



Encouraging Outlook for the Coconut Industry

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Coconut oil from crushed copra is still the largest coconut commodity traded globally at nearly 12 million tonne annually and therefore continues to engage millions of rural families throughout the world in coconut production. Rotterdam prices rallied at US\$1,549. As a result the good copra price enjoyed by farmers continues with Philippines and Indonesia farmers receiving US\$872/MT and US\$889/MT respectively. Despite slight fluctuations, most other coconut product prices would remain steady through this season.

Cost-effective production methods applied by farmers compliment income from viable intercropping as well as activities such as small livestock and possibly inland fisheries in some areas. Non-edible products of coconut are worth considering as integral to value addition initiatives. It concerns high value products that come from the husk, shell, leaf and stem which is normally not utilized and discarded therefore minimizes the economic potential of the crop in many countries. An example is the coconut shell which is used to make charcoal and activated carbon for which Indonesia, Philippines, India and Sri Lanka are major producers. Activated carbon market price range is between US\$1,500 and 2,000/MT. Global customers import annually over 800,000 tonne of Activated Carbon to major destinations as in USA, Japan and China. Interest in revitalizing the coconut industry is gaining momentum in many of the APCC member countries. Kenya is purchasing hybrid coconut seed nuts out of India for trial planting. Jamaica revamped seed garden production to over 400,000 seed nuts per year. Philippines Coconut Authority announced plans to distribute 20 million coconut seedlings to farmers over 3 years. The level of output would be

made possible with the release of coconut producer levy funds. Thailand and Malaysia who are in serious shortage of planting material are seeking many alternatives including mass production through micro propagation using tissue culture methods. This would be a similar approach to be taken by the larger coconut countries of India, Indonesia, Philippines, Sri Lanka and the Pacific countries. Mexico and Brazil are moving forward with commercial tissue culture activities to meet the demand for plant material. Coconut trees in the Pacific Island countries of Solomon Island, Fiji, Samoa and neighbouring islands are experiencing severe damages to coconut trees over large areas by the dreaded rhinoceros beetle pest.

Collaboration between countries as well the APCC and partner institutions to provide technical assistance focusing on managing such a high level of infestation. Innovations with new product lines is a constant target for processing facilities and companies. Franklin Baker Company in the Philippines is introducing new coconut water products. The Sambu Group in Indonesia has launched a new coconut milk product for drinking and to package fresh coconut water and without the need to add any sugar. Claims that Neera or coconut sap juice boost the immune system is stimulating higher production. With high content of Vitamin C, antioxidants and iron content, amongst other healthy attributes, Neera would be widely promoted aggressively to increase consumption. APCC looks forward to a new year in which to keep pursuing inclusive growth and sustainable development within and without the coconut sector.

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