



PROOF OF NEED

Value and potential of our tenant farmers and the need for a farmer and crop identification exercise

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Role	Head of Trading	Department	Trade

Background

The trade department was established as part of re-structuring efforts Symboil Ghana Limited had earlier embarked upon. One of the core mandates of Symboil is trading in vegetable oils and energy plants as well as related produce, products and by-products. The company's focus is on oil palm, cocoa and coconut.

Strategically, the trade section with dedicated team is to establish a separate income stream in the short term as well as to aid sustainability and longevity of the oil palm, cocoa and coconut development activities of the company.

Produce & Products

Symboil Trade is currently offering the following produce/products and respective capacities for sale:							
Coconut	Capacity	Oil Palm	Capacity	Cocoa	Capacity	Other	Capacity
1.Fresh 2.Copra 3.Virgin oil 4.Crude oil 5.Cake 6.Flour 7.Charcoal 8.Residue	Upon order Upon order 600mt/p.a. Upon order 216mt/p.a. 216mt/p.a. Upon order Upon order	1.Crude oil 2.Kernel oil 3.Kernels 4.Kernel shells	300mt/p.a. 400mt/p.a. Upon order Upon order	1.Butter 2.Seedlings	120mt/p.a. Upon order	1.Shea butter 2.skin and body care products	120mt/p.a. Upon order
Symboil Trade is planning to add the following items and their respective capacities for sale:							
Peat Water Coir	Upon order Upon order Upon order	Fruits POME	Upon order Upon order	Cocoa beans Cocoa pods Cocoa liquer Cocoa powder Chocolate	Tbc Upon order Tbc Tbc Tbc		

Need

Although the prospects for the trade department to source instantly from current farms on the company's land are very promising there is a need to first identify farmers, crops, farming practices and topography.

The department recognizes the company's **tenant farmers and farms** situated on the land as an untapped asset. For financial planning, re-structuring, certifications and CSR purposes the company requires an identification and registration process to be carried out in order to establish a new basis. The data would then be used to estimate yields of oil palm, cocoa, coconut and others as well as capital needs for trading stock. The data gathered would also form the basis towards **organic certification** for the entire parcel of land (4708 Hectares) as well as **fairtrade certification** as farmers would be organized and registered in an association after which an Annual General Meeting (AGM) is called.



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The company had last carried out a farmer and crop identification exercise in 2010 with the following outcome (rough figures): est. 350 farmers, est. 47,000 oil palm trees, 21,000 cocoa trees, 1,000 coconut trees among others. The company believes that the data is no more accurate and reliable and has therefore decided to conduct a **Crop, Farmer & Topography Identification Exercise** in 2020 (CFTIE 2020).

Anticipated Outcomes & Benefits (non-exhaustive)

1. Significant reduction of raw material costs due to internal sourcing
2. Strengthening of company's structures due to internal sourcing
3. Enhanced reliability and flexibility in planning towards achievement of output and targets
4. Collateralization and/or mortgaging of harvests in aid of financing and capital raising
5. Positive contribution to the company's overall performance and bottom line
6. Enhanced response capabilities in terms of anticipated needs and interventions
7. Job creation
8. Create foundation for streamlining and organizing farmers, farms and activities
9. Enhanced community cohesion and engagement

CFTIE 2020 Costs

Below is an expense budget to cover the estimated costs of the anticipated 2 months exercise.

DESCRIPTION		COST in GHS
Pick up hire x 2	2 months each @ GHS 6,000 per month	24,000
Fuel for vehicles	GHS 1,500 per vehicle per month	6,000
Transport	Staff, visitors, officials, assistants, volunteers	5,000
Community engagements	Land Dev. C'ttee meetings, Farmer meetings, Marketing	15,000
Cooperative set-up	Registration Exercise	5,000
Tools and gadgets	Drone, software & training, laptops, GPS devices	10,000
Surveyor's charge	All-inclusive for leading the exercise	20,000
Digitalization	Creation of digital map (provided by partners)	5,000
Accommodation	Visitors, assistants, volunteers	5,000
Miscellaneous	Administrative, other professional fees etc.	8,000
	SUB TOTAL:	<u>103,000</u>
Contingency	Add 10%	10,300
	GRAND TOTAL:	<u>113,300</u>

Investment & Partnership Opportunities

1. There are opportunities to partner with the company to execute the CFTIE 2020. A partner would be required to bring on board expertise and resources. As above a raw estimate for anticipated costs. Partner benefits are to be discussed.
2. There is the opportunity to invest into the business unit. To receive a business proposal kindly contact us in writing.



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Conclusion & Recommendation

We conclude by pointing out that the benefits of such an exercise are very positive and beneficial for the trade department, other departments, the company as a whole, tenant farmers, the local community, the environment and the project at large. We have therefore recommended that the board of directors of the company take note and implement such an exercise as soon as possible.