

SAMOA – COUNTRY STATEMENT

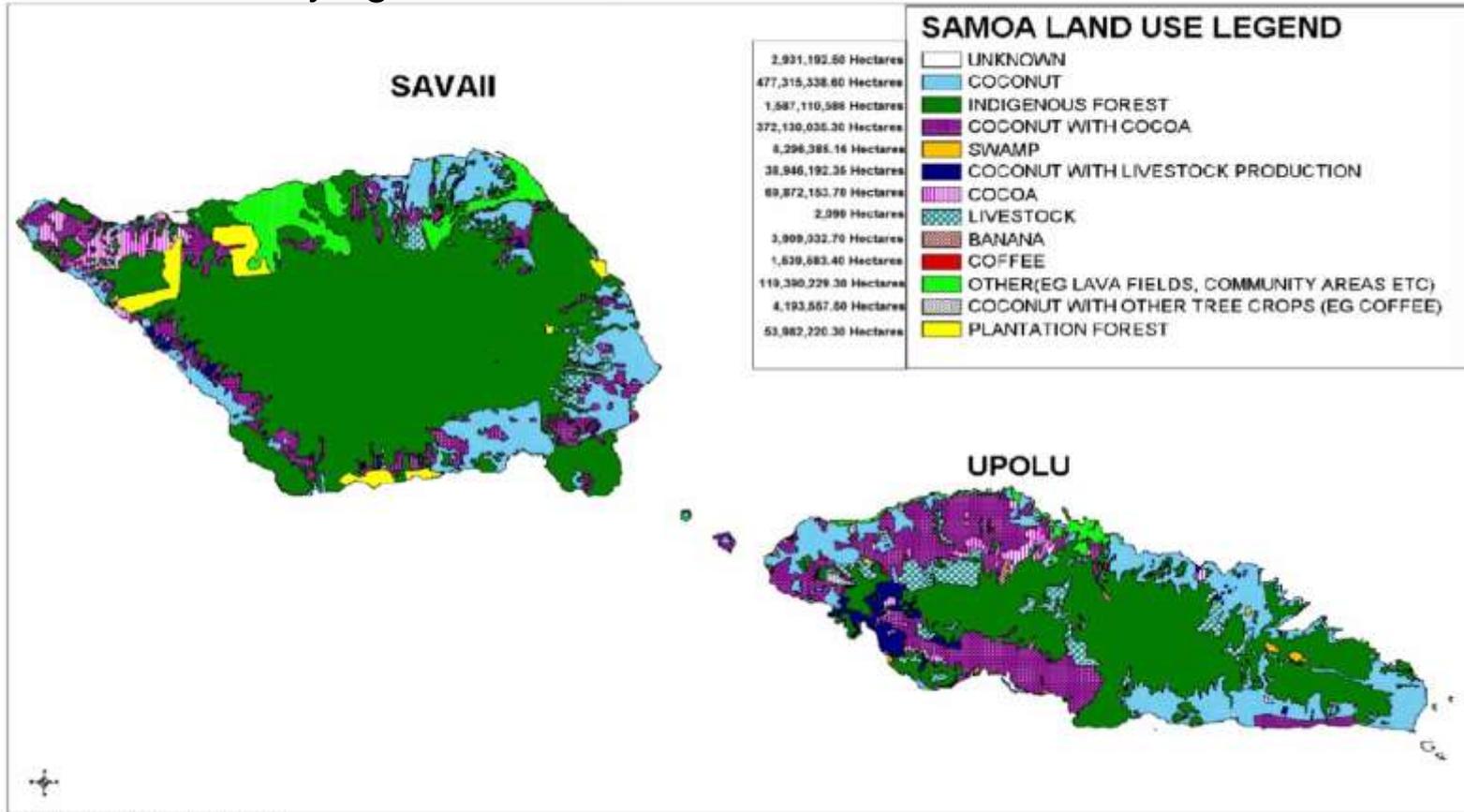
Introduction

- ❑ Coconut Traditionally provided the backbone of the National Economy.
- ❑ Integral part of the way of life – food, shelter, fuel, home comforts, cash, etc.
- ❑ 1990's drop in World prices for coconut products and increase in senile trees saw a decline in production.
- ❑ Samoa is about 292,588 ha, 87,777 ha (30%) are grown with coconut, 29,100 ha (33%) are actually maintained
- ❑ Export earnings average at about SAT\$8 million annually, 5% of total export earnings.
- ❑ Most plantings are around the coastal and low lying areas

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Coconut are grown mostly around the coastal and low lying areas.



Coconut Situation

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- Production averages at around 65,000 mt copra equivalent per annum.
- Estimated 37% of coconut trees are senile (more than 60 yrs old).
- Replanting Schemes set-up by Government (Stimulus Packages, Agro Shows, Coconut Planting Day) to replace senile coconut trees and increase acreage.
- Draught in 2011 caused problems with the replanting programs.
- Support to Private Sector (PSSF, Study Tours, etc) in coconut processing to generate viable markets and re-invigorate coconut industry.

Performance of the Coconut Processing Industry

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▣ Coconut Products:

- Coconut Oil increasing gradually from 21.1 mt in 2008 to 3,961 mt in 2012.
- Copra Meal increasing from 105 mt in 2008 to 3,908 mt in 2012.
- Coconut Cream fluctuates from 463 mt in 2008 to 34 mt in 2012.
- Virgin Coconut Oil from 17 mt in 2008 to 11 mt in 2012.
- Drinking Nuts from 441,000 FOB in 2008 to 445,000 FOB in 2012.

▣ Unit Value:

- Coconut Oil Unit Value fluctuates in the export market between SAT\$1,2 million/mt – SAT\$2,5 million/mt.
- Copra Meal Unit Value decreases from SAT\$433,000/mt (2008) – SAT\$188,000/mt (2012)

Possible Solutions to Issues and Recommendations for the Coconut Industry

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▣ **World Prices**

- World Prices continue to decline for coconut oil and other products. A vigorous campaign to promote coconut as a positive alternative (Health Benefits) to other vegetable oils.

▣ **Efficiency of Production**

- Technology Research needs a lot of backing to recommend efficient and economical means of production, processing and marketing. This will give a more competitive commodity against other similar products.

▣ **Strengthen the Forum for Knowledge Sharing and Policy Development for the Coconut Sector**

- There is a need to strengthen emphasis in regional and sub-regional forum (APCC & FAO) in knowledge sharing and development of the Coconut Sector that will directly benefit the coconut/rural community livelihoods.

▣ **Scientific Research and Promotional Strategies**

- There needs to be sound scientific research into the positive benefits (health) from coconut products, and published under a internationally recognized research facility.

EXPERT CONSULTATION ON COCONUT SECTOR DEVELOPMENT IN ASIA AND THE PACIFIC REGION

BANGKOK, THAILAND

30 October – 01st November 2013

Samoa - Country Statement

I. INTRODUCTION

The coconut industry has traditionally provided the backbone of the national economy and coconuts are grown as an integral part of the way of life for Samoans, providing food, shelter, fuel, home comforts and cash.

With the drop in world prices for coconut products in the 1990's, coconut production, or the harvesting of coconut has declined as a direct result. An estimated 90,000 hectares of coconut plantation is recorded with the growing number of these trees becoming senile and declining in yields. Recent provisional figures from the 2009 Agricultural Census Tabulation Report, estimated only 28,000 hectares of coconut reportedly being maintained and harvested by farming communities.

Most of the coconut plantings are situated around the coastal and low lying areas. Some plantings are done further inland on the higher elevation and are less productive and unsuitable. Coconut is grown in most all inhabited areas of Samoa. The total land area for Samoa is about 292,588 hectares and about 30 percent of this land area is grown with coconut. However, only about 33 percent of coconut area is actually being maintained and harvested by farming communities.

Samoa's population is around 180,000 and about 70 percent is employed in agriculture. Coconut being a major traditional tree crop is an integral part of the agriculture activity for these agricultural holdings.

Coconut (products) is one of the major exports for Samoa earning an annual average of about SAT\$8 million tala at 5 percent of the total export earnings¹. Coconut product ranges from virgin coconut oil, coconut oil, coconut cream, coconut (drinking) and copra.

The major strength for coconut production in Samoa is that it is a traditionally important crop that is an integral part of the way of life in Samoa. At the subsistence level, it is seen as less responsive to world price fluctuation, and is planted as a necessity. It can be intercropped with other economically important crops such as taro and cocoa and pasture under coconuts is practiced. Coconuts are traditionally managed without chemicals and are easily certified as organic. The yields are reasonably high.

The threats to the coconut industry in Samoa is its commercial vulnerability to external shocks such as the drop in world prices, causing abandonment of a lot of commercially grown plantations and the movement to other areas of higher income levels.

II. CCOCONUT SITUATION

II.1 Coconut Production

- Data collected on coconut production is shown in the following table:

Table 1: Area and Production of Coconut 2007 - 2012

Year	Area In 1000 Ha	Production of Coconut	
		Million Nuts	Copra Equivalent in 1000 MT
2007	93	165	33
2008	93	180	60
2009	102	200	65
2010	102	200	65
2011	104	180	65
2012	104	180	65

Source: CBS, MAF, Agriculture Census Tabulation Report 2009 – SBS
CBS, MAF Database

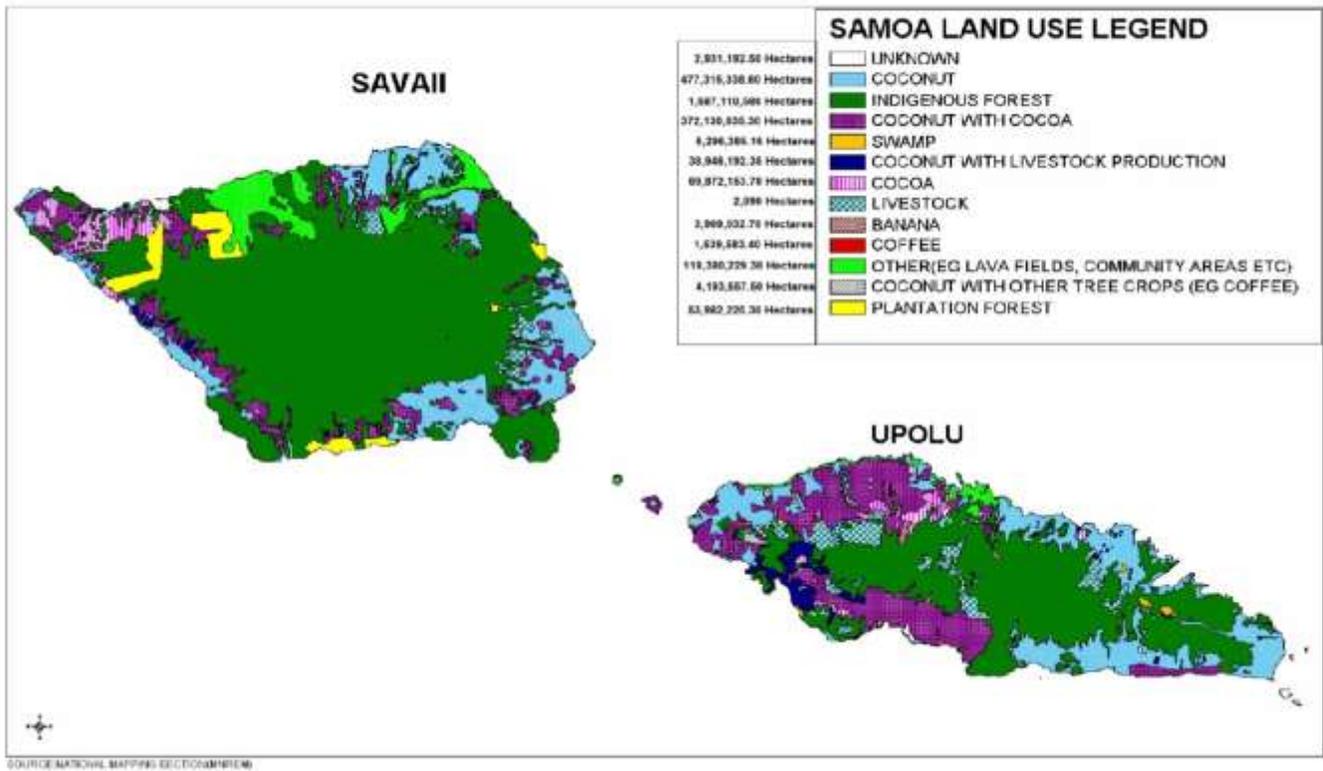
- The major factor affecting the drop in coconut production is the drop in world prices for copra, which was the main coconut product in Samoa, causing farmers to collect mainly for subsistence livelihood.
- Some of the coconut has entered the drinking nut industry which fetches a much better price than the mature nut.
- There are other faster growing sub-sectors in agriculture and other sectors providing better income opportunities than the coconut industry.
- Better employment opportunities overseas causing high remittances into the country

¹ Central Bank of Samoa Bulletin March 2013.

II.2 Area Under Coconut by Region

Coconut is grown in all regions of the Samoan Islands. The most prominent regions are those on the low lying areas and coast lines where coconut is most suitable. The higher the elevation, the less suitable coconut becomes and although some coconut is planted in the higher elevation, very low yields are experienced.

Figure 1: Samoa Land Use



II.3 Age Profile of Coconut Trees

The last recorded field update of coconut age profile was after the cyclone Ofa and cyclone Val in 1990 and 1991, which recorded about 20 percent of surviving coconuts to be senile. Today, an estimated 37 percent of the current fruit bearing trees are senile (more than 60 years old). This percentage will drop once the current replanting program trees begin to bear fruit.

Table 1.1: Estimated Area (ha) under coconut (single & mixed) by age of trees (estimated 2013)

Age of Trees	Area in Hectares
Less than 8 years	3,800
8 – 14 years	3,850
15 – 39 years	10,650
40 – 59 years	3,500
60 years and over	1,328
Not stated	5,972

Source: Agriculture Census Tabulation Report 2009 – SBS.
Stimulus Package - Coconut Replanting Estimates, June 2013

II.4 Constraints/Issues Related to Coconut Production and Farm Productivity

- One of the main issues affecting coconut production is the number of old senile trees and the need for replacements or replanting schemes.
- Access roads to a lot of these inland plantations are a major issue for not only management, harvesting but also transportation of cut senile coconut wood from the plantations to the timber processing firms.
- Another major constraint is the market price for coconut products. The low price has caused farmers to focus on other means of income opportunities available other than coconut.
- The year 2011 has been the driest for a long time in Samoa with draught conditions reaching the six (6) month duration (May 2011 – October 2011). This has hindered the replanting program with bush fires having a direct negative impact and seedlings planted in the field at the onset of the draught having a low survival rate. However, with the on-set of higher rainfall in the consecutive years 2012 and now 2013, new plantings are expected to have a higher survival rate.

II.5 Policies to Promote Coconut Farm Productivity and Increase Farmer's Income

- The government of Samoa has a replanting scheme under the title of Stimulus Package Program, which targets at least 2 acres per household of coconut replanting as the primary and compulsory crop, intercropped with cocoa, coffee and selected fruit trees as options. A bonus payment on year 2 and year 4 is proposed as an incentive and to assist in maintenance costs. This program started in late 2011 and the first payments have been done early this year.
- The Agriculture Week is an annual event and includes the following activities:
 - Starts with the Coconut Replanting Day, specifically for school children.
 - Open-Day for the Ministry of Agriculture and Fisheries
 - World Food Day and the Agriculture Show program (2 day event) is an annual event where farm competition is held for each of the main islands, Savaii and Upolu.
These show-cases coconut competition, farm and intercropping or mixed farming concepts.
- The rhinoceros beetle control is promoted and distributed annually for control of this coconut pest.
- The support to private sector investments in coconut processing firms such as Paradise Coconut Oil Ltd, Samoa Coconut Products Ltd, Pacific Oils Ltd, the WIBDI initiative on virgin coconut oil for cosmetics and a lot of other small business enterprises on coconut oil processing.

III. COCONUT REPLANTING / NEW PLANTING, REHABILITATION AND FARM PRODUCTIVITY PROGRAMS

III.1 Coconut Replanting / New Planting Program

- As described above, the Stimulus Package Program's main objective is to promote replanting of coconut as the base-crop, inter-cropped with cocoa, coffee and optional fruit trees, to meet the market demand and increase income and standard of living for the rural communities. This targets areas needing replacement of old senile trees, areas suitable for coconut and increasing acreage of coconut. The outcomes expected would be generating income to improve livelihoods in the rural communities; and to provide sustainable supply of coconuts to the coconut processing firms such as the virgin oil under the WIBDI administration, the

coconut oil and bio-fuel under the Samoa Coconut Products Ltd and Pacific Oils Ltd. A bonus payment of SAT\$1,000 per first 2 years and SAT\$3,000 for the 4th and final year. Seedlings are provided free and delivery is also free. Technical assistance is provided through the extension advisory services of the Ministry of Agriculture and Fisheries.

- The target area is to have 1000 acres of new plantings for the first attempt (by end of 2011), and progress to date (November 2011) indicates about 58 percent (580 acres) achieved. This is subjective to the final survival count of seedlings next year.

III.2 Coconut Rehabilitation by Intercropping and Livestock Integration

- As described above, intercropping coconuts and other crops is inbuilt into the Stimulus Package Program, and that will give farmers a better incentive to integrate other crops of economic importance such as the Tahitian Lime, Rambutan, and others. Cattle grazing under coconuts are commonly practiced in Samoa, especially the well established coconut fields with trees out of reach of grazing cattle, and cannot be damaged.

III.3 Coconut rehabilitation by Fertilizer Application

- Coconut has been traditionally an organic undertaking in Samoa. Industrial Fertilizer is not encouraged, especially with the organic virgin oil industry undertaking in Samoa. However, fertilizer is applied on inter-cropped crops as an indirect application for some orchards.

IV. PERFORMANCE OF THE COCONUT PROCESSING INDUSTRY

IV.1 Production and Export of Traditional Coconut Products in CY2010, 2011 and 2012

- We do not have figure for some of the years mentioned above. However, with the expectation that prices for coconut oil and coconut products will rise, the industry will respond to this favorable situation. It is also expected that if prices continue to be less competitive to other agriculture enterprises, farmers will focus their attention to these other investments for higher income earnings.

Table 2: Production of Coconut Products 2007 – 2012 (In MT)

Year	Copra	Coconut oil	Copra Meal	Coconut Cream
2007	11,000	39.3	-	510
2008	1,400	21.1	105	463
2009	Na	1,811	1,100	315
2010	Na	2,288	1,252	215
2011	Na	2,531	3,061	1
2012	na	3,961	3,908	34

Export figures only for Coconut Oil and Copra Meal

Source: Central Bank of Samoa

IV.2 Production and Export of Non-Traditional or Energy Coconut Products in CY 2008 – 2011

Table 3: Volume and Value of Exports of Non-Traditional Coconut Products

Virgin Oil	2008/09	2009/10	2010/11	2011/12	2012
Volume (MT)	17	26	23	11	
Value (1,000 FOB)	181	207	143	113	

Drinking Nuts	2008/09	2009/10	2010/11	2011/12
Value (1,000 FOB)	441	415	586	445

Source: Central Bank Bulletin March 2013.

IV.3 Summary of Coconut Product Utilization in the Country for 2010

- From the 2009 Agricultural Census of Samoa, a total number of about 92,656 households were recorded with 63,144 agriculturally active households. About 81.9 percent of households use coconuts for cooking at 46 coconuts per week per household. For feeding animals, 62.3 percent of households use coconuts for animal feed at an average of 128 nuts used per week per household.
- From the 2009 Agricultural Census estimated 27,567.2 hectares of coconut are farmed/maintained in Samoa, an estimated 0.1% of coconuts are consumed for cooking, 0.5% utilized for animal feed and an estimated 60% average of the maintained farms are utilized for coconut oil, copra, coconut cream, bio-fuel and other coconut products. There are a lot of un-harvested coconuts in the farms.

IV.4 Average FOB Price of Major Coconut Products for CY 2008, 2009 and 2010

Table 4: Exports of Coconut Products Unit Value for 2008 to 2012

Exports of Coconut Oil, Unit Value Value

Year	Unit Value (SAT\$)
2008	1,961
2009	1,208
2010	2,106
2011	2,528
2012	1,867

Exports of Copra Meal, Unit Value

Year	Unit Value (SAT\$)
2008	433
2009	315
2010	231
2011	160

2012	188
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Exports of Coconut Cream Unit Value

Year	Unit Value (SAT\$)
2008	4,256
2009	4,793
2010	4,289
2011	5,197
2012	5,088

IV.5 Number of Coconut Processing Plants and Their Capacities for CY 2008, 2009, 2010

- There are no new processing plants built from within the 2008 – 2010 period.
- The existing plants include:
 - WIBDI Virgin Coconut Oil – cosmetics
 - Pacific Oils Ltd. – coconut oil,
 - Paradise Coconut Oil Ltd. – soap, bio fuel, coconut oil
 - Samoa Coconut Products Ltd. – Coconut Oil, cooking oil, soap, cosmetics, bio-fuel, etc.
 - Mailelagi Ltd – Soap, cosmetics (tourism industry)
 - Strickland Brothers – Coconut timber / furniture

IV.6 Update of Recent Adopted National Quality Standards of Coconut Products

- The Scientific Research Organization of Samoa (SROS) has finalized its accreditation capacity to international standards.
- The National Codex Committee is tasked to adopt standards drawn up by APCC for VCO and until other coconut product are developed, no demand for standards for these products have been received.

V. MARKET AND PRODUCT PROMOTION

V.1 Major Market Destination of Traditional Coconut Products

- The directions of exports are mainly New Zealand, USA, Australia, Japan and Europe in that order.

V.2 Major Market Destinations of Non-Traditional Coconut Products

- (See above)

V.3 Government Policies Related to Coconut Trade and Market

- Government has an open trade policy as it adheres to WTO rules.
- Agriculture Sector Policy refers to import substitution, which should include coconut cooking oil and other coconut products such as coconut water/juice, coconut shell buttons and charcoal, and others.

VI. COCONUT RESEARCH AND DEVELOPMENT UPDATES

- Research on possibility for coconut husk as a bio-fuel for gassifiers and digesters to generate clean energy sources from coconut waste.
- Revitalization of the Hybrid Coconut Breeding Station at Olomanu.
- Continue advisory services and market information dissemination.

VII. OTHER ISSUES/PROBLEMS/RECOMMENDATIONS

- There is a need for the coconut community to improve its research and development in the area of International trade issues and the marketing of coconut products. The counter response to coconut oil as a health hazard issue was slow and not as effective as the other vegetable oil industries. Industry espionage is important to counter act, and we need scientific findings to back up any coconut issue of the sorts in the future.
- There is also a need to access existing technology for processing and to continue research into efficient processing technology for the coconut oil and other coconut products, so it can be competitive against other vegetable oil industries.