

# CPSs for energizing the coconut sector

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In spite of the fluctuating price trend, 2012-13 offered rays of hope to coconut farmers. The widely formed in Coconut Producers Societies is the best example to prove this true. Small and marginal coconut farmers have realized the potential in being united to overcome the crisis haunting the sector. In Kerala CPSs have been already formed in all the 10 districts where coconut is largely grown. The details of the already formed in CPSs in Kerala is given in Table-1.

When the intensity of coconut farming is taken into consideration, there exists the potential of forming more CPSs in the state. The number of CPSs already formed is comparatively very low when we take into account the area under coconut cultivation. It is anticipated that around 10, 000 CPSs can be formed in Kerala within the next 2-3 years.

## Programmes implemented under the initiative of CPSs

Production of good quality coconut seedlings is the most important component in the productivity improvement programme. The existing and emerging demand cannot be met by the present production of seedlings done by government agencies or by the private parties. Keeping this in view, Board has facilitated many CPSs to procure good quality seednuts and many CPSs have come forward to avail this facility. It is a noticeable development that CPSs have already started nurseries and are equipped to supply coconut seedlings as per the members demand. These CPSs have also availed the financial assistance offered by Coconut Development Board too. Even though there were rare occurrences of CPSs collectively procuring inputs at far below than

the market rate, this trend was not observed prevalently.

CPSs are actively cooperating with the FoCT programme of the Board, both in identifying youth for the training and also for availing the service of the trained FoCTs for undertaking harvesting as well as plant protection operations. Many CPSs have also availed the assistance of the Board and the state government in setting up organic manure units. Board hopes that more CPSs would come forward to make use of this opportunity. 99 CPSs have also become beneficiaries of the integrated coconut development programme implemented by the Board for productivity improvement (Table 3).

Even though Board made maximum efforts to encourage the processing and marketing of tender coconut water, the response of the CPSs was not hopeful. The lack of

**Table-1. CPSs registered in the Board**

District	CPS registered with CDB	Number of Farmers	Area Covered under CPS (in Ha)	Yielding Palms in CPS	Non Yielding Palms in CPS	Total number of palms in CPS	Production per year
Kasaragod	236	13820	18039.99	901225	141141	1042366	49288202
Kannur	189	10145	5161.30	642653	115939	758593	45746775
Waynad	1	51	32.40	4010	1800	5810	300000
Kozhikode	331	24625	7352.34	1445759	212259	1658018	73045052
Malappuram	236	16241	7699.51	1002534	105046	1107580	63651403
Palakkad	105	6515	2101.14	743379	91597	834976	53384429
Thrissur	322	21755	2881.02	1194888	236042	1430929	58206574
Ernakulam	73	5010	775.19	224868	64898	289766	7645710
Idukki	19	2044	365.70	77494	26523	104017	3664834
Kottayam	7	386	308.16	46220	11210	57430	1248085
Alappuzha	288	20321	4564.38	937911	333969	1271879	33681093
Pathanamthitta	4	233	33.62	10355	5717	16072	439402
Kollam	235	13449	12705.79	526871	162722	689593	18749408
Thiruvananthapuram	200	12616	7420.86	893160	198055	1091215	42649191
<b>Total</b>	<b>2246</b>	<b>147211</b>	<b>138985.96</b>	<b>8620129</b>	<b>1727224</b>	<b>10347353</b>	<b>44516827</b>

**Table-2. CPSs that can be formed in various districts in Kerala**

District	CPS registered with CDB	Total number of palms in CPS	Number of palms in the district	% of palms covered by CPSs	Scope for forming CPSs in Kerala (if 20% of the palms covered)	Scope for forming CPSs in Kerala (if 40% of the palms covered)	Scope for forming CPSs in Kerala (if 60% of the palms covered)
Kasaragod	236	1042366	10439800	9.98	473	945	1418
Kannur	189	758593	15811250	4.80	788	1576	2364
Wynad	1	5810	1840125	0.32	63	127	190
Kozhikode	331	1658018	22347325	7.42	892	1785	2677
Malappuram	236	1107580	19115075	5.79	815	1629	2444
Palakkad	105	834976	10592575	7.88	266	533	799
Thrissur	322	1430929	15693475	9.12	706	1413	2119
Ernakulam	73	289766	8115800	3.57	409	818	1227
Idukki	19	104017	3002650	3.46	110	219	329
Kottayam	7	57430	4936575	1.16	120	241	361
Alappuzha	288	1271879	6747300	18.85	306	611	917
Pathanamthitta	4	16072	2832375	0.57	141	282	423
Kollam	235	689593	9678200	7.13	660	1319	1979
Thiruvananthapuram	200	1091215	12499200	8.73	458	916	1375
<b>Total</b>	<b>2246</b>	<b>10347353</b>	<b>143651725</b>	<b>7.20</b>	<b>6236</b>	<b>12472</b>	<b>18709</b>

enough tender nut variety palms could be the reason for low enthusiasm of the CPS members. But it is worthy to note that some of the CPSs have ventured into tender coconut marketing. The tender coconut parlours in Techno Park, Thiruvananthapuram, Info Park, Kakkannad and at Mobility Hub in Kochi are a few examples. Apart from this in many districts CPSs are in the process of starting tender coconut parlours.

In Kerala, CPSs were designated as the approved agency for copra procurement at MSP rates. Around 54 CPSs across Kerala worked as procuring agency and availed the benefits of MSP to farmers. Many CPSs are unable to procure and store copra as per the stipulated conditions since they are not having the required infrastructure facilities.

None of the CPSs have actively come up to procuring, processing for value addition or marketing. CPS members have also not shown much interest in availing the KISSAN credit cards, for meeting

their credit requirements. Board look forward for the CPSs initiating such ventures in future.

### Coconut Producer's Federations

In Kerala 103 Coconut Producers Federations were formed and registered in the Board during 2012-13. Coconut Producers Federations are coordinating and directing the functioning of CPSs and is expected to actively involve in coconut processing for value

addition. Since the CPSs are small collectives, it will be difficult for them to initiate processing and marketing as it requires huge working capital. But the CPFs with more than 1000 farmer members and 1 lakh coconut palms under its operational area can easily meet such requirements. The details of the CPFs formed in Kerala is given in Table 4. When we take into account the density of coconut farming in Kerala, a minimum of 1000 Federations can be registered in Kerala.

**Table-3. Beneficiary CPSs of integrated farming for productivity improvement (LODP)**

District	Number of CPSs	Area (ha)	Number of beneficiary members	No of Palms in the CPS	Amount expended for various activities (Rs in lakhs)
Kasargod	15	389.46	930	68134	68.13
Kannur	15	416.49	945	76160	76.16
Kozhikode	21	522.38	2143	90508	90.50
Malappuram	19	471.01	1477	82426	82.43
Palakkad	12	459.00	652	80304	80.30
Ernakulam	3	113.83	282	14760	14.76
Idukki	1	21.52	36	3079	3.08
Kottayam	3	96.63	242	16904	16.90
Alappuzha	9	196.81	836	33016	33.02
Pathanamthitta	1	22.23	73	3885	3.89
<b>Total</b>	<b>99</b>	<b>2709.36</b>	<b>7616</b>	<b>469176</b>	<b>469.17</b>

**Table-4. District-wise details of CPF registered with Coconut Development Board**

District	Number of CPFs	No. of member CPSs	Number of member farmers	Bearing palms (in lakhs)	Annual production in CPFs (nuts in crores)	Total annual production in the district (nuts in crores)	% coverage of CPFs in terms of total production
Kasaragod	9	138	9102	6.06	3.61	50.80	7.11
Kannur	7	104	6707	3.75	2.45	64.50	3.80
Wynad	0	0	0	0.00	0.00	4.80	0.00
Kozhikode	15	162	12531	7.20	4.14	85.20	4.86
Malappuram	15	145	10845	6.95	5.37	94.70	5.67
Palakkad	9	54	3361	3.72	2.16	49.30	4.38
Thrissur	15	183	13416	6.94	3.10	60.80	5.10
Ernakulam	4	47	3631	1.93	0.62	24.10	2.57
Idukki	1	10	1299	0.44	0.22	9.50	2.32
Kottayam	0	0	0	0.00	0.00	14.90	0.00
Alappuzha	14	149	12908	5.30	1.84	21.90	8.40
Pathanamthitta	0	0	0	0.00	0.00	13.70	0.00
Kollam	9	137	9277	5.13	2.28	42.70	5.34
Thiruvananthapuram	5	57	3405	2.15	1.26	57.20	2.20
<b>Total</b>	<b>103</b>	<b>1186</b>	<b>86482</b>	<b>49.57</b>	<b>27.05</b>	<b>594.10</b>	<b>4.55</b>

Some of the CPFs have expressed their willingness to start coconut nurseries and to work as training centers for conducting FoCT trainings. Federations can easily take up primary processing. Making copra, coconut chips, vinegar out of coconut water, coir and organic manure production and procuring coconut for exports are some of the initiatives that can be taken up by CPFs.

20 CPFs have already started the preliminary steps for installing modern copra dryers having the capacity to process 10,000 nuts per batch. If 100 copra dryers with this capacity is installed and its capacity is fully utilized 30,000 tonne good quality copra can be produced per year. When the farmers themselves are producing and procuring copra on a large scale, the choice of fixing the price of the produce will also bestow with them.

CPFS can also actively participate with the coconut procurement programme being implemented by the state government through Krishi

Bhavans. In Kerala 250 Krishi Bhavans are presently procuring raw coconut on a higher rate and is supplying to Kerafed. But the programme is in crisis due to the lack of facilities for timely processing. This is a best opportunity that CPFs can explore by making infrastructure facilities for processing the procured nut immediately. This would make the outreach of the programme to the maximum possible area. The farmers of the area are assured a higher rate since the dehusked coconut is procured @Rs.16 per kg. Government of Kerala is also offering the CPFs an incentive of Rs.500 per quintal for procurement. CDB under its Technology Mission on Coconut is extending 50% of the project cost ie. upto Rs 6 lakhs for installing copra dryers.

### **Coconut Producer Companies**

Farmers, CPSs and Federations are jointly in the offing to start Producer Companies. In Kannur and Palakkad the registration procedures are in the final stage. Board is targeting to form 10

Producer Companies during this financial year itself. It is intended to form Producer Companies in areas where coconut is available enough for processing and marketing. Board is hopeful that in every Taluk a Producer Company shall be formed. It is encouraging that the Government of India has earmarked Rs.50 crores in the 2013-14 budget as equity grant for Framers Producers Organisation.

Coconut Producers Company is the greatest dream come true of the coconut farmers. This would ensure the farmers to fix the price of their produce and also to produce, market and even export various value added coconut products complying with global standards. It won't be impossible for the Producer Companies working with professional management background to compete with corporates and multi national companies. Board is happy that CPSs, CPFs and Producer Companies are aspiring ahead. Board promises to extend all possible help to make the coconut farmers to achieve their goal.