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# Palm to Palm: Moving Forward

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## **Palm to Palm: Moving Forward**

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### **ABSTRACT**

With the Ebola outbreak in the rearview mirror, the Kono District and Palm to Palm (P2P) are returning to what can be considered normal operations. P2P has experienced a number of successes, as well as several challenges, in the past year. These events include:

1. Obtaining a small grant from the Friends of Sierra Leone Peace Corps-affiliated organization.
2. Renewing business licenses/certifications at the local, District, and federal level.
3. The breakdown and repair of the project's palm oil digester, a principal piece of equipment for the operation.
4. The organization of the "P2P Women's Foundation".
5. The theft and replacement of the project's "power tilla" or generator.
6. The collection of rudimentary financial information.

While P2P and its stakeholders manage the daily challenges of operating a microscale sustainable economic development project, we are simultaneously attempting to plan for the future. The current plans call for raising additional funds to make investments for the long term, including obtaining office equipment and developing production technology that is appropriate for a sustainable smallholder enterprise. This paper provides updates on our efforts.

**Sustainability, Sierra Leone, palm oil, palm kernel soap**

### **INTRODUCTION**

The year 2016 represented Palm to Palm's (P2P's) first full year of operations since 2013 due to the cessation of production related to the 2013-2015 Ebola outbreak. Although P2P sustained regular production throughout 2016, it cannot be stated that things went smoothly for P2P. The project suffered two significant setbacks to palm oil production: 1) The breakdown of the project's palm oil digester, the principal piece of equipment for producing palm oil, and 2) the theft of the

project's power tiller or engine for the palm oil digester. Both setbacks occurred at the tail end of the palm-oil producing season and therefore impacted the project more than if they had occurred in the off-season.

On the positive side, as noted above, the project sustained production operations for the entire year. Given the tremendous difficulties experienced over the previous two years (2014 & 2015), the importance of operating for the entirety of 2016 is a significant accomplishment: P2P survived the Ebola outbreak.

This paper provides a review of activity and outcomes for 2016 and provides a brief overview of the project's plans for the future. The paper is organized as follows: The next section provides an overview of the project's activity for 2016. Next comes an overview of outcomes achieved by the project during the year, followed by a section covering the project's plans for the future. The conclusion details the lessons we learned this year.

## 2016 ACTIVITIES

Most of P2P's significant activities in 2016 were related in some way to a small grant the project received from the Friends of Sierra Leone (a Peace Corps-related nonprofit) in June 2016. The Palm to Palm (P2P) Project was awarded a Project Funds Grant in the amount of \$1,400 (or about SLL 8.5M) by the Friends of Sierra Leone. Since P2P only requested SLL 1.4M (~\$210) in our Project Funds Grant application, we were pleasantly surprised by the level of support and trust FoSL placed in our small project. This section of the paper details the project's significant activities for 2016 and how these activities were largely tied to the grant. The below information comes largely from the grant report submitted by P2P to Friends of Sierra Leone [1].

The Project Funds Grant funds were spent in five different areas:

- |   |                      |
|---|----------------------|
| 1. P2P License and Certification Renewals (original request): | \$ 257.63 (SLL 1.7M) |
| 2. Palm Oil Machine (Digester) repair:                        | \$ 724.62 (SLL 4.4M) |
| 3. P2P Project Motorbike license and insurance:               | \$ 125.16 (SLL 0.8M) |
| 4. Used Power Tiller (Engine) for Palm Oil Machine:           | \$ 255.59 (SLL 1.7M) |
| 5. Western Union money transfer fees:                         | <u>\$ 37.00</u>      |

Total grant expenditures: \$1,400.00

Following are details of each of the project's six significant activities for the year. Four of the six significant activities were directly enabled by the Friends of Sierra Leone grant.

### **P2P License and Certification Renewals**

As the only item mentioned in our original Project Funds Grant application, P2P spent SLL 1.7M (\$257.63) to renew appropriate certifications. Specifically, this involved renewing business licenses and certifications with the City Council, the Social Welfare Office, the Sierra Leone Traders Union, and the Ministry of Agriculture to allow P2P to once again become a fully-recognized entity in Sierra Leone. In addition, Labor Cards were obtained for ten (10) workers. P2P is already planning to renew these items again for the current year (2017).

### **Palm Oil Machine (Digester) repair**

Unfortunately, shortly after P2P was awarded the Project Funds Grant, the project's Palm Oil Machine (or Palm Oil Digester) broke down for the first time since it was purchased in 2012. The Palm Oil Machine is P2P's principal piece of equipment and is integral to the production of palm oil, as it extracts the palm oil from the flesh of the palm fruit. The specific cause of the breakdown was the fact that the pinor part broke. This breakdown necessitated bringing technician(s) and parts from Freetown to repair the machine. In total, the repair cost SLL 4.4M (\$724.62). Since the repair, the machine has been working just fine, and we expect it will continue to do so for some time to come.

### **P2P Project Motorbike License and Insurance**

For some time, the project has owned a motorbike to transport people involved with the project. Registration and insurance were obtained for the motorbike (SLL 0.8M [\$125.16]).

### **Purchase of used Power Tiller (Engine for Palm Oil Machine [Digester])**

Unfortunately, on the evening of July 1<sup>st</sup>, a small group of criminals attacked the project's security guard and stole the project's "power tiller" or the engine that powers the Palm Oil Machine (Digester). The project borrowed a replacement from another business and was able to start producing palm oil again fairly quickly, but this was only a short-term solution. The cost of a new replacement power tiller was ~SLL7.5M (~\$1,140) which was out of the project's reach, so a used machine was purchased as a replacement. The total cost of the used power tiller (including repair, transportation, and other expenses) was ~SLL 5.0M (~\$770), towards which the remaining balance of P2P's Project Funds Grant (~SLL 1.7M [~\$255]) was used. The balance owed on the replacement power tiller was paid for by donations from the project's two private supporters and funds from the project's operations.

### **Palm to Palm Women's Foundation**

2016 saw the formation of the "Palm to Palm Women's Foundation". According to P2P's local manager (D. Somoyah) [2], "This women[']s group was form[ed] to engage [K]ono women in agricultural activities in small scale farming, vegetables garden and to build their capacity for self-reliance and families." The group primarily engaged in two activities during the year:

1. Gari production: Cassava is purchased at the local market and processed by the women into gari, a staple of African cuisine. The gari is then sold to locals and at the local market.
2. Fish processing: Fish are purchased at the local market and processed. The processed fish is then sold to locals and at the local market.

Plans for the women's foundation call for farming cassava for gari production and growing vegetables.

### **Production and Financial Information**

2016 is the first full year for which the project was able to record production and financial information. Given the difficulties in doing so (lack of office equipment, lack of Internet access, some language issues, reliance on emailed updates providing the information, etc.) the

information collected is rudimentary in nature. As with other areas of the project, however, we expect that the quantity and quality of information collected will grow over time.

The above activities constitute the major activities of P2P for 2016 that occurred in addition to the project's principal activities of producing palm oil, palm kernel soap, and gari.

## **2016 OUTCOMES**

P2P's primary outcomes for the year fall into three categories: Employment, production, and revenue. Each category of activity is important in measuring the project's current and future impacts.

P2P employed approximately 18-20 local Sierra Leoneans for the duration of 2016 for the production and sale of palm oil and palm kernel soap. In addition, approximately 25 women were involved in the Palm to Palm Women's Foundation for at least part of the year processing cassava into gari and processing fish. These employment figures represent some progress over 2015 towards one of P2P's twin goals ("... to provide employment and self-determination to the people of Kono in a sustainable manner...").

The primary products produced by P2P in 2016 are palm oil, palm kernel soap, and gari. The project produced and sold a little over 260 "battas", or containers, of palm oil. A batta holds five gallons of palm oil, so this represents a little more than 1,300 gallons of palm oil. In addition, we produced and sold in excess of 26,000 bars of palm kernel soap during the year. Finally, a little over 200 bags of gari were produced and sold by the Women's Foundation. The number of bags of fish processed and sold was not recorded. Our plans call for, with proper management and additional investment, these quantities to increase in future years. Increased production and sales will require hiring additional workers, thereby providing increased support to the people of Kono.

P2P's production and sales activities resulted in just over SLL 70M in revenues for 2016. Given fluctuations in the exchange rate over the course of the year, this represents a little more than \$11,000 in revenue. This figure would have been slightly higher if the breakdown of the palm oil digester and the theft of the power tiller had not occurred: The breakdown of the palm oil digester meant that unprocessed palm fruit on hand spoiled instead of generating additional revenue, and the loss of the power tiller caused some loss of production. In addition, production and revenue results were not captured for October 2016 resulting in an understatement of full-year results.

None of the above information (employment, production, and revenue) demonstrates that P2P currently has a massive impact on the Kono region. But the importance of the project successfully operating for a full year after the Ebola outbreak and with the disruptions experienced cannot be overstated. Our expectation is that 2016 is a year on which we can build going forward.

## **THE FUTURE**

Our plans for the future of the project consist of additional investments to continue what we expect will be the steady growth of P2P. These additional investments will be in the areas of facilities, transportation, production technologies, sustainability, information, and people.

Investments in facilities fall into three categories: office equipment, security, and production-related improvements. P2P needs office equipment (computers, printers, copy machine, internet access) to facilitate managing the project and record-keeping. Security-related facility improvements are being investigated after the theft of the power tiller. Production-related improvements include renovation(s) that will facilitate increased production.

A significant area of need is transportation. The project currently lacks a dedicated vehicle to transport raw materials (palm fruit, cassava, etc.) to the “factory” and finished goods (palm oil, soap, and gari) to the market. The purchase of an appropriate vehicle will benefit the project greatly.

P2P seeks to both increase production capacity and increase production efficiency by investing in additional production capabilities. As we expressed in an earlier paper [3], it is our desire to develop and/or acquire “appropriate technology”. Appropriate technology is technology that combines scientific and indigenous knowledge and can be built indigenously so that the locals develop and maintain social capital. While the project has found some information [4] about appropriate technology that may be helpful, additional information is required to allow us to formulate an action plan in this area.

The two improvements in the area of sustainability that are reasonable next steps are:

1. The location or design and implementation of a wastewater system to return water used during production to the same or higher quality as its original state. This was mentioned in a previous paper as action meeting sustainable criteria [3].
2. A method of recycling or composting the pulp that is left after the palm oil is pressed out of the flesh of the palm fruit.

As the quality and quantity of production and financial information collected by the project grows, we will seek to develop or obtain improved recordkeeping system(s). Currently the project stakeholders rely on the project manager to manually collect and email production and financial information to the project stakeholders. The information collected and stored is therefore rudimentary. In the future we expect to locate or develop an inexpensive web-based information system. This will reduce data entry and allow all stakeholders to have simultaneous access to project information.

Finally, P2P’s stakeholders are making investments in the people involved in the project. In the last year, the project’s two primary private benefactors have provided support for the local project manager to attend college. In addition, and following the theft of the power tiller in July, one of the project’s primary private benefactors has begun supplementing the security guard’s salary—this was requested by the security guard as a condition of remaining on the job.

## CONCLUSION

We are cautiously optimistic about P2P's future. The primary reasons for our optimism are:

1. Operating for the entirety of 2016 demonstrates that P2P has recovered from the disruptions of the 2013-2015 Ebola outbreak.
2. Recovering from two smaller incidents (palm oil digester breakdown and theft of power tiller) that occurred in 2016 demonstrates perseverance, especially on the part of the local manager.
3. Employees (especially the local manager) have demonstrated they are committed to the long-term success of the project.
4. A growing number of Kono residents rely on P2P products on a daily, or at least weekly, basis.

With sustained growth, the positive impact of P2P on the people of Kono and Sierra Leone will only increase. This was the goal of the project's stakeholders at the project's founding, and it is still our goal today.

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