

ODO-OWA: KWARA COMMUNITY WHERE WIDOWED BLACK SOAP MAKERS RAISE CHILDREN WITH MEAGRE PROCEEDS

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At a speed that concealed her stressed face, Mrs Asake Asaolu picked from an array of palm nuts she cracked on a well-worn mortar. Her energy buried the pains from fingers she hurt while separating 'stubborn' palm kernels from pounded shells.

Around 10am that Monday in late September, she was already three hours into the labour and needed four hours more to get three bowls of palm kernels that a \$1,200 (about N450,000) palm nut cracking machine would have sorted in a matter of minutes.

Unfortunately, all that over three decades of toil could afford her is a paltry income to feed her five children and give them basic education.

While at it, she sells the three bowls of kernels for N1,000; about \$3. Hers are part of several buckets of palm seeds milled into palm kernel oil which serves as an essential input for black soap production.

The 60-something-year-old widow is among hundreds of women involved in the black soap value chain at Odo-Owa, a rural community in Kwara State, about 100 kilometres away from Ilorin, the state capital.

As strenuous and less profitable as the task is, Asaolu sometimes waits for days to get paid by the palm kernel oil producer to whom she sells the seeds on credit.

The majority of the rural women on the value-chain are held in poverty threshold and dread taking loans from the only microfinance bank close to them because of its taxing weekly repayment plan; hence, credit sale is a support system they have devised over the years to weather capital hitches.

"The palm kernel oil producer pays me after she is paid by the soap maker who also buys her oil on credit and pays after selling her soap. That is how we run the business," Asaolu explained.

Amid the financial challenges, they have sustained the age-old business, courting beauty and personal care firms that further process black soap into scented bath soap packaged in tablets and small plastic containers.

Black soap is a popular personal care product in Nigeria and West African countries such as Ghana and Benin Republic.

The beauty and personal care industry is reported to generate an estimated annual turnover of over US\$400bn and has grown on average of four to five per cent annually for 20 years.

A Fior Markets' report projects that the industry is expected to grow from \$493.34bn in 2018 to \$756.63bn by 2026, at a compound annual growth rate of 5.81 per cent.

As of 2011, a market intelligence firm, Euromonitor International, valued the Nigerian market at \$595.8m up from \$439.8m in 2006 and predicted that by 2016 Nigeria's population would drive the industry sales to \$620.2m.

According to Statista, a body that tracks the latest trends and developments in over 170 industries and markets, bath and shower, a segment of the industry to which black soap belongs, generated N81.8bn in Nigeria in 2017.

However, this growing economic fortune has not translated into a meaningful boost for black soap making in Odo Owa, largely due to poor capital.

At an event held in Lagos in December 2017, experts including the Director, Registration and Regulatory Affairs of the National Agency for Food and Drug Administration and Control, Dr. Monica Eimunjeye and the Regional Brand Development Manager, Messe Frankfurt Middle East, Abdelrahman Kurdieh, urged Nigeria to take advantage of the growth in the beauty and personal care industry estimated to reach \$34.5bn by 2021 up from \$30bn in 2016 in the Middle East and Africa.

Noting that the sector had the potential to contribute meaningfully to the Gross Domestic Product, Eimunjeye said the number of Small and Medium-scale Enterprises in the sector had been on the increase, adding that the agency was committed to addressing challenges faced by most of the players.

For Mrs Bosede Gbenga, a 40-year-old black soap maker in Odo-Owa, capital has been a major challenge limiting the growth of her business.

But for Mrs Alice Bamisaye, who sells palm kernel oil to her on credit, Gbenga might have quit the business long time ago.

"I was born into this work and I raise all my six children with the little money I make from it," Gbenga told Saturday PUNCH while sprinkling palm kernel oil on some black soap contents placed on fire. "Some of them are in secondary school while others are in primary school. I am a widow."

After toiling for two days, she makes a N5,000 gain from five moulds of black soap she sells for N15,000 to companies in Ilorin, Ekiti and Abuja buying in large quantities from about 150 producers in the community.

"Company agents come to buy from us. They spend three days in our community, buying as much as they can," she added.

To expand her business, Gbenga once took a loan from the microfinance bank, the only financial service provider at a nearby Ilofa village, with the implications associated with it.

She recalled, "I took a loan of N100,000 recently. I was supposed to be paying back N3,500 every week for six months and I must not default. Even if I didn't have money in a week due to poor sales, I had to borrow to repay the loan. Or else, I would have myself to blame."

"The bank officials arrested me one time that I defaulted. I had the option of begging on the streets to raise money or be locked up. I chose the latter because I could not be begging around. It is a terrible loan and I have quit it. We need flexible loans from the government that can reach those of us in the rural area."

Envisaging the trouble that lies ahead, Bamisaye has never given the loan a shot. Rather, she prefers to buy palm kernels on credit and settles her account when she receives payment for palm kernel oil from Gbenga and other customers.

"I have been producing palm kernel oil since I was young," the 55-year-old mother of four disclosed. "After each production, I make a profit of N3,000 to N5,000, depending on how the product turns out. Capital is our major problem and that is why production is not regular."

"I produced two days ago but I have not been paid by those who bought it to make black soap. I can't do another production until they pay me."

Striving amid financial hiccups
Having a bank account is central to financial inclusion, which ensures access to financial services as well as timely and adequate credit for vulnerable and low-income groups at an affordable cost.

But Asaolu, Gbenga and Bamisaye fit into the category of about 1.7 billion unbanked adults worldwide lacking an account either at a financial institution or with a mobile money provider,



•Asaolu cracking palm nuts



•Gbenga sprinkling palm kernel oil on soap mixtures

according to the 2017 World Bank's Global Findex database.

Of the figures, 980 million, representing 56 per cent of all unbanked adults globally are women like Asaolu, Gbenga, Bamisaye and their co-traders in Odo-Owa.

Sadly, the rural women in the soap-making value chain, like their counterparts in many parts of the country, do not have access to flexible loans, no thanks to their low literacy level and poor penetration of (digital) financial services in rural areas.

While financial inclusion has slightly improved in Nigeria over time, there is still a noticeable gender gap. A 2018 survey by Enhancing Financial Innovation and Access revealed that financial inclusion nationwide stood at 59.1 per cent for women compared with 67.5 per cent for men.

The National Financial Inclusion Strategy of the Central Bank of Nigeria in its 2018 report (Revised) made this clearer when it stated that a total of 40.1 million adult Nigerians – 41.6 per cent of the adult population – were financially excluded in 2016. It also pointed out that 55.1 per cent of the excluded population were women, with 84 per cent of them residing in rural areas.

NFIS disclosed that 58.4 per cent of Nigeria's 96.4 million adults were financially included as of 2016 but projected the tally would increase to 80 per cent by 2020.

Unfortunately, Nigeria has not only failed in meeting its targets of financial inclusion but has also declined in growth. While the country achieved 60.3 per cent in 2012, it declined to 58.4 per cent in 2016 against a target of 69.5 per cent.

The CBN in a report titled, 'Assessment of Women's Financial Inclusion in Nigeria' for December 2019, lamented that it was not meeting the 80 per cent target as the gender gap widened, putting financial exclusion for women and men at 36 per cent and 24 per cent respectively.

The report added, "The relative gender gap related to financial inclusion is 20-30 per cent, placing Nigeria below its peers."

"The National Financial Inclusion Strategy was

launched in 2012 to reduce financial exclusion to 20 per cent of the adult population. However, according to the revised NFIS, Nigeria is not on track to achieve its 2020 targets."

The report blamed the slow progress on unforeseen socioeconomic factors such as recession, the precarious security situation in parts of northern Nigeria, and other factors such as slow uptake of digital financial services.

Perhaps, the slow uptake of DFS is partly responsible for why Mrs Folake Asade, a 54-year-old widow, still struggles financially to increase turnover of black soap and provide for her four children between ages 10 and 18.

The eldest child has already completed his secondary school education and is now assisting in the family upkeep.

"He works as a farm labourer. I want him to go to a higher institution but I can't afford it now. Their father died four years ago and I am the only person struggling to cater to him and his siblings who are still in school," Asade explained, blaming the delay in the teenager's higher learning on her meagre income.

She added, "All of us that are into black soap here are poor and don't have enough capital to expand the business. Some politicians from Abuja came here four years ago. They took our pictures and made promises but we didn't see any result."

"I don't borrow from the microfinance bank because those who buy soap from me may not pay on time."

Coping amid pandemic

The outbreak of the COVID-19 pandemic disrupted critical sectors globally and dealt a huge blow to Nigeria's ailing economy, crippling business while the nationwide lockdown imposed to stem the spread of the virus lasted. The pandemic has infected over 60,000 people in the country and killed more than a thousand.

Felicia Idowu is just recovering from the impact of the lockdown which shut down soap making in Odo-Owa for months.



•Idowu rounding off black soap production



•Asade about to start production



•Abioye



•Bamisaye, Photos: Afeez Hanafi

"As a widow, it was God who kept me throughout that time," the 57-year-old noted, stirring mixtures about to form into black soap.

Idowu said she and others took drastic steps to pull through the trying times and return to the business.

Some people took loans from the microfinance bank they would ordinarily not have approached, Idowu told our correspondent, adding she got advance payment from some customers.

"Even now that we have resumed work, many of us are still struggling to feed ourselves and children," she added.

The National Bureau of Statistics captured the grim fate of these women in a report on poverty and inequality from September 2018 to October 2019, which stated that 40 per cent of people in Africa's largest economy, representing 82.9 million people, lived below the poverty line of N137,430 (\$381.75) a year. That is about N376 per day, a wage Asaolu earns – sometimes in arrears – after at least two hours of hard labour, cracking a bowl of palm kernels.

The 2020 Gate Keepers report estimated that extreme poverty had gone up by seven per cent in just a few months as a result of the COVID-19 pandemic. This indicated that almost 37 million people had been pushed below the extreme poverty line of \$1.90 a day in 2020.

The World Bank in its Nigeria Development Update report in June 2020 buttressed this when it posited that more Nigerians would be pushed into poverty due to the pandemic than had been expected. The number of poor Nigerians was estimated to grow by two million in 2020 without envisaging the virus but now projected to be seven million as a result of the pandemic's economic impact.

Although the Central Bank of Nigeria floated a N50bn loan for households and Micro, Small and Medium-scale Enterprises affected by coronavirus, the rural soap makers and other traders in their league nationwide lacked the requirements such as evidence of means of livelihood, bank accounts, business registrations, business plan, among others to access the funds.

"To the best of my knowledge, less than five per cent of rural women benefited from the CBN N50bn COVID-19 targeted credit facility," the National President of the Association of Small Business Owners of Nigeria, Dr. Femi Egbesola, told Saturday PUNCH.

He premised the low figure on the statistics of beneficiaries from his association "and other related associations that we do compare figures together."

Taking credit facilities to rural women

Egbesola observed that most rural women entrepreneurs were either illiterate or semi-illiterate with little or no financial education and knowledge.

For them to benefit from government intervention funds maximally, the business expert urged the women to have mentors or belong to a business membership organisation that could assist them to benefit from government intervention programmes.

He said, "In Nigeria, we have certain registered and accredited business membership organisations.

One of such is ASBON. Such associations hand-hold members to take advantage of all funding programmes actively and fully, including intervention funds.

"It is best to educate and encourage all small business owners, including rural women, to endeavour to join a business membership organisation in their locality."

Apart from difficulty in meeting the requirements for Government Empowerment and Enterprise Programme of the Federal Government, offices of GEEP schemes such as *Tradermoni* and *Marketmoni* that would have benefited rural traders like the soap makers are mostly located at cities, far from rural communities.

Thus, Egbesola maintained that the government needed to do more by ensuring that all strata of business owners, especially the uneducated, were included in all the business support programmes.

He added, "One of the many ways to do so is to ensure that adverts and sensitisation about such programmes are run on radio and television stations in local dialects. Most of these categories of people listen more to radios and understand their local dialects the most."

"It is also important for the government to create small business support offices, at least in each local government area. These offices will be a point of education and enquiries to illiterate and financially excluded (traders). It will be easier for the rural entrepreneurs to easily walk up to such offices for support and information."

On requirements for accessing loans, Egbesola said the government needed to simplify such processes with the hindsight that only a few micro and small business owners could go through "rigorous documentation and cumbersome processes."

He advocated for channeling intervention funds to the targeted beneficiaries through business membership organisations that could easily identify, guarantee and monitor the good use of such funds and ensure prompt repayment.

"Most often than not, government intervention beneficiaries are non-business owners and political appendages," Egbesola noted.

Similarly, a Professor of Economics, Akpan Ekpo, said the women soap makers could form a cooperative and appoint a leader to help them access credit facilities from the government.

He stated, "It is just impractical for all of them to go to banks and open accounts. Their lifestyle doesn't allow that. Instead of all of them to approach the bank for a loan, the leader of the cooperative, usually somebody who can read and write, will be responsible. If the government gives out a loan or grant, it will go to the group leader who will ensure that members of the cooperative benefit from it. The leader will screen those who are qualified and capable to repay the loan."

Ekpo, a former Director-General of the West African Institute for Financial and Economic Management, urged the government to encourage setting up of more friendly microfinance banks.

He said, "The government should mix up most of the loans with grants to serve as an incentive. For

instance, the government can give a trader a loan of N200,000 with a promise that if they manage it well and repay within a year or two, they will be given N50,000 as an incentive. They will manage the loan well to be entitled to that grant."

"We must know how our community works and develop a model to sustain it. When the rural economy performs well, it helps the urban economy."

A spokesperson for the CBN, Abdulmumini Isa, promised to reply to inquiries sent to him on efforts being made by the apex bank towards increased financial inclusion of women.

Five days after, he had yet to reply and did not answer subsequent calls to his mobile.

Herculean task, low profit

Black soap production is largely manual in Odo Owa and several other villages in Nigeria. From collection of water from heated ashes to stirring of mixtures on fire, the women endure hours of industry, shedding smoke-induced tears while the production lasts. In the end, the profit is not matching the efforts put into the work.

Despite this, Mrs Rachael Abioye shows no sign of quitting the trade any time soon. Having done it for 50 years, the joy that she raised five children with her meagre earnings propels her each time she gets worried by the little gain.

Abioye explained, "By the time we buy dry fire wood, ashes, palm kernel oil and others, what is left for us as gain is small compared to the stress we pass through. I make N3,000 from every production."

"I lost my husband over 20 years ago and this is what I do to take care of my children up to secondary school level. They are now independent and trying their best to take care of me."

"They wanted me to quit the job. I am doing it so that I won't be idle. I will stop when I no longer have strength to do it."

The same passion has kept Abioye's colleague, Felicia Jolayemi, on the job. About noon that day, she just returned from a three-kilometre journey to fetch firewood for the day's soap making when she met with our correspondent.

"I am supposed to buy the firewood but I don't have enough money," the sexagenarian widow remarked as she unpacked logs of wood off her head, panting from fatigue.

"We are not supposed to work as hard as this if we get help. The firewood can be replaced with cooking gas but where can we get money to buy it, let alone refill the gas?" She wondered.

Few years ago, she hoped there would be an improvement after some government officials reportedly came to take photographs of black soap makers in the community, including collecting their details.

"They promised to build sheds for us. They also promised to assist us with cash to boost our business but since then, we have not heard from them."

"I shouldered the upkeep of all my six children all alone. My husband died several years ago. I couldn't sponsor them beyond secondary school. They are trying their best to support me," she added.

The community's traditional ruler, Oba Joshua Adeyemi, said 95 per cent of the black soap producers in his domain were faced with the challenge of capital.

The Olota of Odo-Owa, who spoke through the Secretary, All Progressives Youth, a local association, said though the government recognised the artistry of the producers, it had failed to make their situation better.

The monarch said, "Black soap industry is an age-old occupation of the women in the community. In 1991, Mariam Babangida (wife of a former military ruler, General Ibrahim Babangida, ret.d.) through her Better Life Programme, came to the community and pledged many things to them but nothing came out of it."

"Subsequent governments came to make pledges but nothing happened at the end of the day. Many of the women are widows and to raise capital, especially in this era of COVID-19 pandemic, is difficult for them."

"Some of them take difficult loans; what they are asked to pay back is much. In the end, it is difficult for them to sustain themselves. They are living from hand to mouth and that has been a major setback."

To ease means of doing business, Adeyemi urged the government to provide the necessary infrastructure and capital support for the women.

He noted, "They need pipe borne water and sheds to protect them from scorching sun or rain during production. Government can assist them with training in black soap packaging to shore up their profits. They can also forge a strong partnership between them and the black soap-making companies."

In August 2017, Osun State Government in partnership with a soap-making firm in Osogbo, engaged 5,000 women in black soap industry through the Growth and Employment in States (GEMS4) scheme funded by the United Kingdom Department for International Development.

The DFID provides grants, loans and equity for social innovations to provide sustainable development and opportunities for people living in poverty through the Global Innovation Fund.

The facilitator of the programme, Mr Rufus Idris, said the women would be supplying black soap as raw materials for manufacturing of over six million bar soap in the first phase of the scheme.

The programme was aimed at linking black soap makers in Osun to larger local and international markets.

"If our women can also get support, it will address a lot of problems, including reducing the rate of early marriage among girls in the community. It will boost the economy of this community, Kwara State and Nigeria at large," Adeyemi stated.

Reacting to the development, the Kwara State Commissioner for Enterprise, Mr Femi Whyte, promised that the state government would look into the plight of the women black soap makers in Odo-Owa and give them the needed support.

He said, "When they said government had been visiting them and making promises without doing anything, they must be talking about past governments. Since this government came on board, one of its priorities is to look into how to improve the economy of the state especially by empowering women and youths."

"Government wants to assist but some people have the attitude that the money given to them as loans is their own share of the national cake. There are SMEs and social intervention investment programme of the state targeted at the women."

"In respect of the soap makers you mentioned, we will try to know who they are and in what ways we can assist them. They can be captured in our KWASIP (Kwara Social Investment Programme) even if they don't have bank accounts. There is another one that captures SMEs."

KWASIP supports petty traders with a non-interest loan of N10,000 which can be reviewed upwards after repayment.

Until they are able to explore various financial opportunities that would help their business, struggle continues for the black soap makers in the Kwara community.