

Farmers reject Jatropha Posted on: 25-Apr-2007

The hope of proponents of the jatropha as the plant to be adopted for the production of bio diesel in the country is in jeopardy, as a number of smallholder farmers are expressing their disinterest in the cultivation of the plant.

Farmers in Kete Krachi, Kpando Torkor and Krachi Nkwanta in northern Volta, as well as farmers in Brong Ahafo region, claim that the oil from the jatropha is not edible and they will, therefore, be restricted to supplying to only the refineries, who could manipulate them by dictating the price of the product.

Some farmers' apprehension also stems from the fact that in the event that the refineries do not promptly pay for their produce, they would not have alternative markets to sell some of it for some cash to tide them over.

According to Mr. Wisdom Yao Adjah-Cudjoe, a representative of cereal farmers in northern Volta; "What may encourage farmers to venture into jatropha would be a guaranteed price arrangement, as is the case with cocoa."

Incidentally, the very reason for the rejection of the plant by the farmers, is one of the two cited in the National Bio-fuels Policy Draft for recommending the jatropha; that the oil produced from the plant is not edible and thus its cultivation for energy purposes will not deprive the use of arable land for purposes of growing food crops.

Presently, cultivation of jatropha is done by the private sector as individual farmers, farmer cooperatives and large scale plantation owners, with about 258 workers required for the cultivation of a hectare in the first year and 48 in the second year. A hectare yields 4,000 tonnes of seed per annum.

A privately owned jatropha oil processing plant, with a refining capacity of 2,000 tonnes per month, in Accra, is in the country, while a second is to be installed by another company.

Investment requirements for large scale cultivation of jatropha and the installation commercial medium scale bio-diesel refinery, requires a total amount of US\$6.75 million, consisting of US\$5 million for the cultivation of 7,245 hectares and US\$1.75 for the establishment of a refinery.

The cost of production of bio-diesel from jatropha is estimated at US\$3.12 per gallon, making it comparatively more expensive than gas oil at the current ex-refinery price of US\$1.97 per gallon.

With a policy objective of 20 percent of gas oil consumption to be replaced with biodiesel and 30 percent of kerosene consumption by jatropha oil by 2015, a cumulative amount of US\$133.2 million will be required for the cultivation of 193,012 hectares of jatropha.

Another amount of US\$210.6 million will be needed to establish 27 medium-scale refineries of 3,000,000 gallons per annum capacity each, to be located in all the regions of the country.

Source: Business & Financial Times, Ghana