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V. Recommendation for future action
I. Introduction

Coconut Plantation in Indonesia:

• Total area in 2012: 3.81 million ha
  o 15% immature coconut area
  o 73% mature coconut area
  o 12% old and senile coconut area
• Production: 3.29 million ton
• Belonging: 98% smallholders
• Source of income for 7 million farmers
II. Country Situation Analysis

- SUMATERA: 33% (1.26 M ha), in 10 Provinces
- KALIMANTAN: 7% (0.27 M ha), in 4 Provinces
- JAVA: 23% (0.87 M ha), in 5 Provinces
- SOUTH EAST NUSA + BALI: 8% (0.31 M ha), in 3 Provinces
- SULAWESI: 20% (0.76 M ha), in 6 Provinces
- MALUKU + PAPUA: 9% (0.34 M ha), in 4 Provinces

DISTRIBUTION OF COCONUT AREA
• Around 41% of Indonesia coconut area is distributed in 5 provinces. Riau (14%), East Java (7.8%), North Sulawesi (7.3%), Central Java (6%) and North Maluku (5.9%)

• Coconut area by tree crop classification: Immature (15%), Mature (73%), and old and senile (12%).
• Low productivity of coconut, around 1.2 ton/ha/year

• Most of coconut farmers planting not good plant material

• Low input of fertilizer

• Around 12% of coconut plantation is old and senile (+ 452,000 ha)

• Major Pests attack (sexava and oryctes) and diseases (bud-rot and nut-fall)
• In Riau and Jambi Provinces coconut area are concentrated in one district, in other Provinces are scattered in many districts
• Lead to difficulty in developing an integrating coconut processing
• Most farmers sell their coconut products as copra or fresh coconut
• Copra prices are very fluctuate and tend to low
• Low income of coconut farmers
• From total product of coconut:
  - 65.4% for Domestic Consumption
  - 21.3% coconut cooking oil Cons.
  - 34.6% is exported, consist of Coconut oil (29%), Desiccated coconut (1.4%) Copra (1.2%), and other coconut product (3 %)

• Other products exported are:
  - Oil-cake and other solid residues of coconut: 99,008 ton
  - Raw coir coconut fibres: 12,729 ton
  - Coir coconut fibres processed: 14,603 ton
III. Obstacles in Coconut Production and Utilization

1. Most of the farmers using low yielding variety of coconut

• Actual productivity (1.2 ton/ha/year) is only 35% of potential productivity using high yielding variety (3.5 ton/ha/year)

• Replanting old and senile coconut area (452,000 ha) using high yielding variety. Needed 90 million seeds

• Limited supply of good seedlings. Around 250,000 foundation seeds/year and 2.13 million high yielding local tall seeds/year
2. Coconut farm productivity is low

• 70% of coconut plantation are planted monoculture

• The coconut farmers income is highly dependent on their coconut production and are particularly vulnerable because of fluctuations in the price of coconut products

• Applying poly culture technique, coconut trees are grown with other annual crops or food crops will increase coconut yield by 30% and farmers income by 2-3 times
3. Low value of coconut products

Coconut production area is very scattered which are lead to difficulty in developing an integrating coconut processing to achieve optimum value added.

LIMITED ACCES OF FINANCIAL FOR COCONUT PROCESSING DEVELOPMENT

- MOSTLY PRODUCE COPRA OR FRESH COCONUT.
- LIMITED VARIATION OF DERIVATIVE PRODUCTS (< 20)

UTILIZATION BY PRODUCTS & WASTE IS NOT OPTIMAL
By producing high value coconut products such as coco fibre, carbon active, liquid smoke or biodiesel will increase farmers income by 3-5 times.
IV. Possible Solution/Suggestion

1. Replanting old and senile coconut trees using high yielding variety of coconut

- Lack of good coconut seedlings
- Establishing seed garden in main coconut areas. Increase extension seeds supply of high yielding variety of coconut
- Increase high yielding block of coconuts and selected good mother coconut trees in main coconut areas
2. Increase farm productivity by applying latest technology package (new planting distance of 16 m x 6 m)

- Using new planting distance coconut trees can be Intercropped by other annual crops or food crops
- Using old planting distance (9 m x 9 m triangle or quarter), Farmers usually cannot plant any other crops after five years because of shade.
- The new planting distance has already applied in several provinces including in 20,000 ha coconut plantation in Papua. Increase farmers income by 2-3 times
• New planting distance can be applied when replanting old and senile coconut trees or in expansion area of coconut
3. **Producing high value coconut products**

- Developing coconut agroindustry in coconut plantation area will increase employment, farmers income and regional economic and revenue.
- Training facilitation for farmers group
- Facilitating coconut processing unit for farmers group
- Local Government support in developing coconut agroindustry in rural area by facilitating infrastructure
V. Recommendation for Future Actions

1. Accelerate coconut replanting action

- In 2012 around 452,000 ha of coconut palms are old and senile
- Realization for replanting coconut trees in 2012 only 16,075 ha.
- Need contribution of stakeholders (coconut processing industry) to accelerate replanting action
• The Role of Local Government and Private Sector to Accelerate the Coconut Replanting

- Pangandaran, West Java.
- PT. Unilever Indonesia
- Distributed 12,400 seedlings of local tall to Coconut Sugar Association
- Amurang, South Minahasa, North Sulawesi.
- PT. Cargill Indonesia
- Distributed 20,000 seedlings of local tall to Farmers
2. Research collaboration in multiplication high yielding variety by tissue culture method

- To replant 452,000 ha of old and senile coconuts need 90 million high yielding variety coconut seeds
- By using tissue culture method, high yielding variety coconut seeds can be produced faster and massive
3. Establishing coconut industrial cluster

- To produce many varieties of high value coconut products → Increasing farmers income
- Coconut industrial cluster could be figure out all interested parties, the problem exist and the program will be implemented thoroughly
- Networking between farmers, Agroindustry and Market.
Thank you