



ANALYSIS OF NATURE AND EXTENT OF LIVELIHOOD DIVERSIFICATION BY OIL PALM FARMERS IN SOUTHERN EDO STATE, NIGERIA

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ABSTRACT

The study examined the nature and extent of livelihood diversification of small-scale oil-palm farming households in Edo State, Nigeria. Primary data was sourced using structured questionnaire from 120 oil palm farmers selected through multistage sampling techniques. Data were obtained on personal characteristics, livelihood activities, income, and analyzed using descriptive statistics and Simpson Index of Diversification (SID). Findings revealed that livelihood activities engaged in by oil palm farmers were cultivation of maize (26.7%), cassava (26.7%), yam (16.7%), plantain (13.3%), hunting (30.0%), processing 37.5%, collection of forest fruits (35.8%), wage employment (32.5%), trading (30.8%), and artisan trade (39.2%). The enterprises engaged in by the farmers were oil-palm only (10.8%), oil-palm-on-farm (18.3%), oil-palm-off-farm (6.7%), oil-palm-non-farm (8.3%), oil-palm-on-farm-off-farm (10%), oil-palm-on-farm-non-farm (25%), oil-palm-off-farm-non-farm (4.2%), and oil-palm-on-farm-off-farm-non-farm (16.7%). The results of SID revealed that 89.2% of the households combined oil palm with other activities with mean value of SID (0.52) implying that the farmers were highly diversified. The study concluded that oil-palm households practiced a diversified livelihood. The study recommended the need to sustain oil-palm production and the development of appropriate strategies such as farmer-friendly and effective insurance products, especially for the resource-poor rural households to facilitate successful livelihood diversification and to protect the farmers from adverse shocks.

Keywords: Diversification, Livelihood, Non-farm, Off-farm, Oil-palm, On-farm.