

## The future of palm oil in Africa

Preconditions for large-scale expansion of palm oil production in the Congo Basin

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Schemes where smallholders produce the crop and companies process the oil should be taken as the basis when palm oil production expands in Africa.

The cultivation of oil palm (Elaeis guineensis) together with various tree crops such as coffee, cocoa, and rubber constitutes rapidly growing land uses globally and in the Congo Basin. It also accounts for growing and significant export revenue shares for many developing countries in the tropics including Congo Basin countries. Unfortunately for Africa, the continent of the origin of oil palm, is not in the top-5 producing countries, with Malaysia and Indonesia currently producing 80% of global output. However, Africa leads in cacao, originating from Latin America. Nonetheless, the palm oil production area has been growing in Africa over the last few years, with Nigeria, Democratic Republic of Congo (DRC), Ghana and Cote D'Ivoire being lead producers. In the Congo Basin, in Cameroon the production increased from 21,000 tons in 1994 to 53,000 tons in 2010 (FAO, 2009; Hoyle and Levang, 2010), while the production

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in Gabon increased from 5,000 tons in 1994 to 12,000 tons in 2007 (FAO, 2009).

LAND GRABBING There have been several reports on potential rapid growth of palm oil production in the context of land grabbing in the Congo Basin, where several land acquisition deals for palm oil production by multinationals have been reported in the region (see www.landmatrix.org). Those projecting potential increase argue that rapid expansion of palm oil in Africa and in the Congo Basin in particular is being fuelled by the growth of the Round Table for Sustainable Palm Oil discourse and policy shifts in Asia, where rigorous conditions, regulations and demand are forcing major plantation companies to shift investments to Africa, where conditions are less stringent at the moment.