

Rotary



Rotary Action Group for Community Economic Development

Palm Oil Processing Mill & Micro-Credit for Indigent Farmers



Host Club: RC of Eziana Sunrise

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Seeking: International Club and Funding Partners

Background

The Ezialangwa Autonomous Community is a collection of 9 village communities of indigent petty traders and small scale farmers who rely on cultivating, harvesting, and/or trading palm fruit and other cash crops like cassava, yam, and vegetables for their livelihoods.

Farming palm fruit predominates because of the

abundance of both owned and semi-wild palm fruit plantations that thrive in the region's climate and soil. Palm oil extracted from palm fruit is a major food and non-food ingredient and is the world's largest source of edible oil and fat production. Virtually every Nigerian household uses it for cooking and manufacturers need it to produce a variety of products, e.g., margarine, soap, wax, lipstick, wax, paints, and more. Demand in Nigeria and the world outstrips supply, making it a sellers' market commanding attractive prices.

Today, the community (mostly) women extract palm oil from the palm fruit to produce palm oil products using manual and mechanical aid techniques, resulting in substantial lost revenue. They then sell the oil products at their own and neighboring rural markets. The community can only extract palm oil from a fraction of the palm fruit bunches they harvest, forcing them to sell the bunches to neighboring small-scale palm oil processing farmers for minimal revenue, preventing a climb out of poverty.

The Host and International Rotary Clubs will sponsor and partner with the Eziala Ngwa Autonomous Community Cooperative (deemed the "best-fit" for the project out of the 9 village communities in Ezialangwa, and whose Umuarukwo Village is the project location) and the Chibueze Microfinance Bank to support this project. Our objectives are to build the capacities to deliver sustainable economic growth and productive work opportunities, and to provide access to safe drinking water and sanitary toilet facilities.

Project Summary

Our global grant project is a set of carefully planned inter-related components and activities that meet our objectives over a 20-month timeline and address the most pressing community needs we identified:

1. Establish the Eziala Ngwa Multipurpose Cooperative Society Ltd comprised of 20 community farmers overseen by a 9-Member Board of Directors with Board Seats allocated to the Cooperative, Rotary Community Corps, community leaders, and top executives of the Palm Oil Processing Mill.
2. Supply and install a 10 metric ton/day capacity Palm Oil Processing Machine and Power Generator.
3. Provide a water system, motorized borehole with 4,000 litre storage capacity, water distribution, and 10 taps and WASH stations.

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4. Provide a block of 6 toilets with ramp access and 2 cloak rooms (male and female).
5. Provide 3 months of training to a) members of the Cooperative Society on business and financial management and b) 20 youths on mechanical, technical, and management skills to operate/maintain the mill machinery plus HSE training for all Mill staff. In addition, provide 3 days of WASH training for all community members.
6. Provide 250,000 NGN (USD \$607) 6-month micro-credit loans to 20 members of the Cooperative, with potential second loans for qualified borrowers (via our Chibueze Microfinance Bank Partner).

The Eziala Ngwa's Umuarukwo Village donated the mill structure and 2,600 square meters of land to facilitate this project. They have strong entrepreneurial drives; an able and ready surplus labor force of both men and women; and easy access to road networks to other States and cities for product distribution.

Needs Assessment

- We completed an extensive, multi-month community assessment in March 2022; the final report is available.
- The team met multiple times, conducted interviews, held focus groups, and conducted a SWOT analysis, all of which informed the top priority needs we address in the final project design.
- The assessment team included 3 Rotary Club members (a PAG, PDG, and Linus Eze); the Ezialangwa Autonomous Community Chief HRH Eze Emmanuel Nwakanma; a cross-section of community youths, farmers, women, and traders; and the Ugwunagbo Local Government town planner.

Number of People Served

- The project will benefit to total 350-500 individuals & 30-50 businesses, including:
- training 40-50 individuals;
 - employing 50-100 youths in income generating activities;
 - creating 50-100 jobs;
 - providing 350-500 people with access to clean drinking water; and
 - providing 100-150 people with access to sanitary toilets/waste management.

US \$(000)

\$190.7 Total Project Cost

Funding Commitments To Date:

- | | | |
|------------------------------------|-------------|-----------------|
| 1. RC Eziala Sunrise: | \$ 4.0 Cash | } \$19.4 |
| 2. Lisa Wilhelm, RC San Rafael: | \$ 1.0 Cash | |
| 3. Dist. 9142 DDF \$8.0+ \$6.4 TRF | \$14.4 DDF+ | |

% Total:	62%	9%	14%	4%	7%	4%
Budget Item:	118.9	16.4	25.9	8.1	14.1	7.3
	10 Ton/Day Palm Oil Processing Machine & Installation	Water System, Borehole & 10 WASH Stations	6-Toilet Block/ Cloak Room	Training Activities	Micro Credit Loans	Contingency

Sustainability Assurances

The Cooperative Board will ensure the project's success from the outset, and manage/maintain the mill business and facilities going forward. Vendor local sourcing and beneficiary training will ensure ongoing local ownership and maintenance. Our financial feasibility study for the Mill with a 10-year P&L/ROI forecast using the most conservative assumptions also demonstrates the soundness of this investment.