

# The future of Coconut Sector

Subhash K.K  
ALIO, CDB, Kochi - 11



Coconut is commonly considered as an oil seed crop. Frequent fall in price, the attack of pests and diseases and the increasing cost of production are the main reasons for the lack of interest among farmers towards coconut cultivation. In order to protect the future of coconut sector, we have to exploit traditional products. When the prices of coconut are low, farmers are neglecting the crop and this results in low production. When the price become high, farmers start to manage the palms very carefully which results in high production and good market. Our FPOs can play a vital role in ensuring steady and reasonable price for coconut.

Value added products will help farmers to obtain high returns. The small and marginal coconut farmers can earn a good income from their agricultural practices if they add more value to their coconut products. FPOs can procure and process coconut for the betterment of farmers under them. The coconut farmers are bound to get immense benefit from the higher value of the products derived from the tree. Coconut production in the state for the season 2014-15 is likely to improve with the collective effort and promotional activities taken up by the FPOs. Now coconut is not a neglected crop in Kerala any more. Majority of the people showing interest towards this crop since prices of raw nuts are ruling higher. Focus on innovation and value added products including virgin coconut oil and Neera are expected to contribute better price for coconut. The initiatives taken by CDB for producing Neera is highly appreciated by the farmer community. The product launched in the market on pilot basis is highly demandable. CDB intends to promote the product as a health drink and the success of the

programme have wider impact on the market. The success of the Neera project and the higher price of coconut oil will put an end to the coconut farmer's struggle for survival.

The Friends of Coconut Tree have helped the farming community to solve the problem of harvesting. This Green collar army is ready to reach the coconut farmers within in a mouse click. It is possible to create 25 lakhs Green Collar Jobs in the country through neera production. Neera can change the very concept of coconut cultivation in Kerala by providing economic security to coconut growers as it has the potential to increase their income many fold. A farmer benefits hugely from the production of Neera as they are able to generate high income from it. They have more potential to generate more revenue from neera tapping. However there is a restriction to the number of palms being tapped for the production of Neera since the rest of the palms have to be used for other purposes. Farmers who have 15 trees under Neera tapping earn Rs.45,000 a month on an average with the current price of Neera and its derivatives. The sweet sap from the heavenly tree will bring fortune to the frustrated coconut farmers of the state.

The promotional activities taken up by CDB help to increase the consumption of Indian coconut considerably. About six to eight

million tender coconuts were in demand in Kolkata. In some districts of Kerala the per day consumption of tender coconut is estimated to be more than 10,000. Planting of various tender nut varieties and selling seven month old tender nuts makes coconut farming more profitable in the present situation. This is one way to earn additional income from coconut without making any change in farming practices. Moreover the tender coconut water has number of medicinal properties and health benefits. Increasing awareness among the consumers about the medicinal properties and health benefits has increased the demand for tender coconuts. Tender coconut has a good market throughout the country. The production and marketing of tender coconut is a good source of income for small holders. The economic value of tender coconut is almost double than the normal coconut. Coconut farmers will have a higher income, if they plant tender coconut varieties in the inter spaces of tall palms. Our farmer collectives should initiate planting of more and more dwarf varieties in their coconut farms to meet the increasing demand of tender nuts.

There exists a huge scope for coconut based agri business in the country in connection with processing and value added products. Now technologies are available for

snow ball tender nut, chips, vinegar, desiccated coconut, shell - charcoal, cream, milk powder and packed tender coconut water. The attractive returns from the business motivate the coconut farmers to earn better price stability in the future.

Implementation of Rejuvenation and Replanting scheme through FPOS was a break through in the farmer community. Based on the success of the pilot scheme ended in 2013 - 14, in the districts of Trivandrum, Kollam and Trichur and the Andaman & Nicobar Islands it was decided to extend the project to the remaining 11 districts of Kerala. The project was scaled up in 2013 - 14 and implemented on a wider scale through FPOs. The Board spent Rs. 2360 million towards incentive to farmers. This programme secured the identity of a scheme with the highest investment for a single crop India had ever witnessed.

Agriculture & food processing Industry in our country is yet to open its eyes on the great potential of coconut. Our farmer producer organization can associate with Science & Technology and R & D Institutions to manufacture coconut products for the pharmaceutical industry. Producer companies need to utilize the opportunity to manufacture and market more value added products from tender coconut, coconut milk, coconut cream, virgin coconut oil etc. All our companies should study about the new products and identify experts in the respective field and set up units to manufacture more and more value added products. Collective effort of FPOs is required for producing more medicinal products from coconut.

Neera is a product that brings regular and high returns to the coconut farmers. Since the production of Neera is controlled by member farmers of FPOs, there is no need for worry about the intervention of any middlemen. It is calculated that a farmer can earn at least Rs. 100/- per day from a healthy coconut palm from Neera tapping. This will

increase the income of the farmer and give way for boosting the economy of the state.

Skilled workers are very important for coconut harvesting. A trained climber would be able to identify the right nut, at the right time and harvest it carefully. FoCT Training Programme implemented by Coconut Development Board overcome the issue of lack of trained coconut climbers.

Coconut Farmers Producer Company like Tejaswini CFPC, Kannur aims at encouraging coconut farmers for better cultivation, production and marketing so that farmers can get maximum benefit. Organic production of coconut and the export of value added organically produced products are the other projects of the company. Each part of coconut starting from husk and fiber to many natural products have good demand in the market, which increase the value of the crop. Tejaswini is setting up units that can successfully process coconut by-products into marketable products. Organic coconut from farmers were collected and sold. Thus farmers got good price for their organic certified coconuts.

The further development of coconut based farming systems by intercropping and livestock raising should also be promoted to increase coconut farm productivity and income of the coconut farmers. The intercropping of food security crops, cash crops, vegetables, root crops, bananas, spices, coffee and cocoa which meet the marketability and profitability must be promoted. Raising of livestock, native chicken, ducks and others not only add income to the coconut farmers but also promote good nutrition and food security. Financial support from Government is needed to enable the farmers to adopt and practice coconut based farming system and good agricultural practices.

Another strategy to increase coconut farmer's income is through value-added processing. There is a need to transfer appropriate value

added coconut processing technologies which have proven to be successful. A careful survey of the market and a thorough feasibility study for value-added coconut processing ventures must be done to ensure sustainability, viability and profitability of the business. Skilled training and capacity building must be provided to the technicians, farmers and entrepreneurs to ensure maximum success. It is important to ensure that the business should have enough volume to supply the export market at the required quality at regular intervals.

Individual farmers lack bargaining capacity and as a result their products will not benefit them directly as it is often distributed to all in the market. Through collective bargaining, farmers are able to pool their resources and market their products. Thus they can overcome transaction costs. FPOs would bring about development of skill adoption of scientific management, market development, product diversification and value realization. This would lead to the overall prosperity of the coconut farmers for their future prosperity.

The biggest challenge faced by the coconut farmers all over the country is the unavailability of good quality seedlings. In Kerala the availability of hybrid seedlings is limited. In Tamil Nadu there are some agencies selling hybrid seedlings above the range of Rs. 500 per seedlings for which farmers have to wait for years. The FPOs can select dwarf mother palms from the gardens of progressive farmers and produce hybrid seedlings. The hybrids thus created start flowering from 24 months and start good production within four years.

Training and production planning programmes are conducted in association with Coconut Development Board to empower the officials of FPOs to undertake production, processing and marketing activities in an efficient manner and ensure a better future for coconut and coconut farmers.