

Rwanda's essential oils offer big profits from little land

By <u>Stephanie Aglietti</u> 20 Jul 2017

GAHARA, Rwanda - Inside a metal shed in southeastern Rwanda, Nicholas Hitimana brandished a plastic container holding a green liquid: geranium essential oil, freshly distilled and ready for export at more than \$200 (175 euros) a kilo.



monicore via pixabay

The pioneer of essential oils in Rwanda, Hitimana said he understood over a decade ago "the need to develop high-value crops" in his hilly nation of just 2.6m hectares (6.4m acres).

The great potential of the essential oil sector

Agriculture accounts for nearly a third of GDP and employs four-fifths of the population and, as a result, there is "little arable land" remaining. "On a hectare, if we grow beans, we earn about \$2,000 a year, whereas on the same land, if we grow geranium, the income can reach \$6,000 or even \$8,000," Hitimana says.

The trained agronomist embodies Rwanda's ambition of diversifying its agriculture and increasing the value of exports by getting into the lucrative global market for essential oils. To this end, Hitimana has been importing geraniums from South Africa since 2004. At the time the flower was virtually unknown in Rwanda, but Hitimana was convinced of the "great potential" of the essential oil sector.

"In South Africa, there can only be two harvests a year, but here, as there is no winter, it is possible to get up to four crops a year," says Hitimana, whose company Ikirezi Natural Products has since grown and diversified.

With 25 hectares of plantations, it produces 1,000 kilogrammes of essential oils derived from patchouli, lemon grass, and eucalyptus as well as geraniums. The oils are exported to Canada, South Africa, the US and elsewhere for use in the perfume industry.

Convincing farmers to abondon subsistence for commercial agriculture

The company employs 70 farmers. "At first, it was not easy to convince them to abandon subsistence for commercial agriculture," he says, adding the work is more precise than growing beans. "We need to plant on time, manure on time, hoe, turn the soil, irrigate and harvest on time", or risk a "drastically" reduced yield, Hitimana says, noting that it takes between 600-1,000 kilos of geraniums to produce a single kilo of oil.

A few years on, and the employees seem convinced. "Since I've been working here, I've been able to build a house with a tin roof, I can pay for my son's schooling and buy everything I need," says 55-year-old Stephanie Mukamana, busily weeding around a geranium plant.

Last year, Rwanda exported around 14 tonnes of essential oils - geranium, moringa, patchouli, and tagetes - bringing in \$473,000, according to the National Agricultural Export Development Board.

Rwanda is also cultivating pyrethrum, used in natural insecticides.

Getting a share of the essential oils cake

According to the India-based firm Market Research Future (MRFR), essential oils are increasingly in demand in richer countries for use in cosmetics, food, and pharmaceuticals. The world market is forecast to grow by seven percent between 2017 and 2022, says MRFR. To get its share of the cake, Rwanda opened an essential oil laboratory three years ago, the first of its kind in the region, allowing quality control.

"One of the main challenges facing Rwanda is a growing trade deficit and a limited number of competitive companies that can meet regional and international export standards," says Patience Mutesi, Rwanda director for TradeMark East Africa, which promotes regional trade and helped fund the lab project.

The laboratory will "enable Rwandan companies to access new and lucrative markets... by strengthening consumer confidence in the quality of Rwandan products," she says.

Sitting in front of a brand new chromatogram in the Kigali laboratory, Antoine Mukunzi, a Rwanda Standards Authority official, is satisfied with his small country's progress: "We cannot compete in terms of exported volumes, but we can in terms of quality."

Source: AFP