



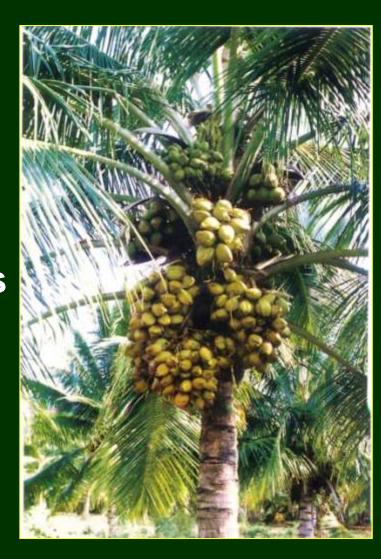
Executive Director **Asian and Pacific Coconut Community** 



### **OUTLINE OF PRESENTATION**

### I. GLOBAL COCONUT INDUSTRY SCENARIO

- World Coconut Area: APCC and other Countries
- Coconut Production in Nuts and Copra Equivalent
- CNO and other Veg. Oils
- Coconut Industry Supply Value Chain





### **OUTLINE OF PRESENTATION**

# II. EXPORT PERFORMANCE AND MARKET PROSPECTS OF TRADITIONAL / MAJOR COCONUT PRODUCTS

- Coconut Oil
- □ Virgin Coconut Oil
- Coconut Water
- Desiccated Coconut
- Coconut Flour
- Coconut Cream/Milk/Powder
- Nata de Coco
- Coconut Shell Charcoal/ Activated Carbon
- Coir and Coir-Based Products
- □Coconut Sugar

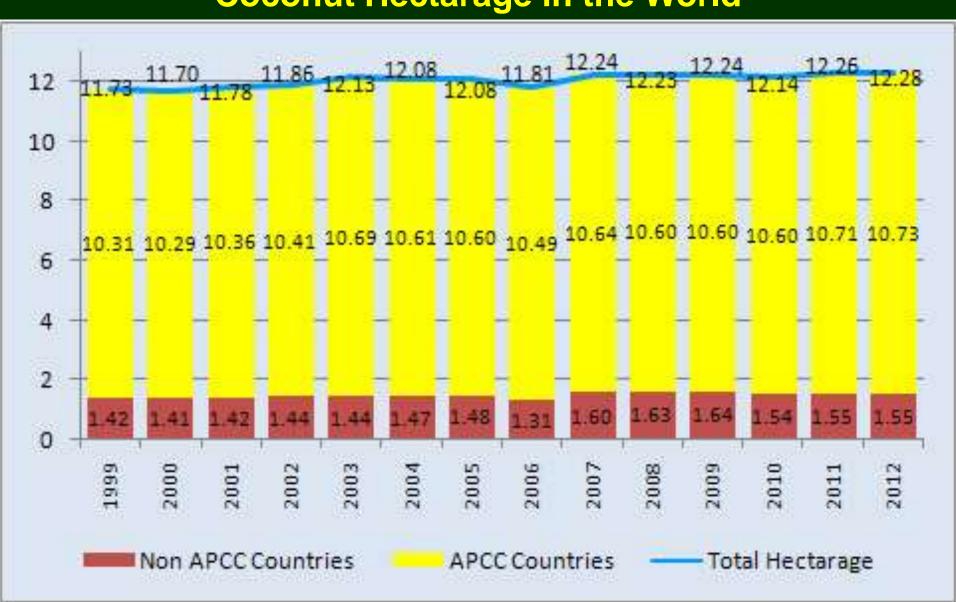






#### I. GLOBAL COCONUT INDUSTRY SCENARIO

#### **Coconut Hectarage in the World**





### I. GLOBAL COCONUT INDUSTRY SCENARIO



Global Coconut Area = Approx. 12.28 M Hectares



Global Coconut Production = Approx. 64.3 Billion Nuts



### TABLE 1. Coconut Area (1000 Ha) and Coconut Production in Whole Nuts (1000 Nuts) by APCC Member Countries in 2012

Country	Area ('000 Ha)	Whole Nuts ('000 Nuts)
Federated Sates of Micronesia	17	40,000
Fiji	60	165,000
India	1,890	16,943,000
Indonesia	3,810	15,429,000
Kiribati	29	131,300
Malaysia	109	577,000
Marshall Islands	8	34,000
Papua New Guinea	221	1,101,000
Philippines	3,562	15,248,000
Samoa	99	20,000
Solomon Islands	38	100,000
Sri Lanka	395	1,833,000
Thailand	216	845,000
Tonga	8	44,400
Vanuatu	96	307,700
Vietnam	155	940,000
Kenya	205	169,599
Jamaica	<b>51</b>	96,000



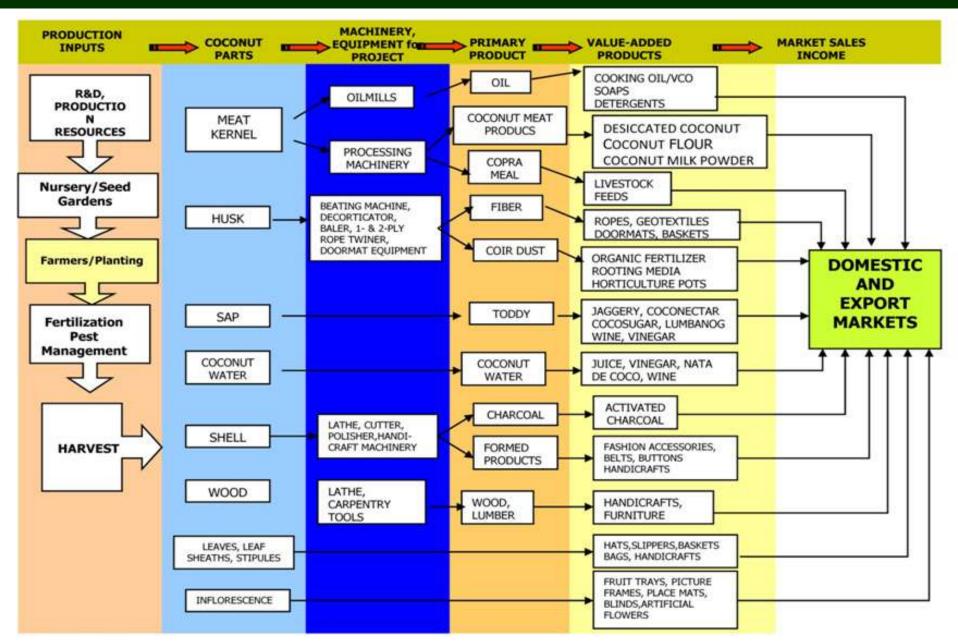


### WORLD COCONUT OIL PRODUCTION, 1999 – 2011 (In million MT)

Year	Export Quantity (MT)
1999	2.40
2000	3.24
2001	3.46
2002	3.10
2003	3.27
2004	3.04
2005	3.24
2006	3.10
2007	3.03
2008	3.05
2009	3.22
2010	3.60
2011	2.99
Average	3.13



#### **COCONUT INDUSTRY: SUPPLY – VALUE CHAIN**





### II. EXPORT PERFORMANCE AND MARKET PROSPECTS OF COCONUT PRODUCTS



#### **Export Performance of CNO**

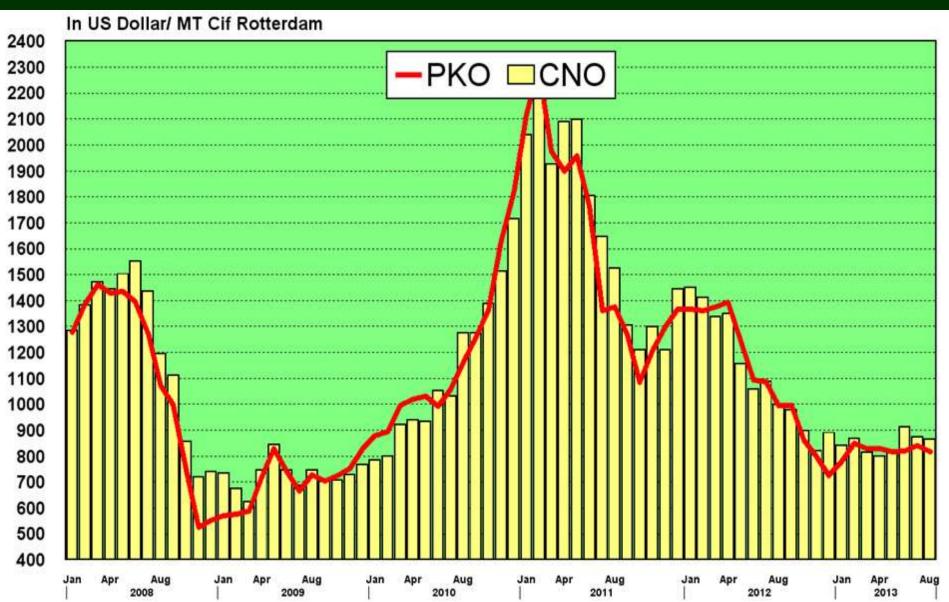
- On export performance, coconut oil (CNO) remains as the major product traded in the world market.
- In 2011, the world export of CNO was 1.86 M MT mostly from the Philippines and Indonesia (82%).





#### **MONTHLY PRICES OF LAURIC OILS, 2011 - 2013**







# COCONUT OIL vis-à-vis Palm and Other Vegetable Oils



- Coconut oil competes with other sources of fats and oils in the world market.
- In the last two decades, the volume of oils and fats has risen steadily.
- In 2011, the total volume of the nine major vegetable oils is estimated at 148.67 million MT.







### COCONUT OIL vis-à-vis Palm and Other Vegetable Oils



Vegetable Oils	1960	1970	1980	1990	2000	2011	% Share
Palm	1,264	1,742	4,543	11,014	21,874	49,680	33.41
Soybean	3,300	6,477	13,382	16,097	25,541	41,934	28.20
Rapeseed	1,099	1,833	3,478	8,160	14,466	23,225	15.62
Sunflower	1,788	3,491	5,025	7,869	9,700	12,547	8.44
Cotton	2,325	2,503	2,992	3,782	3,864	5,026	3.38
Palm Kernel	421	380	547	1,450	2,691	5,622	3.78
Groundnut	2,587	3,044	2,864	3,897	4,560	4,157	2.80
Olive	1,339	1,442	1,701	1,855	2,540	3,364	2.26
Coconut	1,949	2,020	2,717	3,387	3,281	3,123	2.10
Total	16,072	22,932	37,248	57,511	88,517	148,648	100

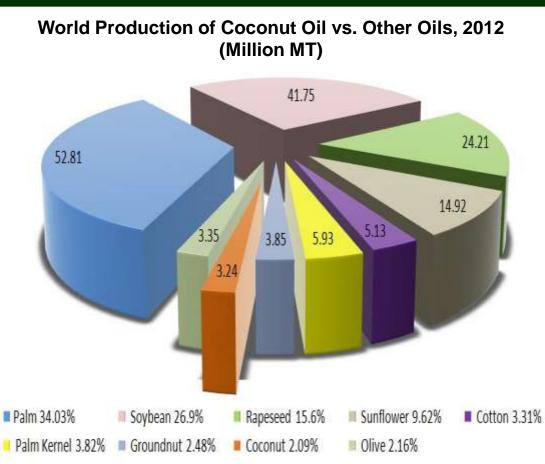
 Coconut oil was only 2.10% of the total volume and it ranked 9<sup>th</sup> with palm oil as the major vegetable oil in the world.



### COCONUT OIL vis-à-vis Palm and Other Vegetable Oils



 Coconut oil faces tough competition with a host of other oils such as soybean, palm, sunflower, rapeseed, olive and corn oil.



• Thus, the price of CNO is widely influenced by the supply and demand of these competing vegetable oils.



The fast developing and high value niche market for virgin coconut oil offers a good prospect for the improvement of the income of coconut farmers.

Virgin coconut oil can also be produced on macro and a micro, village scale of operation.





**■ Coconut farmers** can directly participate and get a bigger share of the profit of the industry instead of being a mere producer of copra.

"Women in Business" in Samoa is a good example. "Fair Trade" arrangement with Body Shop.





































# VCO BASED PRODUCTS PRODUCED BY TROPICANA



# **VCO BASED PRODUCTS** PRODUCED BY THAI PURE ไทยเพียนใ น้ำมันมะพร้าดูอรรมชาติ 100% Nin Ineuvieus. White Jily



# THE PHILIPPINES EXPORT OF VCO, 2001 – 2012 (In MT)

Year	Export Quantity (MT)
2001	2.0
2002	19
2003	103
2004	177
2005	475
2006	461
2007	1,131
2008	1,693
2009	1,801
2010	2,737
2011	4,914
2012	6,002





Source: PCA and UCAP, Philippines



### Virgin Coconut Oil (VCO)



• Export volume of VCO grew from 2 MT in 2001 to 6,002 MT in 2012.









#### world's leading brand of organic coconut oil



Available at over 15,000 stores worldwide and online.

Named one of the fastest growing private companies in US five years in a row by Inc. Magazine.

Revolutionizing the way the world eats.







www.nutiva.com





- Prices of VCO ranged from US\$
   3,500 to US\$ 4,600/Ton FOB
   Manila, Philippines.
- VCO is used as food supplement, body oil and in various cosmetics and other personal care products.







**Major export** destinations of VCO are: the USA, Canada, Germany, Lithuania, **United Kingdom, New** Zealand, Australia, Russia, Finland, and Turkey.











### **Production of VCO and VCO Residue In the Solomon Islands (2008-2012)**

Year	Nuts	VCO (Kg)	VCO Residue (Kg)
2008	386,266	22,524.20	25,326.10
2009	802,248	47,871.60	52,658.80
2010	439,908	26,328.50	29,497.50
2011	1,219,950	78,958.20	82,581.30
2012	1,403,573	88,448.30	91,804.10



### Export of VCO from Sri Lanka (2010 - 2012)

2010	1,817 MT
2011	910 MT
2012	1,660 MT



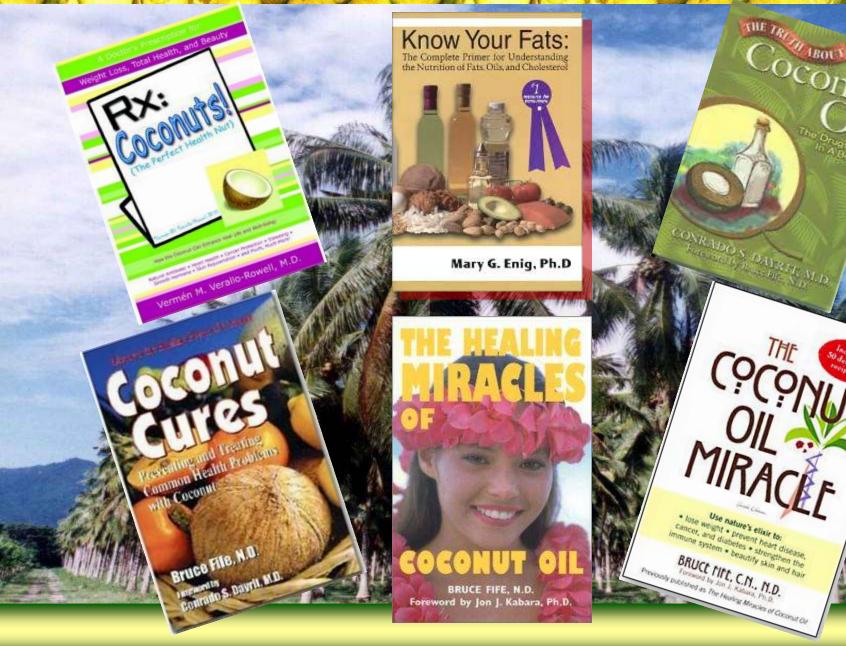


#### **VIRGIN COCONUT OIL (VCO)**

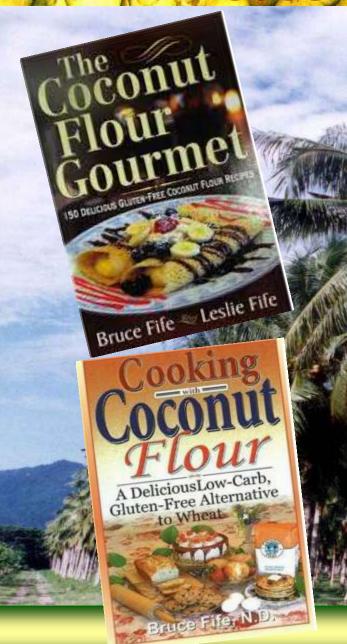
Volume of VCO Export in Samoa (2008 - 2010)					
2008	12,6 MT				
2009	20.7 MT				
2010	18,8 MT				

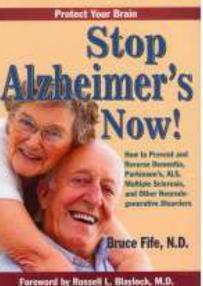


## COCONUTOIL REDISCOVERED



## COCONUT OIL REDISCOVERED





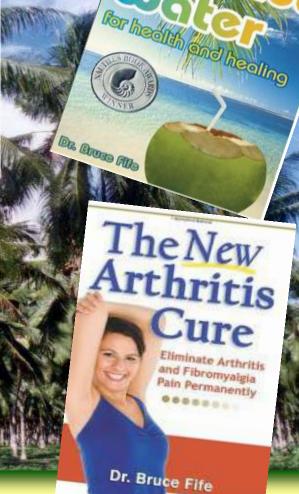
#### COCONUT LOVER'S COOKBOOK





Bruce Fife, N.D.







#### **DESICCATED COCONUT**



• The Philippines, Indonesia and Sri Lanka are the major exporting countries of desiccated coconut (DC).



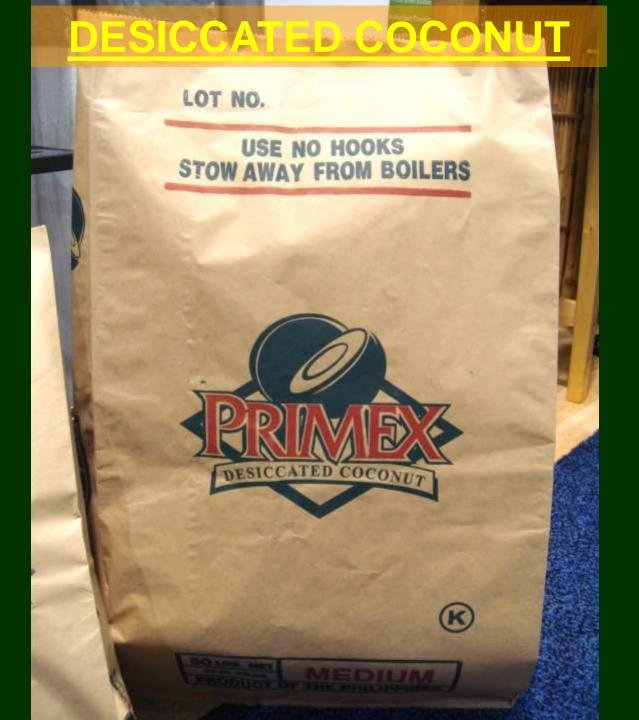




#### **DESICCATED COCONUT**











### **DESICCATED COCONUT**







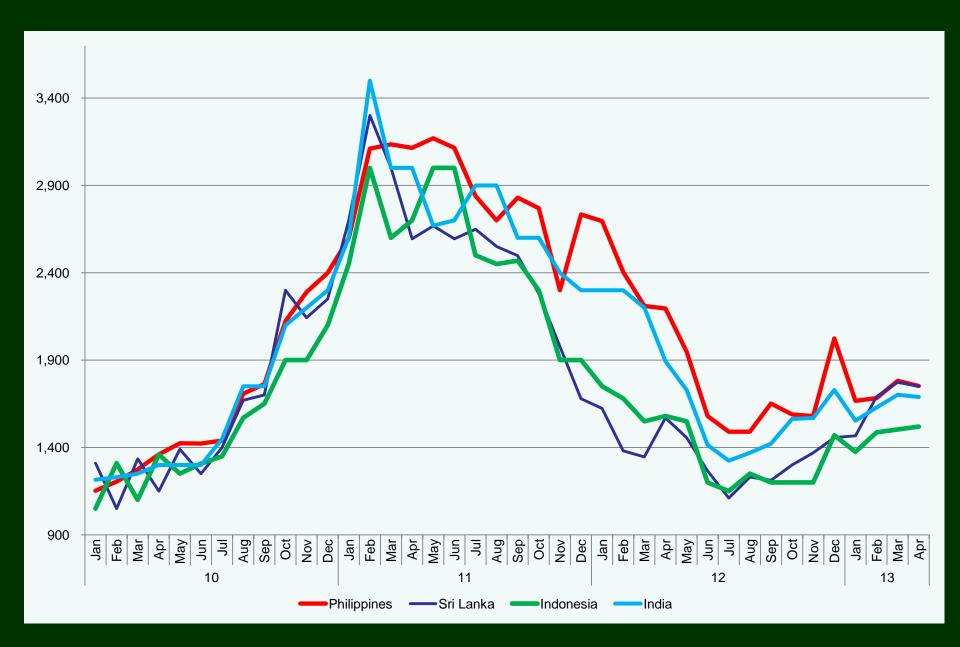


# World Exports of Desiccated Coconut 2006-2010 (in MT)



Country	2006	2007	2008	2009	2010
A. APCC Countries	247,821	244,715	245,221	215,313	214,428
India	652	312	1,455	2,173	1,563
Indonesia	59,496	59,884	57,689	46,699	47,065
Malaysia	9,025	8,268	6,599	9,448	6,766
Philippines	136,203	130,673	142,626	116,421	109,170
Sri Lanka	41,635	45,393	36,248	38,651	46,905
Samoa	143	23	316	740	1,444
Thailand	667	162	288	1,181	1,515
B. Other Countries	8,206	89,152	125,319	109,881	116,969
TOTAL	256,027	333,867	370,540	325,194	331,397

#### **Desiccated Coconut Price Record 2010-2013**







Major export destinations of DC are the USA,

Europe, Canada,

Australia, Middle East,

Japan, Russia, Taiwan,

New Zealand, Korea, and

South Africa.









For coco-based activated carbon (AC), Philippines, Indonesia, Sri Lanka, Malaysia, Thailand and India



are the main suppliers in the world market.



## WORLD EXPORTS OF COCONUT SHELL CHARCOAL & ACTIVATED CARBON



Country	2006	2007	2008	2009	2010
Shell Charcoal	29,792	29,363	24,926	237,342	224,783
Philippines	25,578	25,553	21,979	34,747	35,000
Sri Lanka	3,558	3,200	2,947	3,550	2,873
Indonesia	656	610	N.A.	199,045	186,910
Activated Carbon	115,085	101,021	86,002	85,156	110,077
Philippines	33,849	30,474	20,259	20,027	29,572
Sri Lanka	15,676	17,880	17,388	17,635	28,782
Indonesia	15,529	26,325	24,478	22,741	24,791
Malaysia	20,361	17,039	15,071	17,730	19,732
Thailand	29,670	9,303	8,806	7,023	7,200





ACTIVATED CARBON









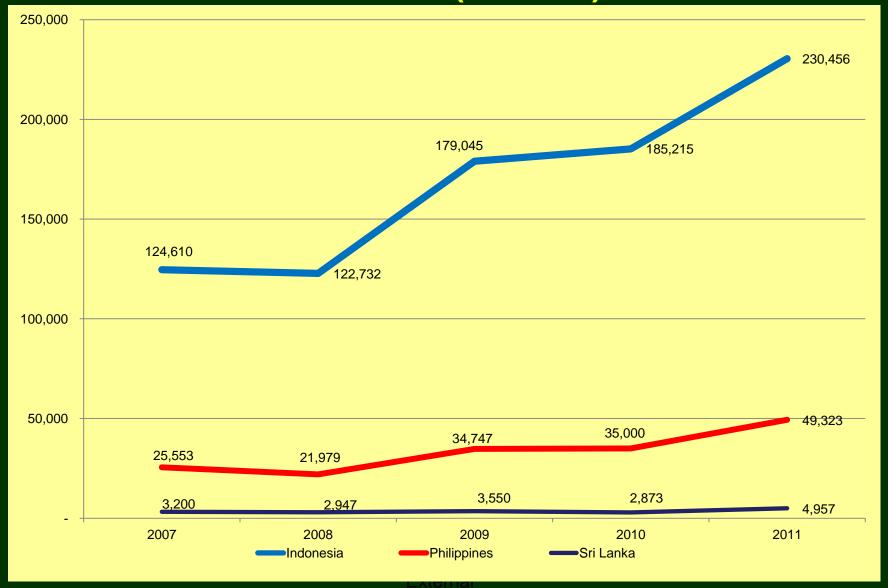




# Price Comparison of Activated Carbon 2007-2012 (US\$/MT)



## Export Volume of Coconut Shell Charcoal 2007-2011 (US\$/MT)







 The USA is one of the biggest markets for AC with a demand of about 70,000 MT/year.







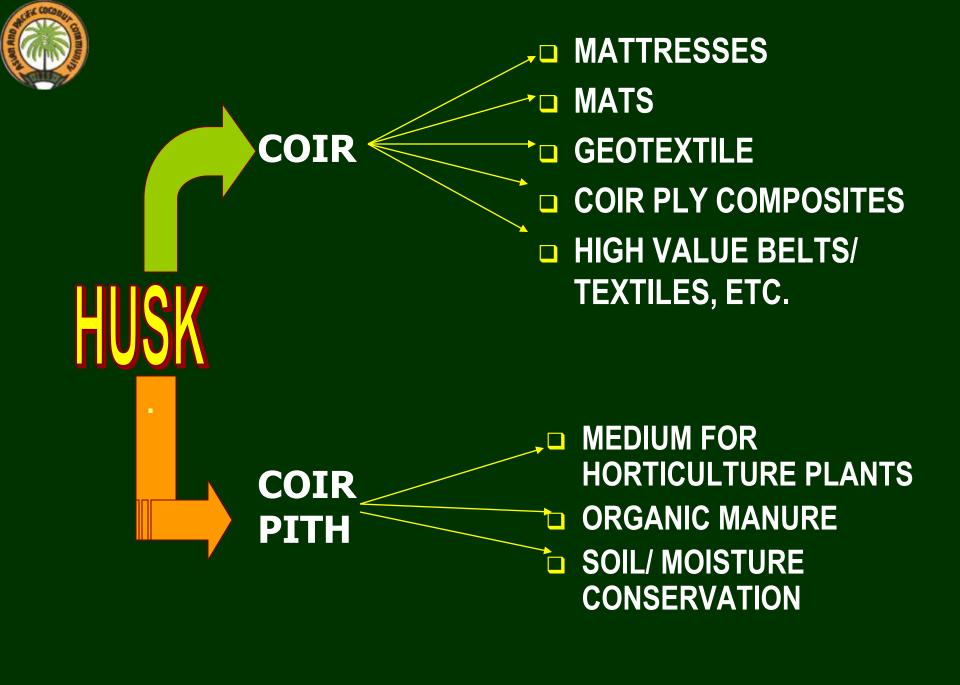
#### **COIR PRODUCTS**



• For coir products, India and Sri Lanka remain as the two main players with a total estimated export volume of 629,788 MT in 2011 or an increase by 2% over the export volume in 2010.









### **COIR GEOTEXTILES (COIR BHOOVASTRA)**



Cocolog



Coir needled felt



## COIR GEOTEXTILES (COIR BHOOVASTRA)





Prevent soil erosion in the slopes / embankments of road.





### GARDEN ARTICLES FROM COIR





Coco pots

**Coir Hanging Basket** 





















#### **TUFTED COIR MATS**







#### **TUFTED COIR MATS**



















- Coir industry is fully developed in India and Sri Lanka.
- Emerging Countries are Philippines, Indonesia, Thailand and Vietnam.
- More than half of the coir produced is exported in the form of raw fibre.

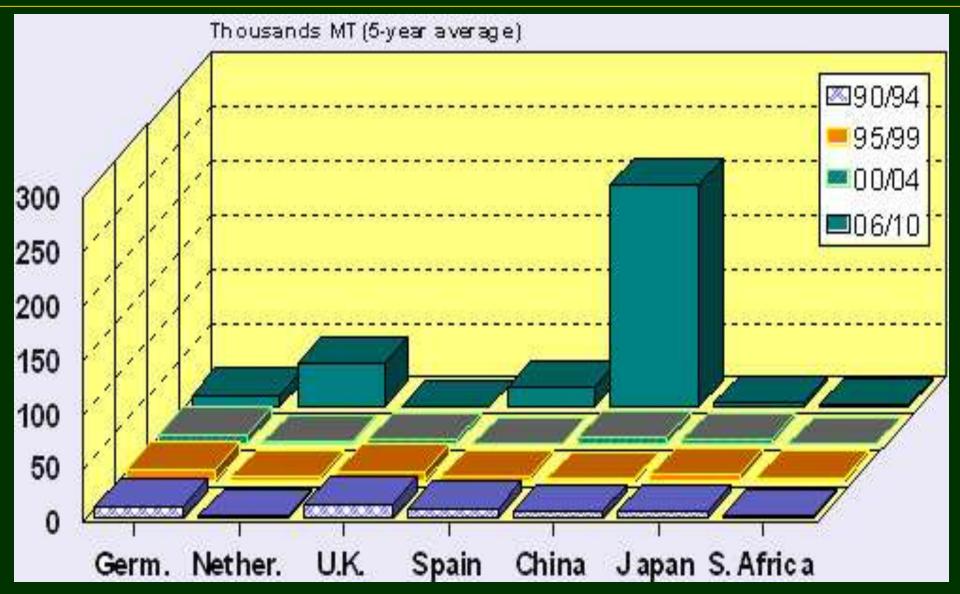






# **Export Market Destination** of Coir Fibre, 1990 – 2010









• The world demand is about 700,000 tons per year and growing, with only an estimated supply of 500,000 tons.







- The prices of coir fibre have increased from US\$ 160 per ton in 2004 to an average of US\$ 320/MT. During peak times, the price has gone up to as much as US\$ 500/ton.
- However, prices this year have gone down to US\$300/MT or as low as US\$150/MT



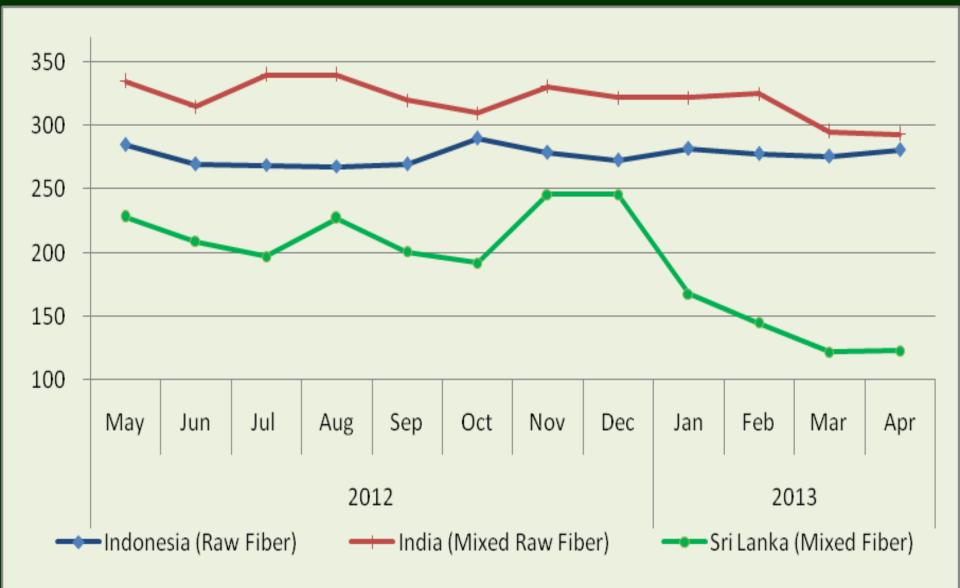






# Average Monthly Price of Coir Fibre May 2012 - April 2013 (US\$/MT)









Approximately 70 – 75% of the total coir fibre production is absorbed by China with 1.37 billion people and expanding middle class with purchasing power. In 2009, China produced 1.3 million coconut fibre beds a month.







 China's requirement for coir fibre is about 450,000 tons/year. This is expected to increase by 10 to 20% per year.





#### **COCONUT WATER**



- Coconut Water Export has increased tremendously
- USA, Japan, Brazil, Australia, Netherland, Canada, Germany are the major Importing Countries







### **COCONUT WATER**



 In 2011, the Philippines exported 16,69 million liters of coconut water with a value of US\$15.113 million







### Table 12. Coconut Water Exports of the Philippines (2009 – 2011) Volume in Liters and Value in US\$ FOB



2009		2010		2011		
Volume	Value	Volume	Value	Volume	Value	
483,772	368,141	1,807,583	1,841,716	16,685,350	15,113,152	











 Contains potassium and sodium which regulate water and alkaline balance and help treat blood pressure

 Has organic vitamins and minerals appropriate for all ages







- Contains growth factors which can retard aging
- A suitable rehydrating drink after exercise







- Keeps the body cool
- Checks urinary track infection and prevents stone formation







Analysis of Mature and Tender Coconut Water			
	Mature Coconut Water	Tender Coconut Water	
Total solids, %	5.4	4-6.5	
Reducing sugars, %	2	4.4	
Minerals, %	0.5	0.6	
Protein, %	0.1	0.01	
Fat, %	0.1	0.01	
рН	5.2	4.5	
Potassium (mg /100g)	247.0	290.0	
Sodium (mg /100g)	48.0	42.0	
Calcium (mg /100g)	40.0	44.0	
Magnesium (mg /100g)	15.0	10.0	
Phosphorous (mg /100g)	6.3	9.2	
Iron (μ /100g)	79.0	106.0	
Copper (µ /100g)	26.0	26.0	































100% pure conut water

coconut water









## Celebes Coconut Corporation



Manufacturer of Organic Certified Desiccated Coconut, Coconut Milk, Coconut Cream, Coconut Water, Banana Chips, Creamed Coconut, Virgin Coconut Oil, RBD Coconut Oil, Coconut Flour, Coconut Sugar, and Coconut Vinegar































## COCONUT FLOUR EXPORTS OF THE PHILIPPINES (2009 – 2011) VOLUME IN MT AND VALUE IN US\$ FOB



2009		2010		2011		
Volume	Value	Volume	Value	Volume	Value	
967	1,165,310	494	628,537	742	1,613,329	





## PRODUCTION OF COCONUT MILK/CREAM (CY 2010 – 2012 IN MT)



	2010	2011	2012
Sri Lanka	7,319	8,096	11,000
Thailand	84,230	74,543	438,460
Malaysia	3,213	3,925	n.a.
Indonesia	29,898	n.a.	n.a.
Philippines	1,120	2,918	n.a.
Samoa	316	n.a.	n.a.
Vietnam	800	n.a.	5,822









LIVING HAL









Chronista Cocanal M.S.

ORIGINAL



lugar from Karolla











## NATA DE COCO EXPORTS OF THE PHILIPPINES (2009 –2011) VOLUME IN MT AND VALUE IN US\$ FOB



	2009		2010		2011	
	Volume	Value	Volume	Value	Volume	Value
Nata de Coco (Processed)	6,017	6,0625,625	5,304	5,886,282	6,207	6,614,986
Nata de Coco (Raw)	34	8,808	34	8,437	139	35,046













### **COCONUT SUGAR**







### Coconut Palm Sugar Stages

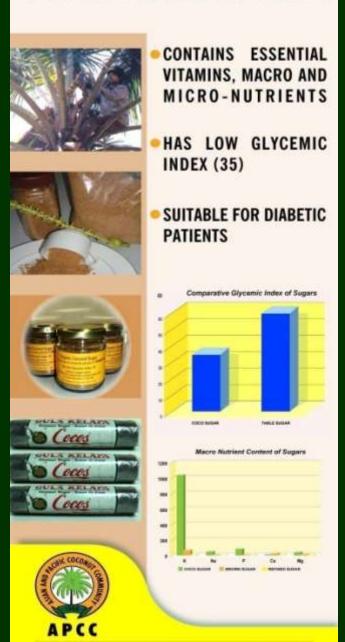








### FOR A HEALTHY LIFE









LOW GLYCEMIC - HIGH NUTRIENT

An Unrefined Alternative to Cane Sugar

An Unrefined Alternative to Cane Sugar





BLONDE



union Late

UNKERTHER - VENAM - GLUTEN-FEER
TURE COCOMUT FLOWER SLOSSOR HECTAR



ORGANIC **COCONUT SUGAR** 

SUSTAINABLY GROWN & HARVESTED



NET WY. 1 LEWISH U



ORGANIC COCONUT SUGAR

SUSTAINABLY GROWN & HATE

便用1668









# Indonesia, By The (coconut sugar) Numbers (Source: B. Ripple, 2012)



- Average tall (unimproved) coconut produces 3-4.5 liters of fresh nectar/day.
- Average collector (not usually the land-owner) can manage 30-50 trees/day. (remember...twice a day...gasp now.)
- Final yield per day is an average of 15 kg/producer family or 450kg/month





# Indonesia, By The (coconut sugar) Numbers (Source: B. Ripple, 2012)



- Indonesia currently has well over 100,000 farmers within it's population that rely on coconut sugar as their primary income.
- Those 100,000+ coconut sugar producers bring over 50,000 ton (yes....50,000MT) of coconut sugar to market domestically every month.
- That's over 600,000 ton of coconut sugar produced and (mostly) consumed domestically in Indonesia every year.







- Contains over 16 amino acids and four different B vitamins
- Source of iron, potassium, magnesium and zinc
- Low glycemic index food
- Relieve the symptoms of diabetic neuropathy
- Treatment for anxiety, depression and bipolar mood disorder
- Helpful in treating high blood pressure
- Treatment of wounds, traumas and burns

Source: www.rawforbeauty.com





- 1. To ensure economic viability and sustainability of coconut farming, what is the best CBFS for specific countries/ locations in Asia and the Pacific?
  - Copra alone is not competitive
  - livelihood and food security
  - Environmental Sustainability

#### Sources of additional income

- Intercropping with cocoa, coffee, fruits, vegetables, corn, agro forest trees, etc.
- Livestock integration (cattle, goats, chicken, etc.









- 2. Which high-value products should we focus on?
  - Market driven Big Market
    - SustainableDemand
    - Integrated coconut processing
    - Mix of high value coconut products
    - Coconut processing technology
    - Availability of equipment/ machineries







- Skilled staff/ laborers
- Availability & cost of electricity
- Access to roads, transport facilities
- Shipping
- Domestic & export market









3. What is the best agribusiness model for the coconut sector?

- Big business
- Contract growers:
  - → processing plants
- Nucleus farms
- Consolidators/ Aggregators
- SMEs/ Cooperatives/CBOs
- Success stories (in Kenya and other countries)





### **OTHER CONSIDERATIONS**



- Policy Support
- Conducive Business Environment
- Tax Incentives

- Technical Support
- Credit Assistance
- Strong SCFO's/CBO's
- Coconut Farmer's Cooperatives



