

# PZ Wilmar



## Background and motivation

PZ Wilmar was formed in December 2010 as a joint venture between PZ Cussons International and Wilmar International Ltd. With headquarters in Singapore, PZ Wilmar is the largest palm oil refinery in Nigeria (over 41% of Nigeria's market share in 2021),<sup>1</sup> processing and packaging up to 1,000 metric tons of crude palm oil per day.

The company's edible cooking oils, sold under the brand names Mamador and Devon Kings, are market leaders in Nigeria, contributing to 40% of the market share in 2021.<sup>2</sup> More recently, PZ Wilmar's product line has expanded to include bouillon seasoning cubes which, in 2021, made up over 2% of the bouillon cube market share in Nigeria.

The company recognizes the importance of healthy living and acknowledges that food plays a major role. Mindful that a lack of accessibility and affordability hinders some of Nigeria's population in obtaining healthy foods, PZ Wilmar fortifies its edible oil with vitamins A and D. Mamador edible oil is available in 500ml & 900ml bottles (or Family pack sizes; 1.5L, 2.5L & 3.5L) and Devon King's is available in 5-liter bottles. The brand also actively seeks to produce smaller portion sizes with reduced prices/promotions (for example, 100 ml pouches of Mamador cooking oil are sold at NGN 50) and distributes its products to priority areas, which helps address accessibility and affordability.

## Current fortification practices

In 2021, PZ Wilmar emerged as the industry leader in Technoserve's [Micronutrient Fortification Index \(MFI\)](#) for its quality systems and food fortification practices in Nigeria. The MFI is an industry-standard

initiative under the Strengthening African Processors of Fortified Foods. The effort seeks to reduce malnutrition in Nigeria by fostering a competitive, healthy, and productive environment for companies manufacturing fortified foods. It is acknowledged by the Federal Government of Nigeria and its regulatory bodies, including the National Agency for Food and Drug Administration and Control (NAFDAC) and Standards Organization of Nigeria (SON) (NAFDAC). It is also recognized by the Federal Competition and Consumer Protection Commission and other food sector industry players. The premixes presently used in PZ Wilmar's edible oils and bouillon cubes are obtained from international companies, [DSM](#) and [BASE](#).

However, at present, PZ Wilmar is in discussion with the premix supplier Bio-organics Nutrient Systems. Choice of supplier is based on factors such as accessibility (availability of local warehouse), ease of negotiation (presence of a local sales representative), and quality (based off suggestions from TechnoServe). Additionally, PZ Wilmar conducted research with its employees, who further expressed a desire to buy premix locally and support regional producers (referred to by employees as "indigenous enterprises").

PZ Wilmar has very strict standard operating procedures to ensure that finished products are of high quality, safe for consumption, and adequately fortified. Step one involves testing premix samples in a lab to check that they contain the correct quantities of vitamins. An internal test is conducted on a sample of the fortified product after the premix has been approved for usage in products. iCheck, a tool created by Bioanalyt and supplied by TechnoServe, is used for this, and PZ Wilmar ensured that its products fulfill fortification regulations by using it.

## Challenges

Several challenges concerning edible oil fortification were shared by the company:

- **Quality of premix:** Procuring and relying on quality premix at national level from local suppliers is a significant challenge for PZ Wilmar. This may be because standards are not harmonized among suppliers. When purchasing premix internationally, there is a greater chance that the product's micronutrient integrity will be harmed due to longer processing periods at customs (for example, vitamin A is heat and light sensitive). As such, purchasing premix from international suppliers such as DSM, which has a warehouse and sales representative in Lagos, helps to instill some level of confidence that the quality is up to standard.
- **Lack of consumer awareness:** interviewed staff at PZ Wilmar shared concerns that consumer education on the benefits of eating fortified food products is lacking, for example, the Mamador brand is strongly promoted at national level by PZ Wilmar; however, there are no recipes available that instruct consumers how to use enriched oil in nutritious meals. Additionally, governmental organizations should prioritize educating the public about fortification, micronutrient deficiencies, and the health hazards they pose as well as the solutions that can be used to help.
- **Need for an accountability tool:** It is difficult for companies such as PZ Wilmar to keep up to date with the many fortification initiatives being conducted in Nigeria by national and international organizations and there is a risk of fortification index 'fatigue'. Interviewed employees at PZ Wilmar expressed an awareness of the enormous benefit of these initiatives and the work that organizations

are doing to improve fortification practices, however that in the absence of a monitoring mechanism and accountability tool, proper standards must be provided.

To help prevent this, initiatives such as a more comprehensive nutrition accountability tool could be used to provide consistent leverage for positive change. For example, the MFI has successfully created healthy competition among flour millers and oil producers which fortify their products – and, as more companies take part in the assessment, PZ Wilmar has shifted position and is no longer in the lead. However, companies would also like the opportunity to showcase and receive recognition for other policies and practices that are unrelated to fortification.

## Bouillon cubes, effective supply technique for multiple micronutrients

Nationally, bouillon cubes and seasonings are being considered as a vehicle to transport multiple micronutrients. PZ Wilmar is one of the few companies that fortifies bouillon cubes with iron voluntarily in order to combat micronutrient deficiencies. While PZ Wilmar is willing to comply with mandatory regulations if implemented, concerns were raised regarding using bouillon cube seasoning as a vehicle for fortifying with multiple micronutrients. For instance, as many Nigerians eat the product in different ways – i.e., as food seasoning or watered down and added to meals and soups, etc. – there is little evidence of how much of the micronutrient content is actually consumed. Thus, fortifying bouillon cubes may not be the most effective way of contributing to the guideline daily allowance of micronutrients. Fortification, purchasing premixes and lab testing can also be expensive

and, without the assurance that micronutrients are contributing to improved dietary outcomes, it may not be worth the investment (particularly for smaller-sized companies). In addition, sensory changes to products, resulting from heat, light, and storage time may negatively affect vitamins and minerals, thereby hindering fortification processes.

1 Derived from Euromonitor Marketing International

2 Derived from Euromonitor Marketing International

