

Coconut exports surge to record Rs.1312 cr

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Export

Export of coconut and coconut products from India during 2014-15 reached a record of Rs.1312.38 crores. The export has registered an increase of 13.5 per cent, compared to the previous year. Export of coconut products except coir and coir products increased to 1312.38 crores, which was 1156.12 crores in 2013-14. The share of Activated Carbon alone in the exports was to the line of Rs.558 crores. But, this product has recorded a slight decrease in quantity as well as in value of exports in 2014 – 15. Domestic price of shell charcoal, which is the raw material for the production of activated carbon continued at a reasonably high level. This has affected the competitiveness of the product in the International products, which has resulted in decline in export of the product. The same trend is expected to continue in the coming year also, since the domestic price of shell charcoal is continuing at the same level. Export of dry coconut to Pakistan during the year 2014-15 was to the tune of Rs.183.06 crores.

Export of Coconut Products from India -2014-15		
Products	Qty (in MT)	Value (in lakh Rs)
Dry Coconut	14895.63	19403.24
Other Coconuts (Fresh, Dried, Shredded, Frozen etc)		13584.45
Coconut Oil	6935.53	14707.93
Virgin Coconut Oil	815.97	2472.03
Dessicated Coconut	2606.34	4148.70
Copra	7689.42	8594.46
Shell Charcoal	15030.90	4487.66
Activated Carbon	54345.07	55780.19
Misc Coconut Products		7966.20
Total		131144.86

Table 1

The export of virgin coconut oil, compared to the previous year recorded a significant increase in export quantity and value. From a mere Rs. 4.81 crore worth export in 2013-14, it increased to Rs. 24.72 crores. The increasing trend is likely to continue in 2015-16 also. From the 815.97 tonnes of export during 2014-15, it is expected to reach atleast 2000 metric tonnes in 2015-16.

Import

During 2014-15, India imported coconut products worth 421.66 crores. Coconut fatty acid, copra, expeller

cake, shell charcoal and coconut oil were the main

Import of Coconut and its Products -2014-15
Value (in Million Rs)

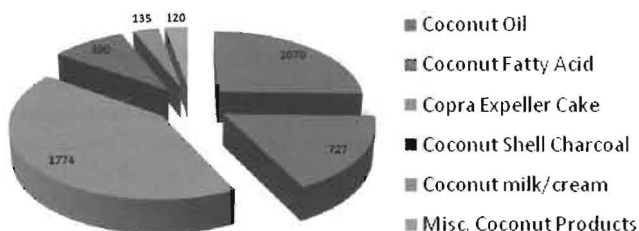
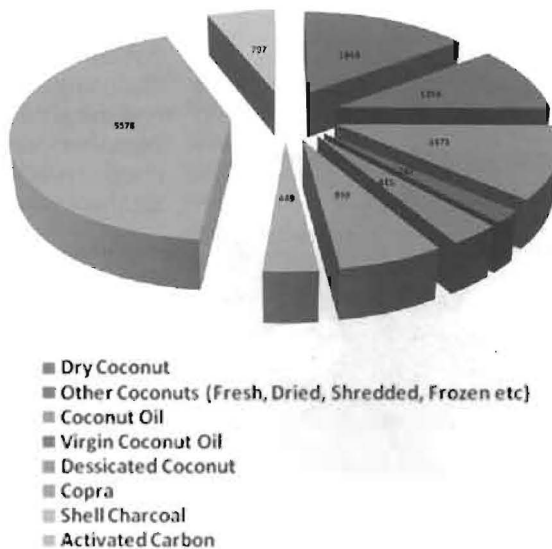


Table 2

Import of Coconut Products into India -2014-15		
Products	Qty (in MT)	Value (in lakh Rs)
Coconut Oil	12811.91	10704.85
Coconut Fatty Acid	8318.55	7268.35
Coconut Expeller Cake	113939.57	17742.31
Shell Charcoal	14226.56	3901.92
Coconut Cream/Milk		1349.85
Misc Coconut Products		1198.37
Total		42165.65

Export of Coconut and its Products -2014-15
Value (in Million Rs)



coconut products imported to the country. Import of coconut oil shows an increase, since domestic price of coconut oil continued to remain high over the international price. Coconut oil import is canalised through State Trading Corporation and the importers are having the obligation to export the imported quantity with necessary value addition. Hence the increase in import of coconut oil may not adversely affect the domestic price.

Foreign Trade Policy

The new Foreign Trade Policy for the years 2015-20 has come into existence. The policy introduces a new scheme called Merchandise Exports from India Scheme (MEIS). This scheme replaces the existing five export incentive schemes viz. 'Focus Product Scheme', 'Market Linked Focus Product Scheme', 'Focus 'Market Scheme', 'Agriculture Infrastructure Incentive Scrip', 'Vishesh Krishi & Gram Udyog Yojana', for rewarding merchandise exports.

As per 'Merchandise Exports from India Scheme', the coconut products eligible for export incentive are given in Table-3

ITC HS CODE	Product Description	Subsidy Based on percentage of FOB to group countries		
		*A	#B	§C
08011100	Dessicated Coconut	5	5	5
08011910	Fresh Coconut	5	5	5
08011920	Dry Coconut	5	5	5
08011990	Other Coconuts	5	5	5
23065010	Coconut Oil Cake	5	5	5
	Other residues of Coconut/Coconut Oil			
23065010	Cake	5	5	5
44029010	Shell Charcoal	5	5	5
38021000	Activated Carbon	2	2	-
* Belgium, Spain, Netherland, USA, UK etc (30 Countries)				
# GCC Countries (Gulf Cooperation Council), Egypt, Iran, Japan, Kenya, Korea, Russia, Singapore, South Africa etc (139 Countries)				
§ Pakistan, Afghanistan, Australia, Bangladesh, Bhutan, Nepal etc (70 countries)				

Coconut Water Maker Vita Coco Broadens Overseas Footprint

Vita Coco, the top-selling coconut water brand in the U.S., is making a big global push.

A decade after being first delivered to New York bodegas on inline skates, it is now sold in about 30 countries, twice as many as a year ago, said Michael Kirban, co-founder and chief executive of closely held All Market Inc., which owns Vita Coco.

About 30% of revenue will be generated outside the U.S. this year, with the company on track to book another year of double-digit sales growth overall, he added in an interview. New markets since late 2014 include China, New Zealand and Spain, with South Africa planned for later this year.

Global retail sales of Vita Coco rose 31% last year to \$421.1 million, surpassing PepsiCo Inc.'s Kero Coco brand for the first time, according to Euromonitor. Long popular in countries like Brazil and India, coconut water remains a niche category in most of the world but is growing quickly.

Coca-Cola Co. veteran Mike Shepherd is overseeing the expansion in Asia Pacific, where Vita Coco is currently distributed in nine countries. He joined All Market in April after 15 years at the soft drink giant, most recently as general manager for Hong Kong, Taiwan and Mongolia.



Mr. Shepherd expects to have a regional team of 10 to 12 people in Hong Kong by the end of the year, in addition to existing offices in Japan, South Korea, the Philippines and Singapore.

New York-based All Market sold a roughly 25% stake to Beijing's Reignwood Group for about \$165 million last year. Reignwood is the exclusive distributor of Red Bull energy drinks in China and is now slowly rolling out Vita Coco in the country.

Mr. Kirban said Vita Coco is now in about 15,000 stores in three Chinese cities and expects to expand distribution to 40,000 stores by this summer. The company launched a multimillion-dollar marketing campaign in the country earlier this year, including digital, magazine and billboards ads.

"If China keeps going like it's going, it could be 40% of the overall business in three to five years," said Mr. Kirban. So far, though, it is only about 3% of the company revenue.

The company says sales in Europe are up about 80% from last year. It says it now sells more Vita Coco in London than in New York.

In the U.S., where Vita Coco has an estimated 40% market share, sales are growing around 30% this year, according to the company. Mr. Kirban is overseeing daily operations in the U.S. after country president Jeff Popkin left the company earlier this month.

Vita Coco's main competitors in the U.S. are Coke, which owns the Zico coconut water brand, and PepsiCo, which owns O.N.E. and Naked. Dr Pepper Snapple Group Inc. handles the bulk of Vita Coco's U.S. distribution.

Mr. Kirban said All Market has had conversations with potential buyers in recent years other than Reignwood about selling stakes in the business, but that there are no talks currently.

Mr. Kirban, co-founder Ira Liran and Belgian investment firm Verlinvest together own more than 50% of All Market. About 10% is owned by other shareholders, including employees.

Source: The Wall Street Journal