Overview of the Coconut Industry in the Pacific

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• Rapid SWOT analysis
• Major Stakeholders in the Industry
• Marketed Coconut Products and Markets
• SPC’s role
• Coconut statistics
• General observations
# Introduction: Rapid SWOT analysis of the Coconut Industry in the Pacific

## Strengths
- Cultivated widely
- Traded by all Pacific Islands Countries and Territories
- Commodity with longest history of trade (2007 value FOB 60 million Euro)
- Increasing support provided by international and regional organisation

## Weakness
- Small and Isolated
- Lack or very slow replanting
- Lack of investment in the sector
- Lack of appropriate technology
- Rated low in terms of national priorities
- Relatively weak public and private sector links
- Lack of reliable coconut area data

## Opportunities
- New market opportunities (Domestic and export) VCO / Coco water/ timber / coconut sugar/coco flour
- EU funding support e.g FACT, IACT, others
- Increasing role of SMEs /NGO in value addition
- Private sector’s role in replanting
- Niche exports market opportunities
- VCO could also be produced by communities

## Threat
- High fuel cost
- Senility of palms
- Disease (Bogia Syndrome)
- Climate change
- Competition (other crops and markets)
## Major Stakeholders involved in the coconut industry in the Pacific

### National level

- **Public Sector**
  - Policy, Standards & Regulations, Replanting, Technical back stopping, R&D / Extension services

- **Private Sector / Public enterprises**
  - Major player in trade - domestic and export markets, Replanting (Fiji, SI, Vanuatu), New products entering markets, Processing /Marketing, Investment

- **NGO**
  - VCO production, Marketing

- **Communities**
  - Womens groups, Production and marketing

### International and Regional Development partners

- **ACIAR**
  - Research and Development /Veneer

- **Asian Pacific Coconut Community (APCC)**

- **PIPSO (Pacific Island Private Sector Organisation)**
  - Assist PSO in Marketing, access, processing and production

- **Pacific Island Trade I (Australia, NZ, Marketing)**

- **ITC – Policy – Solomon Island**

- **FAO (SAPA) – Samoa**
  - Replanting
  - Coco-wood
  - Coconut Inventorying

- **ADB (Sector Review and development (RMI))**

- **University of the South Pacific**
  - Research and Developments
Production
– VCO manual
– Production of VCO
  • Training and TA
– Amruqa PNG – pilot Centrifuge VCO

Conservation of traditional varieties
– CEPACT

Facilitate Regional collaboration
(Private sector/Publics sector partnership
– setting up of Fiji’s VCO training center
(Funding by Min of Agr. Fiji) – Equipments from Malaysia through Amruqa PNG.

Marketing Trade Pacifika 2012 (Nadi, Fiji)
support of enterprises by IACT and FACT

R&D – Quality of VCO
– Analytical service support

Inventory of coconut using
– satellite images/ GIS (SOPAC/FACT / IACT)
  • Manual counting (Coconut tender water in Cakaudrove)

Pest & Disease

Enterprises support (FACT/IACT)
– Production, Equipments, Marketing and marketing access, labeling, training and enterprise development

HACCP Certification
– Training, Pre-auditing, Advisory, third party certification

Organic certification,
– Pre-auditing, capacity building, third party certification, Pacific Standards
Coir – décor / fashion

VCO

Coconut flour

Cosmetic/skin products

Coco sugar & Syrup

Veneer

Coconut furniture

Tender

water

Marketed Coconut Products
Markets of Coconut Products
Trade Pacifika 2012

Images of various products and people interacting at the event.
Cultured Products

So Delicious® Dairy Free Coconut Milk Yogurt

So Delicious® Dairy Free Probiotic Beverage (Coconut Milk Drinkable Yogurt)

So Delicious® Coconut Milk Greek Style Yogurt

So Delicious® Almond Milk Greek Style Yogurt
**Frozen Desserts**

- **So Delicious® Novelties (Soy and CM)** Stick Bars and Sandwiches
- **Purely Decadent®** – Soy Super-Premium Ice Cream
- **So Delicious® Dairy Free – Coconut Milk Super-Premium Ice Cream**
- **It’s Soy Delicious – Fruit-Sweetened Soy Ice Cream**
- **So Delicious® Dairy Free No Sugar Added Pints and Novelties**
- **So Delicious® Dairy Free Premium Almond Milk Ice Cream**
- **So Delicious® Dairy Free Premium Soy Ice Cream**
- **So Delicious® Dairy Free Almond Milk Ice Cream Novelties**

Source: APCC COCOTECH meeting Kochi July 2012
Refrigerated Beverages

So Delicious® Coconut Milk Beverage

So Delicious® Coconut Milk Creamer

So Delicious® Coconut Seasonal Beverages

So Delicious® Almond Plus Beverage

Source: APCC COCOTECH meeting Kochi July 2012
• Growth momentum is expected to continue over next 5 years
  – Driven by expansion of coconut milk based into new categories
  – Further supported by development of other milk base alternatives
  – Additionally, there is still tremendous upside in continued distribution and velocity gains that come through customer education and selling solutions for the dairy-free consumer as US household penetration is just 3.5% but increasing rapidly.

Source: APCC COCOTECH meeting Kochi July 2012
It is in ...and ‘stars’ love it!!

Cuckoo for Coconuts
Madonna invests $1.5M in trendy drink co.

Madonna has become an icon for coconut water that she recently invested $1.5 million in one of the leading makers of the drink, which has taken Hollywood and The Big Apple by storm. This year has been a banner year for coconut water.

Gay, Owary, the Material Girl’s, manager of the company, spoke in an exclusive interview last week that the singer decided to invest after she learned about the product. She also is a September story in The Post.

Owary said that the singer is a fan of coconut water and decided to invest in the company. Owary said that the company is growing and they are excited about the future.

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Madonna’s latest get-rich-quick scheme (one day, Rodgers, she’ll be a millionaire) is coconut water. She’s reportedly invested a fortune in Vita Coco.

Rihanna: Coconut Water Woman

Rihanna, her new boyfriend Matt Kemp, and her BFF Melissa, caught a departing flight out of Los Angeles on Sunday (January 3).

The 21-year-old Bajan singer had “one natural experience,” sipping on O.N.E. 100% coconut water.

Rihanna reportedly has a book coming out called “Last Girl On Earth.” Making a contribution to the book is Simon Henwood, who was the creative genius behind Rihanna’s latest album, Rated R. Read an interview with Simon at AnjanWisedn.

“Last Girl On Earth” is available for pre-order through Amazon.com for $28.19.

Source: APCC COCOTECH meeting Kochi July 2012
<table>
<thead>
<tr>
<th>Country</th>
<th>Area of coconut (ha)</th>
<th>% Senility</th>
<th>Replanting</th>
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</thead>
<tbody>
<tr>
<td>FSM</td>
<td>17,000</td>
<td>NA</td>
<td>NA</td>
</tr>
<tr>
<td>Fiji</td>
<td>60,000</td>
<td>70</td>
<td>1,500 ha (2011)</td>
</tr>
<tr>
<td>Kiribati</td>
<td>29,000</td>
<td>NA</td>
<td>NA</td>
</tr>
<tr>
<td>Marshall</td>
<td>8,000</td>
<td>NA</td>
<td>NA</td>
</tr>
<tr>
<td>PNG</td>
<td>221,000</td>
<td>50</td>
<td>1,338ha (2006-2008)</td>
</tr>
<tr>
<td>Samoa</td>
<td>93,000</td>
<td>30</td>
<td>Stimulus Package</td>
</tr>
<tr>
<td>Solomon</td>
<td>59,000</td>
<td>NA</td>
<td>NIL</td>
</tr>
<tr>
<td>Vanuatu</td>
<td>96,000</td>
<td>NA</td>
<td>NA</td>
</tr>
</tbody>
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Source: APCC
VCO use & marketing is changing the image of coconut (from a sunset industry) – few media campaign and word by mouth (interesting participation of a few Medical Doctors)

Private Sector led growth - Important place of SMEs

Private and Public sector partnership (need to be further fostered)

Increasing potential for employment, market for coconuts (before it was only copra), in the rural areas (role of SMEs)

Farmers are now replanting given the new market opportunities

Community involvement (women's participation)

Assistance provided especially for VCO
  - HACCP
  - Labeling
  - Organic certification
  - Marketing
Recommendations

• Countries in the region to consider placing coconut as one of the priority commodities
  – This is important for donors and development partners
• Consider establishing private breeding entities and community based replanting programs
• With logging of senile it is important to conserve unique coconut populations
• Ensure that Coconut Bogia Syndrome is not spread around the Pacific
Acknowledgement

– Australian Government – DAFF
– ACIAR
– SPC – Forest and Trees
– SPC SOPAC