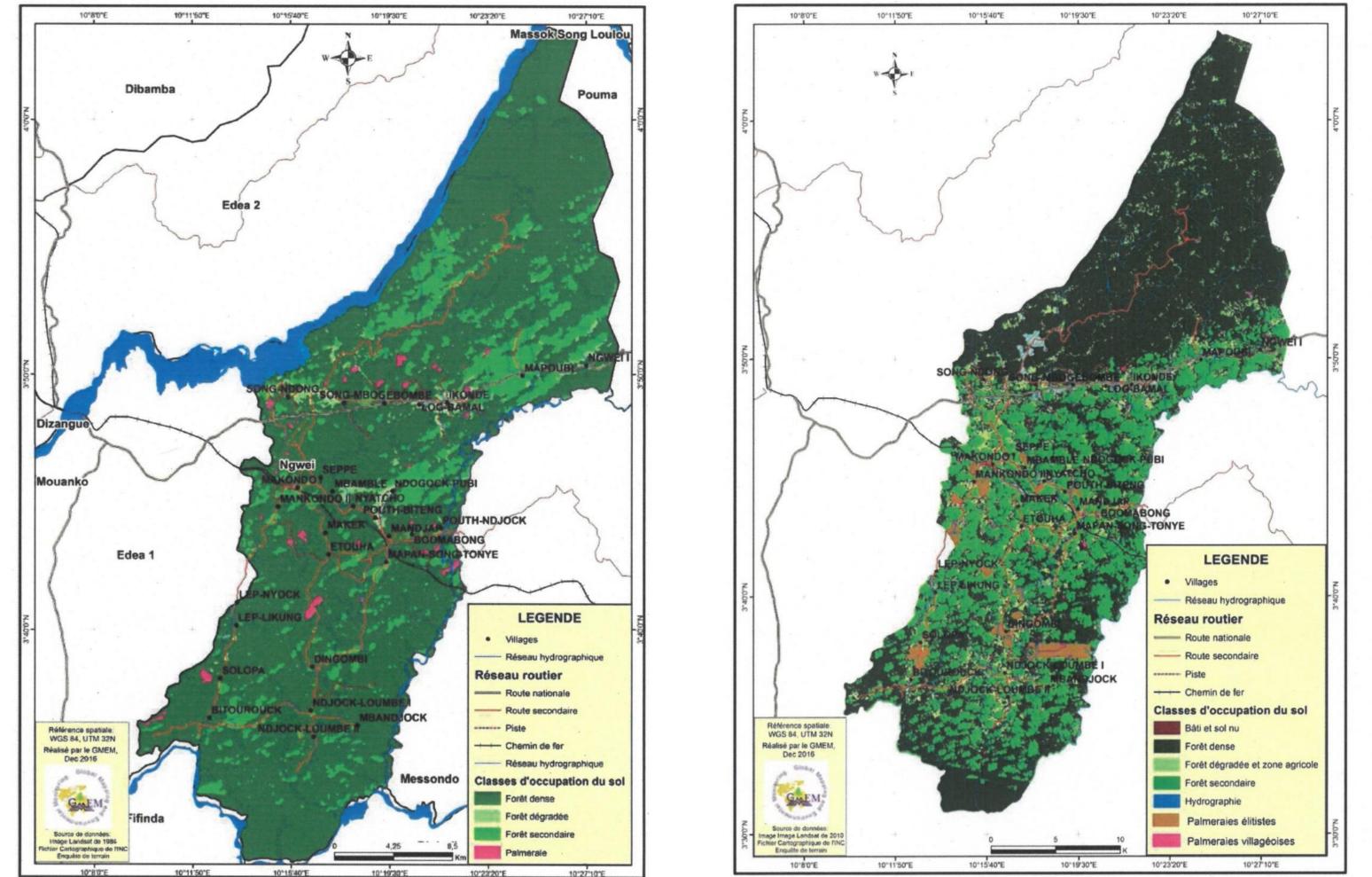
Safeguarding the Ngwei forest areas (Cameroon) by increased oil palm productivity and production factors Alexander von Humboldt Stiftung/Foundation

Achille Jean Jaza Folefack¹, Marie Gaelle Ngo Njiki¹ and Dietrich Darr²

¹University of Dschang (Cameroon), ²Rhine-Waal University of Applied Sciences (Germany)

1. Background

- Oil palm is a perennial tree used to produce palm oil.
- Estimated annual production in Cameroon is 230,000 tons, making the country the 13th world largest and 3rd African largest producer.
- Current palm oil area 190,000 ha, distributed among supervised agroindustrial producers (93,860 ha) and smallholder farmers (100,000 ha).
- The country aims to double annual palm oil production to 450,000 tons by the year 2020.
- Notwithstanding the economic benefits of palm oil production, this represents a serious threat to forest landscapes and wildlife biodiversity.



2. Objectives

- Compare the output and inputs productivity between smallholder and supervised agro-industrial producers of oil palm.
- Evaluate the benefits and social welfare by producing oil palm and compare them with the opportunity cost of undertaking this activity at the detriment of forest.
- Determine the amount of forest land saved by offering more productive inputs to smallholder oil palm producers.

Figure 46 : occupation du sol à Ngwéi en 1984 à partir des images Landsat MSS

Figure 49: occupation du sol à Ngwéi en 2013 à partir des images Landsat 8

Figure 1: Land Map of Ngwei in 1984 (left) and 2013 (right)

3. Methods

- Descriptive statistics, Cobb-Douglas production function (SPSS)
- Non-linear programming model (GAMS)

4. Selected results

Table 1: Share of land use between oil palm producers groups

	Smallholder producers (N=219)			Supervised agro-industrial producers (N=54)		
	Oil palm area	Forest trees area	Total	Oil palm area	Forest trees area	Total
Land covered with secondary forest and oil palm plantations (ha)	7.83	0.83	8.7	37.59	3.71	41.3
	(90%)	(10%)	(100%)	(91%)	(9%)	(100%)
Land covered with primary forest (ha)	0	3.8	3.8	0	15.1	15.1
	(0%)	(100%)	(100%)	(0%)	(100%)	(100%)
Total	7.83	4.67	12.5	37.17	19.23	56.4
	(62.64%)	(37.36%)	(100%)	(65.90%)	(34.10%)	(100%)



Table 2: Inputs' intensity and production elasticity between oil palm producers groups

Inputs	Sma	llholder producers (N=219)	Supervised agro-industrial producers (N=54)		
	Intensity	Production elasticity	Intensity	Production elasticity	
Labour (manday/ha)	145	1.017	483	0.098	
Mineral fertilizer (kg/ha)	22	1.865	125	0.178	
Pure seeds (plants/ha)	13	1.951	143	0.184	
Pesticide (liter/ha)	0.03	1.330	4.59	0.106	
Total: Oil palm yield (ton/ha)	5.0	∑elasticity=6.163	19.3	∑elasticity=0.566	

Table 3: Non-linear programming baseline and simulated results (Sc.) by applying the inputs levels recommended by research stations

	Baseline solution	Simulated solution (Sc.)	Difference Sc Baseline
Oil palm area (ha)	7.871 ha (90.47%)	1.000 ha (11.49%)	-6.871ha (-78.98%)
Forest area (ha)	0.829 ha (5.53%)	7.700ha (88.51%)	+6.871ha (+78.98%)
Benefits (FCFA)	14,740,000	75,032,000	60,292,000
Opportunity costs (FCFA)	26,940,000	34,229,000	7,289,000
Social welfare (FCFA)	-12,220,000	+40,803,000	53,023,000

Figure 2 : Deforestation of Ngwei land areas



Figure 3: Oil palm trees (left) and bunches (right)





5. Conclusion: Social welfare becomes positive and smallholder farmers would save 78.98% of land area and earn higher returns while preserving the environment if they apply optimal inputs levels recommended by research stations.

Figure 4 : Oil palm processing by smallholder farmers



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Contact: Prof. Dr. Jaza Folefack Achille Jean, Department of Agricultural Economics, University of Dschang, P.O. Box 222 Dschang, Cameroon e-mail: <u>ajazafol@yahoo.fr</u>

HOCHSCHULE **RHEIN-WAAL** Rhine-Waal University of Applied Sciences