone: Bio palm Energy (Pujehun) and Sierra Leone Agriculture Ltd (SLA)
- Marika Enterprises: owns and operates the largest palm kernel processing plant in Sierra Leone (also operates in Liberia) and produces cooking oil, soap, and animal feed from palm kernels, and is largely export-oriented
- Local outlet: 3 factories in Freetown for soap and margarine:
    - Marika Enterprises
    - Kissy Industry and Trading Company
    - JOLAKS (Indian FDI)

Policy issues - Sierra Leone suffers fragmented policy-making processes which affect negatively the country's capacity to develop in a coherent manner. For example, legal and regulatory framework of the Ministry of Agriculture and Food Security (MAFS) for food and agriculture products in Sierra Leone is embodied in the following legislation which are generally outdated:

- The Agriculture Act 1946
- The Plant Pest (Inspection of Crops) Rules, 1946
- The Produce Inspection Rules, 1966 of the Agricultural Act (Cap 185)
- The Plant Phytosanitary Import Rules, 1974 of the Agricultural Act (Cap 185)
- The Plant Phytosanitary (Import Restriction) Notice, 1976
- The Public Health Ordinance (1960)

The legislations highlighted are not robust with respect to international standards for food and agricultural products and their shortcomings may result in exports being either non-competitive in international markets or subjected to non-tariff barriers in destination countries or in the extreme cases, an outright ban. Thus, there is an urgent need to undertake an update.

Challenges related to the production of oil palm

1. Poor application of farm maintenance practices:

Oil palm production in the region is dominated by several hundred thousand smallholder farmers, with typically 1-2-hectare holdings, who are estimated to account for an average of 70% of the total production area.

2. Difficulties to afford improved seedlings and planting materials:

Farmers involved in oil palm production across the country have difficulty affording the improved seedlings. Farmers seems to rely on different sources to obtain planting materials (including seedlings) but only few receive planting materials from the government or cooperatives, while most rely on volunteer seedlings (seedlings that grown wild under oil palm trees). Lack of improved planting materials was indicated as a challenge by most farmers contacted.

3. Lack of access to fertilizers:

Smallholder oil palm farmers lack access to fertilizers resulting in low application of it on their farms.

4. Lack of record keeping practices:

Record keeping is not practiced by almost of oil palm farmers. This therefore hampers the possibility to assess any changes in the performance of the farm as well as the development of consistent business plans. It also reduces the possibilities to access sources of finance.

5. Lack of knowledge on oil palm certification processes:

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[3] https://www.plantingnaturals.com/

[4] https://www.goldtreeholdings.com/company-profile/

There is a need to continuously promote certification of oil palm farmers; this is a continuous capacity building process with compliance-based principles. This was embraced for cocoa and coffee. If similar strategies are employed for oil palm similar results will be obtained. The Certification process should be followed through. Certification helps to drive up the prices and also build the commitment levels of the farmers and traders. It would also promote the viability of commodity against competition.

Study conducted recently revealed that, 87.5% of the farmers are not aware of certifications or don't know how to certify their farms. This is a relevant problem particularly in the palm oil sector where main foreign markets are growing more concerned about the sustainability of the product and practices used for its production.

6. Difficulty in getting labor for farm maintenance and that it comes at a higher cost:

This is a challenge that cuts across all the levels of the oil palm value chain. Studies reveals that, 89% of the respondents said they acquire their labor through hired at a very high cost. This explains that large share of the overall production cost held by weeding/pruning, harvesting and collecting the FFBs. The high cost of labour is a challenge reported by 94% of the interviewed farmers.

7. Lack of capacity building for smallholder farmers:

Studies shows that, 11% of the interviewed oil palm farmers interviewed indicated they have not received training on farming best practices. 88% of the interviewed farmers indicated the lack of trainings as one of the main challenges in the value chain.

Challenges related to processing of oil palm

1. Use of inadequate processing methods:

Although most farmers recognized the overall efficiency of processing machines, only few are fully convinced about its usage. In the districts of Port Loko and Kambia the manual pit method is still largely used. Most farmers mentioned the inadequate method of processing FFB as an important challenge in the sector.

2. Use of processing machines:

Frequent breakdowns of processing machines coupled with lack of spare parts and maintenance services, however, reduces the efficiency of the machines, leading to low return of palm oil.

3. Lack of information and linkages to end users and secondary processors of palm oil:

As evidenced during FGDs and KIIs with key stakeholders in the oil palm value chain, processors are often not informed about the opportunity to meet supply gaps, losing therefore the motivation to increase their productivity.

Challenges related to marketing along the oil palm value chain

1. Lack of coordination of farmers in the negotiation of their palm oil price:

The oil palm marketing chain is less structured than the coffees. The role of stakeholders is not so clearly established than those of the coffees: the woman who collects in countryside, in Mattru or Pujehun for example, plays different roles covering wholesalers and exporter's according to the seasons and the purchased quantities. All palm oil available for sale is purchased and quantities remain low. But as soon as the season is here, the quantities will increase; this lack of structure may seriously hamper the collection and marketing. This is particularly true at the wholesale level. This one will then have to be established clearly in his wholesaler's role and possess both the storage and sufficient funds to buy all volumes which will be submitted. He will have to be registered and make his products controlled.

Similarly, exporters will have to be registered and comply with quality control. They will have to gain knowledge on how to export to other continents.

The stakeholders of marketing of palm oil will have to leave the informal trade to enable the sector to develop in a formal and structured environment, allowing it access to international and regional markets with larger quantities.

Most farmers negotiate the price with the buyers at the time of the transaction, thus holding a very limited control over the price of the product. Very few farmers relied on cooperatives to establish the price of their produce before the sale. In addition to that, farmers are missing information on prices, quality and availability of products in order to better negotiate their position with middlemen.

2. Poor infrastructural facilities:

Agriculture generally is being carried out in the rural areas where majority of the cultivable land are located. The rural areas in Sierra Leone lack basic infrastructures such as electricity supply, good road, well equipped school and hospital. Hence most oil palm processing mills especially smallholder generates their own energy using palm oil processing solid wastes such as empty fruit bunch, palm kernel shells, chaff and palm press fiber for heating during sterilization. The smallholder processors also depend on the diesel-powered engine for digestion activity. Due to lack of basic facilities such as road, electricity supply, the cost of oil palm processing is high though there is a huge profit in the business. But the profitability could increase with the provision of good access road from oil palm plantation to the mills.

Market demand

Local market demand

In Sierra Leone, the war put most economic development efforts on hold and development of the oil palm industry has lagged behind the increasing needs for vegetable oil generated by the rapid growing population. Total palm oil production was estimated at 47,000 tons in 1993, while in 2002 it was approximatively 35,500 tons. Palm oil consumption mirrors this decline as it decreased more than 20% over the same period. Annual consumption of palm oil per capita in Sierra Leone was estimated at 11.5 kg in 1993 but has been reduced to 8.3 kg in 2000. So, the estimated demand is around 50,000 tons assuming an annual consumption of 8.3 kg/person.

Part of the current demand is met by scale processing issued from village plantations and from wild palm groves. The other part is coming from imports from Malaysia.

Three products try to meet the demand of Sierra Leone population:

the red palm oil[5] from the variety Dura (native variety) which is the most appreciated vegetable oil and the most expensive and used as condiment to make traditional dishes, "masankay" oil from the variety Tenera (improved variety) that consumers use to make soap and for frying, and imported oil, refined, bleached and deodorized (RBD) from Malaysia used by urban consumers for frying.

The regional demand

The palm oil regional market is a traditional and dynamic market. In most of the "African" dishes, still widely consumed, red palm oil is used as a condiment sauce and cannot be replaced by another vegetable oil. Red palm oil is a specific food, widely used in rural and urban areas even if there is a need in refined vegetable oil.

In a study conducted by CIRAD[6], the red home-made oil takes the characteristics of a product of soil, with qualities related to the origin.

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[5] Called so by the local populations because it is redder than the oil " masankay " stemming from the variety Tenera because of a richer composition in beta-carotene (12 % more according to Ekwenye U.– Journal of food technology – 2006)

[6] « L'huile de palme rouge d'Afrique – Le marché local tout en nuances » - CIRAD

These distinctions in the products sold on the African markets help to understand that red palm oil is a niche market. Despite its higher price, it keeps a significant share of consumption in some countries (in Yaounde in Cameroon, 80% of palm oil are consumed as “red palm oil”). In Cameroon, half the crude palm oil produced by industrial companies is sold as "red palm oil" in local markets. Furthermore, next to this industrial development, the smallholder sector remained and is currently growing: some consider that in Cameroon and Côte d'Ivoire, 25,000 to 40,000 tons of red palm oil are produced for local food consumption. Vegetable oil consumption in both countries is estimated at 10 kg / person / year.

In the Northern West Africa areas, parts of the needs are covered by cottonseed oil extracted from cotton seed (without gossipol) and by shea butter (Senegal, Mali, Burkina Faso).

The international demand

Palm oil (RBD[7]) has been by far the most price competitive vegetable oil on the global market for the last twenty years. Vis-à-vis its main competitor - soy oil - palm oil has been traded at a considerable discount in most years[8]. As a result, today palm oil is consumed world-wide; it is the vegetable oil with the highest level of market penetration, and many nations (including large countries such as China and India) depend heavily on palm oil imports.

Palm oil became the most important vegetable oil traded in the world. In 1993, it represented 12% of world production of vegetable oil and 29% of the market, but in 2003 its production had increased to 26% of all vegetable oils and quantities sold represented 49% of vegetable oil world trade. In 2007, production of palm oil stood at 41 million tons (32% of world production of vegetable oil) and the trade was 32 million tons (57% of world market). Of this, 14 million tons was exported by Malaysia (45% of the world market) and 13 million tons by Indonesia (35%).

Factors that explain the interest of the global market place in palm oil include the following: (i) a high level of substitutability with other soft oils; (ii) a high melting point and a low content of trans fatty acids, which are of special interest to the food industry; and (iii) the fact that a number of negative health attributes originally associated with palm oil were proven to be wrong[9].

Demand grew by 8.7% per year between 1995 and 2004. And this upward trend continues. In 1993, it represented 14% of vegetable oils consumed in the world and in 2003 it was 23% of the consumer market. In 2007[10], China was the largest single consumer with imports of 5.7 million tons, up to 3.2 million of tons in 2003. It is this steep rise in demand that has led to price rises over from November 2006 up to March 2008 (130%). Then prices fell until November 2008 but rose slightly in January 2009.

The global giants of the industry, including Unilever, Nestle and Procter & Gamble, are the main buyers of palm oil on international market.

Meanwhile, it is important to note that, in the medium to longer term, the palm oil sector could be facing a number of challenges. The sector’s future growth and competitiveness appears to be conditioned by the following factors[11]:

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[7] Refined Bleached and Deodorized

[8] The discount of palm oil over soy oil is determined by India’s tariff policies. India is a major buyer of both oils, but maintains a strong tariff preference for soy oil. To make up for the disadvantage, palm oil must be sold at a certain discount. The development of the palm oil price discount at the global level is therefore closely dependent on changes in India’s import tariffs.

[9] “Biofuels and Commodity Markets – Palm Oil Focus” - P. Thoenes - FAO, Commodities and Trade Division – October 2006

[10] Oil world

[11] idem

Oil palm growers have been confronted with a stagnation or marginal growth in yield levels over the last 20 years; data from Malaysia reveal very weak improvements in yields measured in terms of (i) tons of fresh fruit bunches per ha, (ii) tons of palm oil per ha, as well as (iii) palm oil extraction rates; The labor productivity - measured in terms of hectares per total numbers of laborers or area harvested per harvester - has not improved over the last 5-10 years; in the absence of mechanized harvesting methods, labor costs continue to weigh considerably on overall production costs; There has been no significant reduction in overall production costs over the past 10-20 years - much in contrast to other oil crops (notably soybean and sunflower) where considerable cuts have been achieved; In Malaysia, expansion in area cultivated with oil palm is expected to slow down due to scarcity of land. Malaysia also suffers from a scarce and increasingly expensive labor force. By contrast, land and labor pose less constraints in Indonesia; however, in Indonesia, costs of establishing new plantations should rise with the gradual enforcement of legislation that imposes environmentally sustainable expansion and cultivation methods; There is the possibility of increased competition - in the longer term - from emerging producers in West Africa, East Africa, another Asia, as well as South and Central America.

Market constraints in the value chain

The structure of the marketing chain

The palm oil marketing chain is less structured than the coffee chain. The role of stakeholders is not so clearly established than those of the coffee's: the woman who collects in countryside, in Mattru or Pujehun for example, plays different roles covering wholesaler's and exporter's according to the seasons and the purchased quantities. All palm oil available for sale is purchased and quantities remain low. But as soon as the quantities will increase, this lack of structure may seriously hamper the collection and marketing. This is particularly true at the wholesale level. This one will then have to be established clearly in his wholesaler's role and possess both the storage and sufficient funds to buy all volumes which will be submitted. S/He will have to be registered and make his products controlled.

Similarly, exporters will have to be registered and comply with quality control. They will have to gain knowledge on how to export to other continents.

The stakeholders marketing palm oil will have to leave the informal trade to enable the sector to develop in a formal and structured environment, allowing it access to international and regional markets with larger quantities.

The quantities produced and marketed

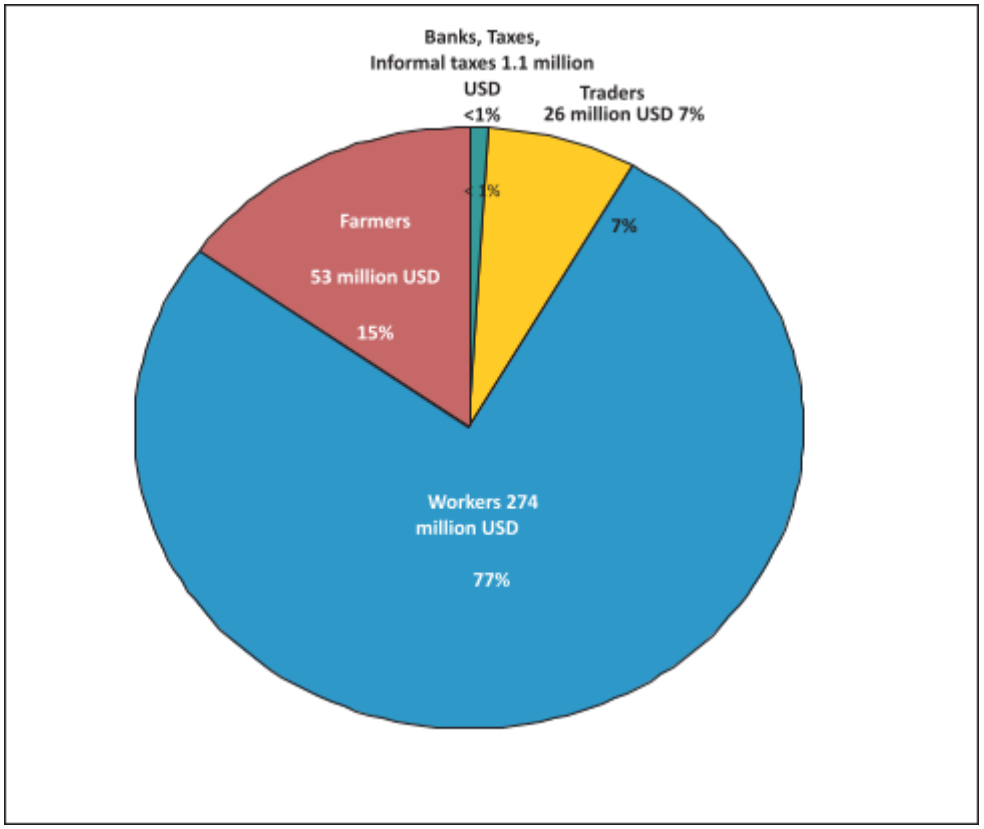
The small quantities produced make the marketing chain costly at the primary collection level and finally for the final consumer who pays the red palm oil 25% up to 50% higher than imported palm oil from Malaysia. Some stakeholders have already made their accounts and want to minimize the impact on their income:

Most of producers are not moving to weekly markets because the quantities they have to sell is too small to cover the transport cost; Collector work is very costly for the value chain because he has to travel through very large geographical areas and on poor roads to collect the quantities corresponding to his purchase capital. Transport costs will then have significant proportions in the gross margin that he applies to resale the product. Condition of roads and transport costs remain the two major constraints cited by stakeholders involved in the marketing chain. But the deep cause is the proportion between travel costs and collected quantities.

The waste of palm kernel nuts

The current use of palm kernel nuts is a loss for the country. While this product has two markets, namely palm kernel oil and palm kernel cake, with remunerative prices, palm kernels are thrown or burned.

Shares of the direct value added among the major actors of the palm oil value chain (2017)



What is the contribution of the value chain to economic growth?

The palm oil value chain in Sierra Leone is relatively stable and independent from most economic shocks and from the international palm oil markets. The value added of the whole palm oil value chain represented around 14% of the Sierra Leonean GDP, which is relatively high. 20% of the production is self-consumption by families, and the surplus is shared between sales for local consumption of traditional oil, and soap manufacturing for the regional market.

Direct value added represents 58% of the value of the production. Indirect value added represents another 24%, and total imports represent 18%. This is typical of an extremely artisanal chain that provides revenues to poor actors, but cannot yet contribute significantly to economic growth without important changes in the infrastructure and services sectors.

Investment projects in oil palm in 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 Agriterra Group obtained access to about 45,000 hectares of land for oil palm.

- Singapore-based group SIVA from India, through its subsidiary Bio palm 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.

Strategic intervention areas

Increase productivity of smallholders' oil palm plantations:

- Continue planting good selected oil palm seedlings to rehabilitate old plantations and develop new ones on abandoned agricultural lands or grasslands.
- Establish new plantations following the Roundtable for Sustainable Palm Oil procedures.
- Slash and burn should be systematically avoided, as fires occur too easily during the dry season, devastating the landscape around the plantations.
- Support smallholders to improve their plantations' management in particular in order to increase harvest frequency and to better manage the vegetation cover and the organic matter use.
- Scale-up of rehabilitation support which includes pruning, placement plantations, and provision of incentives across the value chain. At this point the issue of incentive will not be supported but the tool bank could be increased. Ensure that this is promoted and integrated with the appropriate extension services.
- The level of agronomic knowledge needed for a very high oil palm production has to improve among all farmers.

Certification issues:

- There is a need to continuously promote certification of oil palm farmers; this is a continuous capacity building process with compliance-based principles. This was embraced for cocoa and coffee. If similar strategies are employed for oil palm similar results will be obtained. The Certification process should be followed through. Certification helps to drive up the prices and also build the commitment levels of the farmers and traders. It would also promote the viability of commodity against competition.

Environmental sustainability of the whole value chain:

- Generalise the practice of recycling empty fruit bunches as mulch to return some of the nutrients to the palm plantations, notably potassium, for the whole plantations.
- Recover palm kernels shells, for fuel in the mill boilers; palm kernel oil, for cosmetic products; and palm kernel meal for feed.
- Recover glycerine by-product in the soap production system for recycling.
- Optimise transports (fruit collection)

Innovative financing mechanism:

There are two main models of investments in the palm oil sector used by the industrial mills to ensure fruit procurement:

- The out-growers scheme and the concession scheme. In an out-growers scheme, a company provides a contract to a landowner for them to grow palm trees during a given period. In some cases, the company pays an annual fee to the landowners to get the exclusive right to purchase the fruits. The company does not directly take care of the palm trees, but provides improved material and training to the owners, and subsequently buys their production, and
- In the concession scheme based on compensation (fee paid at the beginning), a company leases land under a contract with landowners. The company itself takes care of the husbandry, carrying out all the production activities. It compensates the landowner for the duration of the

concession, and employs preferentially the landowner's family and other inhabitants within the concession with a fixed salary.

Priority Interventions:

Companies/Investors

- Strengthen efforts towards VGGT-aligned land investments
- Strengthen the design and implementation of out-grower's models
- Design socio-economic activities through household economic analysis approach
- Prepare and implement a company-wide gender-sensitive policy
- Scale up knowledge and skill building programmes for palm oil producers and processors

Donors and other development partners

- Reconsider strongly equity, compensation and justice legal aspects in the NLP
- Improve agriculture extension delivery
- Contain food inflation
- Upgrade women's organizations and opportunities in the VC

Ministries, Departments and Agencies

- Support actions for effective implementation of the NLP
- Support nutrition-components in development interventions
- Improve agriculture extension delivery
- Commission an independent research on socio-economic impacts of large-scale land investments
- Support initiatives looking at viable business model

Innovations along the value chain:

- The use of palm oil compression machine in extracting the palm oil has tremendous benefits in improving the quantity and quality of palm oil. It avoids the use of a lot of water in the entire process of palm oil extraction. It also prevents the use of large quantity of fuel wood during the process of separating the palm oil from the sludge.
- The use of plastic containers to store palm oil in the storage process can be seen to help improve the quality of the product especially when it is meant to be kept for a long time. The placement of the palm oil in different plastic containers of various volumes ranging from 1 to 20 litres or more litres can help different people of different economic power or financial abilities to access the product.
- The palm oil is also decolorized (changing its colour to yellow) through heating. This decolorized palm product is being used to manufacture different other products such as soap, medicines etc. as secondary products.
- The use of faster mobility to convey the palm oil products through the use of tricycles from the farm gate to the market is a better means of not only reducing the suffering of the farmers to timely catch up with adequate market centres for better profitability but also a sure means of saving time to be able to engage in other economic activities; hence improving on the socioeconomic status of the community involved in this project.
- Improving of the storage facilities; by storing the palm product in cooler temperatures can help or lead to less chemical reactions in the product; thus, improving its quality, especially so if it is stored for a longer period of time.

Key recommendations

Increase technical capacity of the sector

Technical capacities have to be improved on the whole marketing chain and especially in processing and exporting. The marketing chain must be professionalized with efficient and well-structured stakeholders and with financial means to succeed in professionalization.

Reorganization of the sector on basis of well-structured cooperatives
Many women's associations exist on the basis of formation of tontine. Most of these women are trading in food products including palm oil and ginger.

GoSL should review the formal organization of cooperatives (Cooperatives Act[12]) and women involved in trade of food products should incorporate the new rules of cooperatives.

For the palm oil value chain, whose volumes are expected to increase in coming years, cooperatives specialized in trading of palm oil must be set up. These co-operatives must try to incorporate a wider section of the chain and be involved in the processing of oil through acquisition of mechanical presses (10-13% oil extraction rate / FFB) or small industrial units (20-22% oil extraction rate / FFB).

The choice of organization will be according to market needs and to social organization of the marketing chain in each region or district

On the administrative side, these cooperatives will be registered at the MTI. They will no longer be in the informal sector.

Implementation of credit lines appropriate to the sector
The palm oil sector requires a number of investments. Funding requirements are needed to:

- Purchase of processing equipment (manual or industrial press) - equipment credit
- Purchase means of transport for cooperatives - equipment credits
- Purchase of harvested FFB and processed palm oil - marketing credits.
- Implementation of a private export company

The export of palm oil outside West Africa does not exist yet. With increasing volumes, an export company should be created to meet the red palm oil demand in developed countries, especially among immigrant populations from Africa.

This marketing chain has to be built and it seems worthwhile to organize this sector on the same basis as the new cocoa chain: a private exporter specialized in market research and management of international contracts in partnership with cooperatives of processors or traders. The company will manage supply contracts outside Africa and exports to West African countries. Then, exports of palm oil from Sierra Leone will be managed directly by Sierra Leonean to Senegal and Mali instead to be managed by traders in Conakry or Macenta.

Improve palm oil quality and make its valuation
In the coming years, production of palm oil is expected to increase as a result of new plantings. Exports to meet developed countries demand, will be done according to standard quality norms used on the international market. The regional market has also to benefit from these standards. Four main challenges have to be reached

Improvement of intrinsic quality of palm oil

Quality controls should be made regularly by the public services (Produce Inspection Unit of MAFFS) at final packaging of palm oil, to let it consider fitting for human consumption and meet international quality standards of palm oil. These controls will require the establishment of laboratories at the district town of producing zones. These laboratories will work in close collaboration with the Produce

[12] See Cooperatives Act established in Rwanda in 2008, for example.

Inspection Unit (which will be their main customer) and with different processing cooperatives. Regular controls should be done in the processing centers.

Furthermore, to avoid deterioration of the controlled product after its conditioning, processors must work with battas or bottles with sealed caps (cap like for mineral water) to prevent opening prior to arrival at the final consumer. The development of a semi-industrial processing of red palm oil should help to better control the intrinsic quality of the oil.

Valuation of the red palm oil

Two types of palm oil are currently on the market: red palm oil and masankay oil. The first one corresponds at the request of the populations; it is used as a condiment and benefit of a quality premium.

This valuation begins at the processing of FFB in processing centers: FFB of Dura origin must be selected before the transformation. They have to be treated alone in order to not be mixed with the FFB of Tenera origin. This treatment will generate a higher price for the transformation which will be echoed on the selling price. At the end of processing, the obtained palm oil will be packaged in sealed batta in order to avoid mixing with oil "masankay" during the delivery of the product to the consumer.

Valuation with an organic and fair-trade label

This label is important to get better prices on international markets. The label will focus on red palm oil (variety Dura). Currently red palm oil is not yet included in the list of products covered by the Fair-Trade label[13]. Only one oil is concerned: olive oil with a premium of between 0.4 and 0.5 Euro / kg, or 400 to 500 Euros / ton. The red palm oil, which already has the organic label in many producing countries, could join the list of products labeled FLO.

Valuation of palm kernel nut

The valuation of palm kernel nuts has to be significantly increased. With an increase in FFB production, production of palm kernel nuts will also increase.

Marika Company that already values the nut in its factory located in the outskirts of Freetown, must be supported to increase its production capacity and improve its supply system. Palm kernel nut should always be purchased and it will be easier as far as FFB will be handled in small processing units easily identified. Supply contracts may be signed between these FFB processing centers and Marika plant or other processing units if Marika cannot transform all the quantities.

The products stemming from this transformation, palm kernel oil and cakes, can be sold on the regional market for feedstuffs (livestock production is very important in the Sahel countries already consumers of groundnut and cotton cakes) and as raw material for the soap manufactures.

Set up an institutional support to the sector

The support of the Government to the marketing chain can be done at 3 levels: a continuation of the rehabilitation of feeder roads in palm oil areas, the densification of weekly markets and the improving of the market information system.

Continuation of the rehabilitation of feeder roads

The current rehabilitation program must continue and consider the development of oil palm in the country. Major production areas must be identified and proposals for rehabilitation of roads have to

[13] “Fairtrade minimum price and Fairtrade premium table » Fairtrade Labelling Organizations International (FLO)

be made at the MTI involved in the decision guidance of rehabilitation on the basis of economic development.

Densification of weekly markets

With the war, the network of trade relations has disappeared. After the war, this network of exchanges through the weekly markets, is struggling to get back in operation. Weekly markets are not sufficiently numerous in the country. Producers do not know where to sell their cash crops or the surplus of food products. Those who are near the Guinean border will sell in Guinea, but those who are far from the border tend to not produce surpluses or produce very small quantities of cash crops. The palm oil production is affected by these low-density markets.

Construction of palm oil processing centers in areas of FFB production should enable them to become identified collection points for oil production and thus reduce transport costs. They will naturally become new trading centers for palm oil and palm nuts.

Rehabilitation of the market information system and creation of the Commodity Observation Unit (COU)

Palm oil sector is very dynamic and very promising. It needs to be monitored through a market information system (MIS). This MIS will be in charge of collection, processing, and analysis of prices of strategic agricultural products of the country. FFB and palm oil prices should be part of the list of prices collected each week at the weekly markets.

The MIS will be responsible for broadcasting weekly prices to producers through the national and local radios[14]. This weekly information will provide a new bargaining power to producers to sell their FFB or palm oil on local markets.

The COU will have a wider role with monitoring the palm oil marketing chain by raising palm oil prices in major consuming markets of the sub-region (Conakry, Dakar, Nouakchott, Bamako, etc.). This will allow exporters to guide their choice in purchasing. It will also monitor the development of palm oil market at the international level. It should do regular surveys of consumption, identification of regional needs to guide the industry. It will also keep informed on the processing equipment globally available in order to provide information to private sector (cooperatives and private companies) on technical qualities and prices of such equipment. It will regularly monitor the palm oil value chain.

It will regularly publish notes of market situation about development of palm oil, but also other products by which it will have to follow markets (coffee, cocoa, rice and cassava, among others).

The current MIS is set in the statistics service of MAFS. But it is not very efficient since mid-2008, when the project MISTOWA (IFDC / University of Michigan) has stopped its funding due to lack of results. This market information system must be rebuilt.

[14] As it is done in many West African countries: Niger, Burkina Faso, Mali, Benin, Côte d'Ivoire

Annex 4: Group work presentations

Policy Direction Session

Group 1: Policy Focus Areas: Group inputs, comments, additions, and removals provided by all participants during the validation workshop

Participants were clustered into 4 groups with each focusing on a policy area, its context and modifying its strategy.

Note: All group inputs were discussed, agreed upon by all participants and are highlighted in yellow

GROUP 1

Policy focus area 1. Enhancement of production and productivity

Policy statements

Policy statement 1.1 To increase the productivity of smallholders' oil palm plantations

Context
Palm oil is one of the most important crops in Sierra Leone. The quantities produced and exported, however, are difficult to assess. Currently, it is estimated that the production of fresh fruit bunches is about 200,000 tons, suggesting that the production of palm oil would be 20,000 tons.

Oil palm trees grow nearly all over the country. Plantations can belong to a village or an individual. The ownership of trees determines the ownership of the oil extracted from palm bunches. It seems that when the trees belong to the village, oil becomes the property of the village headman[15].. / consultation should be village heads and community people in a town hall meeting.

Only a little village plantation is maintained to reach a crop. Nuts are manually processed in a place close to the plantation and a water source. The processed quantities are generally very low. Currently, many ripe fruits are left un-harvested because there is insufficient labor capacity in the village or in the family to process the fruit, despite available manpower to harvest it. This weak production explains that the producers do not find economic interest in moving on to the weekly markets to sell their production. It is thus the buyers who move up to the farm.

The main annual period of production and marketing is situated between January and May and the small period is between October and December.

Two types of products are provided: red palm oil stemming from local palm tree (Dura variety) and palm oil " Masankay " stemming from improved palm tree (Tenera). The red palm oil is the most appreciated by the local population. However, the product transforms at the village or the farm level remains questionable in terms of quality: free fatty acid (FFA) of crude palm oil is quite low because bunches are stored from 4 days up to a week to loosen the fruitless, before stripping and cooking, which allows FFA to rise. In the industrial process, fresh fruit bunches (FFB) are brought to the mill during the same day and are immediately sterilized so FFA formation is halted. Oil produced at the farm level will also have a high level of impurities as there is no clarification process available. So, the value of this kind of oil is less than half of a commercial mill for a given quantity of fruit. This is the result of a combination of bad extraction efficiency and bad quality products (FFB).

The palm kernels issued from the FFB are usually not processed. These palm kernels are thrown, or

[15] This subject of the tree property and "in fine" the oil property remains to be explored in a future mission

used as combustion products, mixed with wood for processing palm oil. In the best case, they are sold to collectors who transport these palm kernel nuts into small processing units (i.e. Bakassa Development Organization in Dandau) or to Marika Enterprise in Freetown to make oil or soap.

Policy strategy

- Continue planting good selected oil palm seedlings to rehabilitate old plantations and develop new ones on abandoned agricultural lands or grasslands.
- Establish new plantations following the Roundtable for Sustainable Palm Oil procedures. Slash and burn should be systematically avoided, as fires occur too easily during the dry season, devastating the landscape around the plantations.
- Support smallholders to improve their plantations' management in particular to increase harvest frequency and to better manage the vegetation cover and the organic matter use.
- Scale-up of rehabilitation support which includes pruning, placement plantations, and provision of incentives across the value chain. At this point, the issue of incentives will not be supported but the tool bank could be increased. Ensure that this is promoted and integrated with the appropriate extension services.
- The level of good agronomic practice knowledge/ practice needed for a very high oil palm production has to improve among all farmers.

  Additional strategies to policy statement to increase the productivity of small shareholder's plantations

  1. Development of robust research on improved oil palm varieties
  2. Establishment of certified nursery sites where farmers can access improved oil palm seedlings
  3. Strengthen the extension services
  4. Establishment of oil palm polyclonal garden
  5. Formation of farmer cooperatives
  6. Introduction of outgrower schemes
  7. Establishment of satellite mini processing mills in strategic locations

Policy statement 1.2 Develop actions for Sierra Leone that support oil palm smallholder development and ensure appropriate community engagement in the oil palm production landscape

Context

This objective seeks to promote support for smallholders and local communities to build knowledge and capacity on sustainable agriculture practices, provide access to agricultural inputs (such as seeds, organic fertilizers, and nurseries), extension and advisory services, and access to finance.
The policy also proposes that local communities whose livelihoods are affected by oil palm production activities have access to sustainable diversified livelihoods (such as providing skills training programs, and small business opportunities).

An important component of sustainable farming practices involves being transparent with communities on the costs of farm establishment and management, which would provide a context for learning about their expectations of benefit/revenue streams.

It is expected that all corporate policies related to the social and environmental sustainability of oil palm investments will be transparent and publicly available. The policy when implemented, will clearly outline how communities and private landowners will be engaged and how their permission will be

Policy strategy

- Ensure a quality farmer support system that builds the capacity of smallholder farmers on sustainable oil palm practices.
- Ensure the availability of highly skilled advisors and extension services to improve farmer's

knowledge and skills.

- Develop and maintain an efficient management system in place to support efficient extension services. This can include setting up of demonstration farms for learning mobile plant clinics, and some digitized learning platforms for information sharing.
- Promote organization development through encouraging and facilitating the formation of farmer groups formation that will provide spaces for farmer-to-farmer learning, and increase outreach of the dispersed smallholder farmers.
- Work together with the farmers to document the existing sustainable practices and to contextualize the most efficient practice as defined by geographical locations.
- Monitor, Evaluation, and learning. Set up a system to measure the performance of the Farmer Support System, monitor change and learning, and promote continuous improvement.

1. Develop actions for Sierra Leone that support oil palm small holder development and ensure appropriate community engagement in the oil palm production landscape
2. Additional strategy
3. Setting up of grievance redress committees to reduce community conflict
4. Training on cooperative governance and management
5. Improvement of feeder road network

GROUP 2

Policy focus area 2. Investment in the oil palm sector

Policy statement 2.1 Develop a credit system for the acquisition of agricultural equipment adapted to the context of smallholder farmers by considering the previous failed experiences

Context

Access to financial services such as savings and loans is of fundamental importance to start any agricultural activity, especially for purchasing agricultural machines and equipment. To meet these needs, financial service providers (FSPs) have to play a crucial role. Unfortunately, the low incomes of producers and difficulties in accessing a reliable credit system have made it challenging to access agricultural machines and equipment in Sierra Leone. Access to an appropriate credit system is one solution to the problems faced by rural producers.

In Sierra Leone, the leading financial institutions are banks. These include the central bank, commercial banks, community banks, and microcredit institutions. Two key factors make it difficult for farmers to obtain loans from banks. First, the lack of collateral, and second, the inability of farmers to repay the loans they are given. In most cases, this inability is due to poor harvests or the difficulty for farmers to profit more from their produce. Experiences from previous hire purchase schemes (2010 - 2017) showed the issue of the credit system in Sierra Leone. Indeed, according to the 2014 Government of Sierra Leone audit report, in 2013, only 0.4% of the outstanding loan to farmers was recovered by MAFS. Another study was the experience of Yoni Bank, which was established specifically to provide credit to farmers. Currently, the figures of the said bank indicate a significant difference between the loans provided to farmers and the repayment of these loans.

Based on these considerations, public authorities and the private sector must make a special effort to establish a sustainable credit system that considers the lessons learned from previous experiences.

Policy strategy

- Support farmers and entrepreneurs in preparing credit applications, considering their ability to repay (Develop and apply criteria for the eligibility of credit beneficiaries, giving special attention to cooperatives, women, and young people);
- Promote the development of business models with the involvement of the private sector, such as processors and dealers in agricultural equipment, to facilitate relations between the financing institutes and the smallholder farmers;
- Develop other forms of credit granting such as leasing, setting up a payment system at harvest (warrant);
- Advocate for the reduction of interest rates in banks.
- Technology innovations such as soil analysis equipment and drone technology for the application of insecticides, pesticides, herbicides, etc.
- Timely disbursement of funds/loans on specific activities along the value chain in line with the local farming calendar
- Introduction of matching grant with farmers contributions clearly define.
- Promote village savings and Loan (VSLA) scheme at the community level and link them to financial institution for proper management
- Establishment of insurance scheme for oil palm value chain.
- Timely repayment of loan
- Creating equal opportunities for accessing finance/credit among the value chain actors.

Policy statement 2.2 Develop a subsidy system that encourages producers to invest in new agricultural technologies.

Context
In this context, it would be important to consider the creation of a smart subsidy system to promote private investments in the agricultural sector and direct them towards activities that allow for better exploitation of the national agricultural potential without affecting natural resources. This could be done through the mobilization by the government of financial means in the framework of creating an agricultural development fund (FDA). The involvement of the Agricultural Bank could help facilitate the procedures for granting these subsidies. Particular interest will be given to agricultural equipment used by women.

Policy strategy
- Conduct a study (legal aspects) on the creation of an agricultural development fund
- Create an agricultural development fund for grants/insurance for oil palm processing
- Establish a structure to manage the fund in collaboration with financial institutions
- Develop a list of equipment and machinery to be eligible for the subsidy system for the oil palm sector
- Involve an Agricultural Bank in the management of subsidies
- Exchange visits to other agricultural agencies/institutions or countries
- Establish processing facilities close to production site.
- Establishment of Farmer Business School to reduce exploitation along the palm oil value chain.
- Establishment of Palm oil platform at local and national level for effective and efficient running of the oil palm sector.
- Establishment/strengthen a specialized financial institution(s) for agricultural lending

Policy statement 2.3 Introduce a land banking/profiling activity

Context
Access to land in Sierra Leone is highly complex and multi-sector. Current land ownership systems are unclear and that leads to low investments. Tenure insecurity is a major barrier to obtaining credits to invest in farms, especially for women and youth who lack access to land, and their contributions to the oil palm sector are generally seen as complementary to those of the men (parents or husbands)

Policy strategy
- Intensify sensitization and dialogue with traditional custodians of farmlands on the benefits of providing access to land for all rural residents including women, youth and PWDs. Referencing the 2022 customary land right act and the National land commission act.
- Promote the reform of the traditional land tenure system to allow for a legally registered tenure of farmland by individuals or groups through purchase, leasing, inheritance, and gift
- Create and enforce regulations that offer incentives for the production of oil palm on identified and demarcated oil palm production zones and oil palm production and for oil palm-related activities.

GROUP 3

Policy focus area 3. Market development

Policy statement 3.1 Provide access to price and market information

Context
There is lack of access to reliable market information. Commercial deals and prices are at best shady, and commodity information including actual market prices is not transparently communicated to producers

Policy strategy
- Facilitate a meeting for out-grower representatives, all millers, and concerned government agencies regarding the prices offered to the out growers
- Market research, organize and strengthen farmers, processors, and trader organizations – industry cluster/value chain approach
- Agri and market information system and information dissemination
- Public-private participation (farmers & processing firms) in trading i.e. supply transactions
- Collaborate with MTI in enforcing price regulations to guide the sale of palm oil
- Develop a simple application with market-oriented information and train farmers and producers on the use of the app which will be updated and such data to be disseminated through market agents, focal point out grower meetings electronics media and other mediums.
- Develop and display service chatter in strategic locations
- Adoption of the culture of quality along the value chain
- Consolidation of market information accessible to all stakeholders

Policy statement 3.2 Improve entrepreneurship skills of smallholder farmers for income earning, value addition, and participation in high-value market

Context
This policy statement seeks to support smallholder development improve livelihoods, and overcome challenges in the sector. It also seeks to integrate social and environmental safeguards within oil palm development strategies and investments. Efforts should be made in identifying value addition strategies that can help smallholders access local and global markets. Further, extension services through MAFS and MTI will inform smallholders of niche markets for premium prices.

Policy strategy
- Conduct training on entrepreneurship/enterprise development
- To have a good storage and processing facility that meet international standards.
- To ensure eco-libelling/branding that meet state of the art requirements.
- Build the capacity of small holder farmers through experts.
- Create market linkages within the value chain
- Improve on the policy of “Land use land cover” .

Policy statement 3.3 To improve market access for smallholder farmers while improving accessibility for consumers and minimizing post-harvest losses.

Context
The state of the feeder roads in the oil palm producing areas is a strong challenge for the transporting of labour, agrochemical supplies to oil palm farms, and produce from farms to markets, usually in the district and chiefdom headquarter towns. Most farmers do not have adequate on-farm storage facilities and thus encounter challenges carrying out harvest and post-harvest activities.

These shortcomings affect the quality of the produce and sometimes compel farmers to sell palm oil at low prices to itinerant buying agents.

Policy strategy

- In collaboration with the Ministry of Works and Public Assets (MWPA) and the District Road maintenance units to improve feeder roads to all oil palm-producing communities for the transportation of workers, supplies, and produce.
- Team up with NGOs and private investors to develop and maintain suitable storage facilities where these are required.
- Build the functional capacity of existing Agriculture Business Centres (ABC) in oil palm-producing communities
- Collaborate with NGOs, and private investors to provide post-harvest material such as solar plastic, fermentation boxes, and jute bags to ensure the production and packaging of quality cocoa beans
- Improve on supply line to the axis of integration that lead farmers to market;
- Improve on farm storage facilities;
- Review and implement the phytosanitary Acts;
- Provide effective Phytosanitary measures.

Policy statement 4.5 Provide sustainable and regular financing for the oil palm sector development

Context

Access to long-term finance is core to facilitating investments and growth in the oil palm sector. The policy calls for the mobilization of financial resources targeting community oil palm development, producers, and processors. This should include innovative financial mechanisms that can be instituted through public and private partnerships. At the heart of this model, is the responsibility of government to guarantee funds are accessible to targeted actors.

There are challenges faced by small and medium-sized enterprises (SMEs), smallholders, and medium growers in the sector. These include inadequate access to finance (especially for smallholders), inadequate institutional support, limited technical capacity, inefficient business services network, and transportation infrastructure challenges, among others.

Policy strategy

- A special law that will allow the government to collect from millers some percentage from their sale of palm oil and other future oil palm products to fund programs/projects for the development of the industry
- To engage with Apex Bank Sierra Leone to secure incentives and other financial institutions to source domestic funding and climate financing windows.

GROUP 4

Policy focus area 4. Enabling business environment

Policy statement 4.1 Develop a conflict resolution mechanism and a feedback grievance redress mechanism

Context
Investment in the oil palm sector drives the conversion of land for large-scale oil palm development as the government looks for economic development opportunities. Through Foreign Direct Investment (FDI), the government allocates concession rights on the understanding that the companies will adhere to relevant national legislations and policies that require engaging communities to gain access to the lands. In many cases, there have been conflicts over respect for Free, Prior, and Informed Consent (FPIC) and Rights-Based Approaches (RBA) protocols and their application to obtain community consent. This intervention is to develop or align a national conflict resolution strategy and a Feedback Grievance Redress Mechanism (FGRM) with the Sierra Leone Land Rights Act and Regulations.

This intervention is to develop a national conflict resolution strategy for the oil palm sector in Sierra Leone. The availability and allocation of land to concessionaires for oil palm development has the potential to significantly affect the livelihoods of indigenous people and local communities that have had traditional use rights to these lands. Reinvestment in the oil palm sector also drives forest conversion as producers and governments look for economic development opportunities. The government allocates concession rights to companies on the understanding that the companies will adhere to forest conservation legislation, engage with communities, and sign conservation agreements with them to gain access to the lands. On the contrary, this has not always been the case. The top to bottom approach and communities' exclusion in granting concessions is some of the drivers of conflicts. Unclear policies and inefficient practices for engaging these communities in a positive and participatory manner, are leading to social conflict between stakeholders in the oil palm value chain.

Policy strategy
- Provide opportunities for negotiation among conflicting groups or dispute settlement facilities.
- Set up a conflict resolution team that will be mandated to quickly resolve the conflicts that have been identified by the civil society
- Develop an early warning system to be used by the entire stakeholders in the oil palm.
- Community engagement and awareness raising among oil palm actors;
- To use a bottom top approach by engaging the communities in their local languages;
- Land-holding family heads should be involved in every decision making with a gender lens

Policy statement 4.2 Develop an integrated land use plan in conformity with the Sierra Leone Land Rights Act (2022), with a specific focus on the acquisition of deed for customary land

Context
To allocate land for developmental purposes, it is prudent to develop an integrated land use system that facilitates communities' ownership, developmental aspirations, and improved livelihood systems. This objective will protect investments on customary land and utilize public and private land. Further, this objective seeks to ensure that land development is sustainable and adheres to various deforestation regulations and biodiversity conservation specifications.

There is a clear need for land use planning to guide the allocation of concessions, which requires a high level of expertise in socio-economic, environmental, and agriculture productivity assessment

processes. In addition, implementation of REDD+ and payment for ecosystem service programs that could provide necessary incentives for forest conservation requires a high degree of technical capacity for implementation. The plan should also be clear on issues related to ownership and user rights as stipulated in the Sierra Leone Land Rights Act 2022.

Strategic development plans will be developed based on effective land use planning procedures and processes to identify those lands most suitable for the development of oil palm and other commodities and food crops. Where the necessary transportation infrastructure facilitates processing, while weighing the social and environmental risks and opportunities associated with these areas.

The allocation of land to concessions and smallholders for oil palm development has the potential to significantly affect the livelihoods of indigenous people and local communities that have had traditional use rights to these lands. Reinvestment in the oil palm sector also drives forest conversion as producers and governments look for economic development opportunities. The government allocates concession rights to companies and smallholders with the understanding that they will adhere to forest conservation legislation, engage with communities, and sign conservation agreements with them to gain access to the lands. This process is leading to social conflict between communities and the plantation companies due to unclear policies and effective practices for engaging these communities in a positive, participatory manner. Further, attempts to divert expansion onto "degraded" land by concessionaires could threaten local land rights. In some instances, large commercial producers have found ways to falsely categorize arable land as degraded lands so that they are allowed to cultivate on them. It is thus imperative for the government to put in place stringent conditions to ensure compliance.

Policy strategy

- Develop plans in association with communities that will define appropriate land use in oil palm production
- Appropriately zoning areas for oil palm uses either as High Conservation Value or High Carbon Stock
- Ensure biodiversity preservation while ensuring sustainable production in oil palm cultivation. It will involve specifying what lands to use and how best to cultivate oil palm sustainably. For instance, forests, peat land, and High Conservation Value areas are not to be used for oil palm development.
- Community management of forest areas and High Conservation Value areas.
- Community health hazard compensation
- To develop a proper waste management mechanism that is environmentally friendly
- Establishment and improvement of health facilities for environmental hazard as part of their corporate social responsibilities
- establishment and construction of learning institutions as part of the company/organization's corporate social responsibilities
- to provides scholarship schemes for primary, secondary, TVET and university

Policy statement 4.3 integrate sustainable conservation practices in oil palm production landscapes, in conformity with the Sierra Leone national REDD+ strategy and other relevant national and international commitments

Context

This policy aims to develop actions to allow for sustainable forest conservation in oil palm production landscapes. This conforms with the National REDD+ Strategy, Sierra Leone Nationally Determined Contributions (NDC), and relevant international commitments on biodiversity conservation. Concepts such as HCS/HCVs in oil palm development are meant to conserve biodiversity and forests. The policy

should ensure a balance between biodiversity conservation, land use planning, and economic growth.

This policy statement aims to develop actions to allow for sustainable forest conservation in production landscapes, in conformity with the National REDD+ Strategy and international commitments.

Policy strategy

- Apply a given methodology for HCV and HCS for all concessionaires and ensure compliance with the RSPO principles on the issue.
- Conduct a nationwide assessment to identify HCV and HCS at the concession level.
- Prevent clearance of high carbon stock and high conservation value forests in agriculture
- Monitor and report happenings in HCV/HCS areas around oil palm landscapes
- Timely monitory
- Convert bye product of oil palm to animal feeds, organic fertilizers and other uses to increase production
- Incorporate climate smart Agriculture

Policy statement 4.4 Reduction in the high-interest rates on loans for smallholder farmers of financing institutions

Context

Taxes levied on agricultural products in terms of exports, and imports can have an impact on agricultural mechanization. The same is true for taxes on the import of raw materials and spare parts for agricultural machinery. Private companies, including those in the agricultural sector in Sierra Leone, are required to pay corporate taxes. All tax laws need to be reviewed to amend them to create an enabling environment for companies and other businesses engaged in mechanized agriculture to operate and prosper.

Policy strategy

- Promoting access to capital especially for smallholders through special financing windows for planting/replanting.
- Develop an attractive credit service system for collective purchases of farm inputs
- Develop a rapid system for obtaining tax exemption certificates for agricultural investments
- Popularize tax and customs information related to the purchase and import of agricultural inputs in Sierra Leone;
- Provision of loan scheme to farmers with flexible interest rate
- Development and promotion of gender sensitive loan products
- Establishment of additional financial service association especially in oil palm producing areas.

Policy statement 4.5 Provide sustainable and regular financing for the oil palm sector development

Context

Access to long-term finance is core to facilitating investments and growth in the oil palm sector. The policy calls for the mobilization of financial resources targeting community oil palm development, producers, and processors. This should include innovative financial mechanisms that can be instituted through public and private partnerships. At the heart of this model, is the responsibility of government to guarantee funds are accessible to targeted actors.

There are challenges faced by small and medium-sized enterprises (SMEs), smallholders, and medium growers in the sector. These include inadequate access to finance (especially for smallholders), inadequate institutional support, limited technical capacity, inefficient business services network, and transportation infrastructure challenges, among others.

Policy strategy

- A special law that will allow the government to collect from millers some percentage from their sale of palm oil and other future oil palm products to fund programs/projects for the development of the industry
- Provision of medium to long-term loans
- To engage with Apex Bank Sierra Leone to secure incentives and other financial institutions to source domestic funding and climate financing windows.

Policy Implementation Plan Session

Group inputs, comments, additions and removals provided by all participants during the validation workshop

Participants were also divided into 4 groups for this session with each focusing on a component, its strategic statement, rationale, current status, outputs, and proposed area of intervention.

Note: All group inputs were discussed, agreed upon by all participants and are highlighted in yellow

GROUP 1

Component 1. Enhancement of production and productivity in the Oil Palm Value Chain

Strategic statement:

There are three strategic objectives under component 1. These include: 1) To increase production of smallholders' oil palm plantations, 2) Develop actions for Sierra Leone that support oil palm smallholder development and ensure appropriate community engagement in oil palm production landscape, and 3) Capacity building of smallholder farmers to improve productivity and income earning.

Rationale

The major challenges of Sierra Leone's food systems include but not limited to: low productivity due to limited availability of improved technologies and innovations including agricultural inputs- such innovations for improving livestock breeds and crops varieties; low levels of value chain integration mainly due to inefficient production systems that undercut competitiveness. In addition, there are mainly segmented markets across the country for inputs and outputs but not well organized/structured.; high interest rates for agricultural finance; low farmers' organizational capacity; and low institutional and organization capacity, especially for the provision of agricultural research information and development, extension, and advisory services.

Current status

Currently, smallholder farmers are actively involved in the production and processing stages in the chain and are, to a larger extent, the main source of the palm oil consumed in the domestic market. The large private sector plantations are at different stages of their development and are hardly able to make any significant impact on both the domestic and the export markets of CPO and refined palm oils. Most of the inputs are imported because Sierra Leone has no palm seed breeding program, nor an oil palm research centre, high quality pregerminated oil palm seeds are imported from sub-regional countries (Benin, Ghana and Cote d'Ivoire) usually through donor supported projects. Fertilizers are in limited supply, and mostly imported by the government through donor-supported projects. Except for very few hand tools produced locally by blacksmiths, most tools used for in the cultivation of oil palm are also imported.

Outputs

The key outputs from the implementation of Component 1 are as follow:

1. Production of smallholder farmers in increased
2. The production of smallholder farmers will increase at the end of 5 year. 20% will be increase yearly.
3. Smallholder farmers productivity and income earning is improved
4. Earning will increase by 20% yearly

5. Capacity of smallholder farmers is enhanced

OUTPUTS	INDICATOR	Outcome
Production of smallholder farmers increased	Production of small holder farmer increased by 20% annually	Production increased by 100% by the end of the 5year project. Frequent harvest and better management of oil palm
Smallholder farmer's productivity and income earning is improved	Productivity and income of smallholder farmer increase by 20% annually	Productivity and income of smallholder farmers increased
Capacity of smallholder farmers is enhanced	50% of small holder farmers will receive training on best agronomic best practices in the oil palm value chain annually	All smallholder farmers are now knowledgeable on good agronomic practices along the oil palm value chain

Proposed areas of interventions

The proposed areas of interventions to achieve the objectives of Component 1 include the following:

- Continue planting good selected oil palm seedlings to rehabilitate old plantations and develop new ones on abandoned agricultural lands or grasslands.
- Plant improve high-yielding oil palm varieties and continue to rehabilitate oil palm plantations.
- Establish new plantations following the Roundtable for Sustainable Palm Oil procedures. Slash and burn should be systematically avoided, as fires occur too easily during the dry season, devastating the landscape around the plantations.
- Support smallholders on best management practices (BMP) to improve their plantations' management in particular to increase harvest frequency and to better manage the vegetation cover and the organic matter use.
- Scale-up of rehabilitation support which includes pruning, placement plantations, and provision of incentives across the value chain. At this point, the issue of incentives will not be supported but the tool bank could be increased. Ensure that this is promoted and integrated with the appropriate extension services.
- The level of standard agronomic practices knowledge needed for a very high oil palm production has to improve among all farmers.
- Ensure a quality farmer support system that builds the capacity of smallholder farmers on sustainable oil palm practices.
- Ensure the availability of highly skilled advisors and extension services to improve farmers knowledge and skills.
- Develop and maintain an efficient management system in place to support efficient extension services. This can include setting up of demonstration farms for learning and mobile plant clinics, and some digitized learning platform for information sharing.
- Promote organization development through encouraging and facilitating of farmer groups formation /Cooperatives that will provide spaces for farmer-to-farmer learning, and increase outreach of the dispersed smallholder farmers.
- Work together with the farmers to document the existing sustainable practices and to contextualize the most efficient practice as defined by geographical locations.
- The PEMSD/Extension Officer /Crops Officer (SMS) and learning. Set up a system to measure the performance of the Farmer Support System, monitor change and learning, and promote continuous improvement.
- Establish /strengthen farmer field school
- Strengthen the capacity of local fabricators

GROUP 2

Component 2: Investment in the oil palm value chain – Access to finance for processing and value addition

Strategic statement:
This component will be implemented by achieving the following objectives: 1) Develop a credit system for the acquisition of agricultural equipment adapted to the context of smallholder farmers, 2) A subsidy system that encourages producers to invest in new agricultural and 3) Introduce a land banking/profiling activity – Access to land.

Rationale
In this context, it would be important to consider the creation of a smart subsidy system to promote private investments in the agricultural sector and direct them towards activities that allow for a better exploitation of the national agricultural potential without affecting natural resources. This could be done through the mobilization by the government of financial means in the framework of creating an agricultural development fund (FDA). The involvement of the Agricultural Bank could help facilitate the procedures for granting these subsidies. Particular interest will be given to agricultural equipment used by women.

Current status
Access to financial services such as savings and loans is of fundamental importance to start any agricultural activity especially for purchasing agricultural machines and equipment. In order to meet these needs, financial service providers (FSPs) have to play a crucial role. Unfortunately, the low incomes of producers and difficulties in accessing a reliable credit system have made it challenging to access agricultural machines and equipment in Sierra Leone. Access to an appropriate credit system is one solution to the problems faced by rural producers.

In Sierra Leone, the leading financial institutions are banks. These include the central bank, commercial banks, community banks, and microcredit institutions. Two key factors make it difficult for farmers to obtain loans from banks. First, the lack of collateral, and second, the inability of farmers to repay the loans they are given. In most cases, this inability is due to poor harvests or the difficulty for farmers to profit more from their produce. Experiences from previous hire purchase scheme (2010 - 2017) showed the issue of the credit system in Sierra Leone. Indeed, according to the 2014 Government of Sierra Leone audit report, in 2013, only 0.4% of the outstanding loan to farmers was recovered by MAFS. Another study was the experience of Yoni Bank, which was established specifically to provide credit to farmers. Currently, the figures of the said bank indicate a significant difference between the loans provided to farmers and the repayment of these loans.

The oil palm sector suffers from inadequate access to finance due to lack of access to acceptable collateral for financial institutions, high interest rates, and inflexible loan repayment schedules which do not correspond to the farmers' seasonal cash flows. Farmers normally don't have cash available when needed and risk not accessing inputs when these are needed. Due to the small size of their farms (less than 2 ha), the majority of smallholder farmers are in a vicious cycle of being unable to benefit from loans or from direct sales to agents and middlemen. The only sources of credit available to farmers are the informal money lenders who demand very high rates of interest. Farmers also trade with whoever offers them up front financing in the months of mid-July to early August in exchange for palm oil when harvested.

The Apex bank was established in 2016, with a network of 51 Financial Services Associations and 17 Community Banks, to help farmers access financing for small businesses and agricultural activities. But these institutions are having challenges in giving loans to cocoa farmers because of the difficulties in appraising them and the seasonality of their production cycle. Despite the presence of the Financial Services Associations and Community Banks the oil palm sector has limited access to

loans. They also lack acceptable collateral to satisfy the lending terms of other financial institutions. They therefore end up with the only available option of dealing with the informal loan providers.

Outputs

The key outputs are:

1. A subsidy credit system developed
2. Land banking/profiling introduced
3. Strengthen Apex Bank and other financial institutions to Promote Agricultural lending at community level
4. Research and development.
5. Innovative education supported

Proposed areas of intervention

The proposed areas of interventions to achieve component 2 are:

- Support farmers and entrepreneurs in preparing credit applications, considering their ability to repay (Develop and apply criteria for the eligibility of credit beneficiaries, giving special attention to cooperatives, women, young people, and persons with Disability);
- Promote the development of business models with the involvement of the private sector, such as processors and dealers in agricultural equipment, to facilitate relations between the financing institutes and the smallholder farmers;
- Develop other forms of credit granting such as leasing, setting up a payment system at harvest (warrant);
- Advocate for the reduction of interest rates in banks.
- Technology innovations such as soil analysis equipment and drone technology for the application of insecticides, pesticides, herbicides, etc.
- Conduct a study (legal aspects) on the creation of an agricultural development fund
- Create an agricultural development fund for grants/insurance for agricultural mechanization.
- Establish a structure to manage the fund in collaboration with financial institutions
- Develop a list of equipment and machinery to be eligible for the subsidy system
- Involve an Agricultural Bank in the management of subsidies
- Exchange visit to other agricultural agencies/institutions both local and internationally
- Intensify sensitization and dialogue with traditional custodians of farmlands on the benefits of providing access to land for all rural residents including women, youth, and persons with Disabilities.
- Promote the reform of the traditional land tenure system to allow for legally registered tenure of farmland by individuals or groups through purchase, leasing, inheritance, and gift. Referencing the 2022 customary land rights Act and the National Land Commission Act.
- Create and enforce regulations that offer incentives for the production of oil palm in identified and demarcated oil palm production zones for oil palm-related activities.
- Strengthen the Village savings and Loan scheme, Osusu and the Inventory credit scheme (ICS) through the rural financial institutions (RFIs).
- Establish special funds for research and Development in the oil palm value chain.
- Establishment of funds for waste transformation to valuable product in the oil palm value chain.

- **INDICATORS**
- 10,000 Farmers Must have received subsidy on inputs by 2030 (ie each district must have 625 beneficiaries for the six years).
- 10,000 Farmers have access to credit facilities by 2030

- Development of 1,000 VSLA at community level across the country by 2030
- Access to Land
- Apex Bank to strengthen their community Banks to support farmers.
- 1,000,000 new breeds of palm oil verities must be developed through research and Development by 2030.

GROUP 3

Component 3: Market development – access to market

Strategic statement:
The objectives of component 3: 1) Provide access price and market information, 2) Improve entrepreneurship skills of smallholder famers for income earning, value addition and participation in high value market and 3) To improve market access for smallholder farmers while improving accessibility for consumers and minimizing post-harvest losses.

Rationale:
Major players in the palm-oil value chain in Sierra Leone include farmers/producers, processors, village collectors, local traders, wholesalers, retailers and some informal exporters. In addition, there are importers of cheaper Malaysian palm oil who also mix imported oils with local red oil. Processing of palm oil is mostly done at the farm level by women. Palm oil is usually purchased at the farm by traders who pay for the transport costs to the nearest collection point or retail market. Palm oil that is destined for wholesalers is stored by the trader, and later trucked to the new buyer who incurs the transport costs.

Whilst costs are higher at the processing and logistics stages, revenues and net-profits accrued at these stages are also higher – about 40 percent and 34 percent, respectively. This is mainly due to the higher and favourable international prices for palm oil, which are not fully passed on to the farm-gate. Sierra Leone has the reputation of producing quality palm oil in the sub-region. As such, the demand from neighbouring countries often means that prices offered to processors tend to be higher.

Current status
There is lack of access to reliable market information. Commercial deals and prices are at best shady, and commodity information including actual market prices is not transparently communicated to producers

The state of the feeder roads in the oil palm producing areas is a strong challenge for the transporting of labour, agrochemical supplies to oil palm farms and produce from farms to markets, usually in the district and chiefdom headquarter towns. Most farmers do not have adequate on-farm storage facilities and thus encounter challenges carrying out harvest and post-harvest activities. These shortcomings affect the quality of the produce and sometimes compel farmers to sell palm oil at low prices to itinerant buying agents.

Outputs
The key outputs are:
1. Access to reliable market price and information system is provided
2. Entrepreneur skills of smallholder farmer is improved
3. Post-harvest losses are minimized (Satellite processing machines provided and decentralised.)
4. access to improved storage facilities across the oil palm value chain systems provided
5. Supply routes to market improved
6. a simple application with market-oriented information developed and extension agents trained on its utilization and dissemination

Indicators
1. No. of oil palm processing satellite stations provided and operationalized
2. No. of storage sites provided with requisite facilities.

3. No. of km of feeder roads maintained.
4. NO. of trained extension agents using the app in the 16 Agricultural District and No. of oil palm farmers using the app for information dissemination.
5. % OF oil palm farmer that have access to reliable market price information.

EXPECTED RESULT

1. 70-75% of oil palm farmers have access to reliable market price information.
2. 500 satellite stations established, enhanced and operationalized across the 16 Agricultural Districts by 2030.
3. 125 standard Oil palm storage facilities provided across the country by 2030.
4. 1,500 km of feeder roads maintained in 15 Agricultural Districts.
5. 1000 trained extension agent and 1,250,000 oil palm actors have access to reliable market price information across the country by 2030.

Proposed areas of intervention

The key areas of intervention proposed are:

- Meet among out grower representative, all millers and concerned government agencies regarding the prices offered to the out growers.
- Setting up meetings among outgrowers representatives, all millers and concern government agencies regarding the prices offered to the out growers.
- Market research, organize and strengthen farmers, processors, trader organizations – industry cluster/value chain approach
- Agri and market information system and information dissemination
- Public-private participation (farmers & processing firms) on trading i.e. supply transactions
- Collaborate with MTI in enforcing price regulations to guide the sale of palm oil
- Work with MTI/PMB to facilitate the review of CAP 185 of 1946
- training on entrepreneurship/enterprise development
- In collaboration with the Ministry of Transport and Aviation (MTA) and the Road Maintenance fund Administration improve feeder roads to all-weather 40 standards in oil palm producing communities for the transportation of workers, supplies and produce.
- Team up with NGOs and private investors to develop and maintain suitable storage facilities where these are required.
- Build the functional capacity of existing agriculture Business Centres (ABC) in oil palm producing communities

GROUP 4

Component 4: Enabling business environment

Strategic statement:

The objectives of component 4: 1) Develop a conflict resolution mechanism and a feedback grievance redress mechanism, 2) Develop an integrated land use plan in conformity with the Sierra Leone Land Rights Act (2015), with specific focus on the acquisition of deed for customary land, 3) Introduce integrated sustainable conservation practices in oil palm production landscapes, in conformity with the Sierra Leone national REDD+ strategy and other relevant national and international commitments, 4) Reduction in the high interest rates on loan for smallholder farmers of financing institutions and 5) Provide a sustainable and regular financing for the oil palm sector development

Rationale:

Investment in the oil palm sector drives conversion of land for large scale oil palm development as government looks for economic development opportunities. Through Foreign Direct Investment

(FDI), government allocates concession rights on the understanding that the companies will adhere to relevant national legislations and policies that require engaging communities to gain access to the lands. In many cases, there have been conflicts over respect for Free, Prior and Informed Consent (FPIC) and Rights Based Approaches (RBA) protocols and their application to obtain community consent. This intervention is to develop or align a national conflict resolution strategy and a Feedback Grievance Redress Mechanism (FGRM) with Sierra Leone Land Rights Act and Regulations.

This intervention is to develop a national conflict resolution strategy for the oil palm sector in Sierra Leone. The availability and allocation of land to concessionaires for oil palm development has the potential to significantly affect the livelihoods of indigenous people and local communities that have had traditional use rights to these lands. Reinvestment in the oil palm sector also drives forest conversion as producers and governments look for economic development opportunities. The government allocates concession rights to companies on the understanding that the companies will adhere to forest conservation legislations, engage with communities, and sign conservation agreements with them to gain access to the lands. On the contrary, this has not always been the case. The top to bottom approach and communities' exclusion in granting concessions is one of the drivers of conflicts. Unclear policies and inefficient practices for engaging these communities in a positive and participatory manner, is leading to social conflict between stakeholders in the oil palm value chain.

Current status:

There is a real possibility to upgrade the production capacity of oil palm, mainly because of the ever-increasing price on the international market. The palm oil market in Sierra Leone is competitive in the sense that it has many buyers and sellers at all levels. However, there are no recognized standards or national regulations that apply specifically to palm oil quality. This void in the regulatory environment leads to a "consumer beware" code of conduct and is a limitation to improving the quality of the palm oil industry.

To allocate land for developmental purposes, it is prudent to develop an integrated land use system that facilitates communities' ownership, developmental aspirations, and improved livelihoods systems. This objective will protect investments on customary land and utilize public and private land. Further, this objective seeks to ensure that land development is sustainable and adheres to various deforestation regulations and biodiversity conservation specification.

There is a clear need for land use planning to guide allocation of concessions, which requires a high level of expertise in socio-economic, environmental, and agriculture productivity assessment processes. In addition, implementation of REDD+ and payment for ecosystem service programs that could provide necessary incentives for forest conservation require a high degree of technical capacity for implementation. The plan should also be clear on issues related to ownership and user rights as stipulated in the Sierra Leone Land Rights Act 2022.

Strategic development plans will be developed based on effective land use planning procedures and processes to identify those lands most suitable for development of oil palm and other commodities and food crops. Where the necessary transportation infrastructure facilitates processing, while weighing the social and environmental risks and opportunities associated with these areas.

The allocation of land to concessions and smallholders for oil palm development has the potential to significantly affect the livelihoods of indigenous people and local communities that have had traditional use rights to these lands. Reinvestment in the oil palm sector also drives forest conversion as producers and governments look for economic development opportunities. The government allocates concession right to companies and smallholders with the understanding that they will adhere to forest conservation legislation, engage with communities, and sign conservation agreements with them to gain access to the lands. This process is leading to social conflict between communities and the plantation companies due to unclear policies and effective practices for

engaging these communities in a positive, participatory manner. Further, attempts to divert expansion onto "degraded" land by concessionaires could threaten local land rights. In some instances, large commercial producers have found ways to falsely categorize arable land as degraded lands so that they are allowed to cultivate on them. It is thus imperative for the government to put in place stringent conditions to ensure compliance.

Taxes levied on agricultural products in terms of exports, and imports can have an impact on agricultural mechanization. The same is true for taxes on the import of raw material and spare parts for agricultural machinery. Private companies, including those in the agricultural sector in Sierra Leone, are required to pay corporate taxes. All tax laws need to be reviewed to amend them to create an enabling environment for companies and other businesses engaged in mechanized agriculture to operate and prosper.

Access to long-term finance is core to facilitate investments and growth in the oil palm sector. The policy calls for the mobilization of financial resources targeting community oil palm development, producers, and processors. This should include innovative financial mechanisms that can be instituted through public and private partnerships. At the heart of this model, is the responsibility of government to guarantee funds are accessible to targeted actors.
There are challenges faced by small and medium-sized enterprises (SMEs), smallholders and medium growers in the sector. These include inadequate access to finance (especially for smallholders), inadequate institutional support, limited technical capacity, inefficient business services network and transportation infrastructure challenges, among others.

Outputs
The key outputs include:

1. Conflict resolution and redress mechanisms for smallholder farmers developed
2. An integrated land use plan developed
3. An integrated sustainable practice by smallholder farmers introduced
4. Integrated sustainable conservation practices for smallholder farmers introduced
5. A sustainable and regular financing for the development of oil palm sector provided
6. Base line survey on HCV and HCF conducted by crop officer and M&E at district level.
7. Monitory tools developed
8. Tax exemption certificate introduced
9. Tax and custom information popularized

Proposed areas of intervention
The proposed areas of interventions include:

- Provide opportunities for negotiation among conflicting groups or dispute settlement facility.
- Set up a conflict resolution team that will be mandated to quickly resolve the conflicts that have been identified by the civil society
- Develop an early warning system to be used by all the stakeholders in palm oil
- Develop plans in association with communities that will define appropriate land use in oil palm production
- Appropriately zoning areas for oil palm uses either as High Conservation Value or High Carbon Stock
- Ensure biodiversity preservation while ensuring sustainable production in oil palm cultivation. It will involve specifying what lands to use and how best to cultivate oil palm sustainably. For instance, forests, peat land and High Conservation Value areas are not to be used for oil palm development.
- Community management of forest areas and High Conservation Value areas.

- Apply a given methodology for HCV and HCS for all concessionaires and ensure compliance with the RSPO principles on the issue.
- Conduct a nationwide assessment to identify HCV and HCS at the concession level.
- Prevent clearance of high carbon stock and high conservation value forest in agriculture
- Monitor and report happenings in HCV/HCS areas around oil palm landscapes
- Promoting access to capital especially for smallholders through special financing windows for planting/replanting.
- Develop an attractive credit service system for collective purchases of farm inputs
- Develop a rapid system for obtaining tax exemption certificates for agricultural investments
- Popularize tax and customs information related to the purchase and import of agricultural inputs in Sierra Leone;
- A special law that will allow the government to collect from millers some percentage from their sale of palm oil and other future oil palm products to fund programs/projects for the development of the industry
- To engage with Apex Bank Sierra Leone to secure incentives and other financial institutions to source domestic funding and climate financing windows.

Indicators:

1. Number of conflicts resolved or redressed among smallholder farmers
2. Integrated land used plan
3. Sustainable and regular financing system for oil palms in place.
4. Number of farmers accessing finance to undertake oil palm farming
5. Survey reports available on High Conservation Value Areas and High Carbon Stock
6. Status report on High Conservation Value Areas and High Carbon Stock
7. Number of monitoring exercises conducted and reported on High Conservation Value Areas and High Carbon Stock
8. per quarter
9. Number of small holder farmers that are tax free in their operations
10. % knowledge among smallholder farmers on tax and customs information

Annex 5: List of Workshop Participants

Policy Direction Session

Group 1

National Oil Palm Value Chain Policy and Implementation Plan					
Validation Workshop - Group Discussion					
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Group 4

National Oil Palm Value Chain Policy and Implementation Plan					
Validation Workshop - Group Discussion					
List of Participants - Group 4					
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Annex 6: Workshop Photos



Group Photo of all Participants



Andrew Kojo Morrison, Country Representative, Solidaridad West Africa, Giving the welcome address



Edward Sesay, Chairman, National Union of Oil Palm Platform (NUOPP), giving opening statement



Didan Sankoh, Director, Produce Monitoring Board (PMB), giving opening statement



Alex SERRAS, EU Representative giving opening statement



Yatta SAMA, President, National Federation of Farmers of Sierra Leone (NaFFSL) giving opening statement



Sahr HEMORE, Deputy Minister 2 Ministry of Agriculture and Food Security giving opening statement



David Sam SUALE, Consultant observing group discussion sessions



Mahmoud KARGBO, facilitator (far left), David Sam SUALE, consultant (center), Alim KOROMA, facilitator (far right)