**Background and Opportunity for Shea in Nigeria:**
The shea industry has nearly doubled in the past 10 years and forecasts to grow 50% further within the next 5 years by industry experts. The industry employs over 16 million rural women in some African countries. Although Nigeria represents 23% of the land available for shea in West Africa, its share of commercial production and exports is only 10%. The shea value chain in Nigeria and its multiple products and actors are underdeveloped with high predation on shea trees because every part of the tree is useful including the leaves (feeding cattle), the bark and roots (medicinal) and the fruit (for oil), and the hard wood (preferred by commercial bakeries). To realize Nigeria’s potential and guarantee the sustainability of the shea industry in meeting demand trends, there is the need for an organized supply network of quality shea in Nigeria as well as incentivizing shea collection in the country by increasing shea-related incomes. Women shea collectors are a lynchpin in the shea value chain. During the season women pick shea fruits and process them into shea kernels. If women process the shea well, the quality of the shea oil improves.

**About AAK:** The company manufactures vegetable oils for the food industry and is experiencing a rise in demand for sustainably sourced vegetable oils. AAK’s Direct Sourcing model, called Kolo Nafaso, builds a segregated supply chain that serves this growing market segment. The model guarantees traceability of the source of shea and increases women’s market power resulting in increased shea-related incomes for women shea kernel processors by aggregating collection at the group level with women.

**About this Project:** Global Shea Alliance (GSA), MEDA, and National Shea Products Association of Nigeria (NASPAN) join with AAK to bring their collective expertise to implement a direct sourcing model for shea in Nigeria. The goal is to strengthen the development of the shea value chain by creating and improving sustainable market linkages, promoting women’s agency and access for increased economic empowerment, and catalyzing better resource management.

**State of Shea Collection in Oyo State:** This baseline study lays out the current status of women and youth shea collectors in Oyo State. It focuses on collectors’ level of knowledge, awareness, and usage of various services such as marketing, financial services and use of technology to enhance the quality of shea produce. Shea-related income, access to shea lands and transportation were also studied. The study was conducted in four Local Government Authorities of the Oyo State with 372 women shea collectors, using a structured electronic questionnaire.
Most women shea collectors are 36 years or older as this age group are usually less burdened with reproductive work and have more time for collecting shea fruits which is very time consuming.

Literacy

50% can read or write (including in Yoruba), with more adult women than younger women able to read or write and keep written records of their shea business themselves.

Literacy and numeracy are not only skills but assets enabling these women to engage with a global shea value chain.

Knowledge and Sales of Shea Kernels

94% of the women sell the shea kernels they collect and earn approximately NGN 54,255 per season.

88% of the women demonstrate some knowledge of quality shea kernel but less than 1% of these women are within the youth age category (15-24 years).

Nearly half of the women determine the quality of shea kernels by color and smell.
Use of Radio:

- **0.3%**
  - have accessed marketing and business information through the radio (82% own a radio set and 87% listen to the radio)

Use of Mobile Phones:

- **73%**
  - use mobile phones to make calls including shea business transactions (95% own and use mobile phones)

Use of Financial Services:

- **35%**
  - have bank accounts and previous engagement with banks or microfinance institutions
- **51%**
  - do not belong to Savings and Loans Groups

Market Opportunities and Sourcing

- **Do You Belong to a Cooperative Society?**
  - 25% Yes
  - 75% No

- **Which of the Buyers Gives You a Better Price?**
  - 39% Middlemen/women
  - 38% Local market – selling to individual
  - 21% Institutional/Company buyers
  - 1% None
  - 1% Shea butter processor

*With only a quarter of women collectors participating in collective groups or cooperatives, there are both challenges and opportunities to organize the women for Kolo Nafaso and subsequent group training, aggregation, and marketing of their shea kernels.*

*“Lack of transparency due to the phenomenon of middlemen/women in the traditional supply chain in Oyo State has made some of the women collectors demotivated to focus and collect this resource as they use to do.” —Women collectors, ATISBO*
Collection and Utilization

The majority do not pay for collection of shea fruits.

- **38%** collect shea fruits from common areas – bush/forest
- **36%** from land they own
- **4%** pay for the shea they pick

Approximately 176 metric tons collected by these women across the four LGAs of which only 0.4% (0.76 tons) utilized within households.

On average, 475.25 kg (half a ton) is collected by each woman. They use 3.47 kg for household consumption: for medicinal, cooking or pomade purposes.

### Household Specific Shea Utilization

- **27%** medicinal
- **40%** cooking
- **32%** pomade

### Where Do You Usually Pick Your Shea Fruits?

- Forest/bush: 39%
- Own land/farm: 37%
- Family land: 19%
- Community owned: 6%