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Table 1. Indonesia’s Monthly Exports of Coconut Oil (in MT),
2013-2015

Table 2. Philippines’s Monthly Export of Coconut Oil (in MT),
2011-2015

Table 3. International Prices of Selected Oils, May 2013-April 2016,
(US\$/MT)

EXECUTIVE DIRECTOR SPEAKS

“Collaborative Partnerships and Effective Working Relations Contribute to Developing the Global Coconut Sector”



Once again the recent movements in produce prices show increases placing copra at just over USD840/MT last month in April which is significantly higher compared to same period last year. Coconut oil registered over USD1,550/MT in the Philippines which is similar level to the average CIF price in Rotterdam thus indicating at least 50% higher in price difference compared to April 2015. This change is largely attributed to low supply of coconuts as a result of the 2015 El Nino effect that caused prolonged dry weather. An emerging cause of decline in copra production would be the switch to use of coconuts in higher value products. Smallholder copra producers would take advantage of the favourable prices to maximise copra production thereby increasing household income.

Stakeholder initiatives and efforts in value addition seem to have increased momentum in both the large and small producing countries especially with dramatic increases in production of Virgin Coconut Oil and Coconut Water which is currently one of the fastest growing products in the beverage market. The trend here indicates the direction in which the global coconut sector is moving with the emerging high value products of coconut. Downstream processing of agriculture produces at point of origin would no doubt contribute well towards increasing rural household income thereby reducing poverty.

This month Indonesia looks forward to welcoming international participants to the 52nd APCC Session/Ministerial Meeting in Jakarta for the duration of the week from 23 May 2016. Amongst a number of important issues on the agenda the Session would discuss the need for networking amongst member countries in trade and marketing initiatives for coconut products to maximise returns to coconut farmers. To be able to broaden its membership base the APCC Session would also consider the potential landmark decision to graduate the current region-based organisation to an international coconut community that would accept full membership from all coconut growing countries and consider offering associate membership to the importing countries.

As a large maritime nation of 17,000 islands, the Indonesian archipelago is home to over 3 million hectares of coconut lands farmed by over 6.5 million families making it the 3rd largest coconut producing country after Philippines and India. Recent increases in downstream processing initiatives are evident yet the nation consumes 80% of production domestically leaving the balance for exports. The key emerging non-traditional products include Coconut Sugar, Coconut Water and Virgin Coconut Oil. The production of Coconut Shell Charcoal, Activated Carbon and Raw Fibre are increasing activities. The appropriate government ministries, directorate generals and agencies responsible are committed to developing a sustainable coconut sector in Indonesia to enable rural families to attain an acceptable quality of life.

APCC is committed to fostering collaborative partnerships and close working relationship with the UN bodies, international agencies and regional inter government organisations to further the development agenda of the global coconut sector. The Secretariat has also started to work closely with respective institutions and commodity organisations in the larger producing countries such as the Philippines, India and Indonesia to enable avenues for mutual exchange in knowledge and technology transfer to also assist the smaller less developed countries through well targeted technical cooperation project interventions.

The APCC Secretariat takes this opportunity to welcome the distinguished Ministers, delegates and participants of the Session to Jakarta wishing everyone a successful event and a safe stay in Jakarta, *enjoy wonderful Indonesia!*

A handwritten signature in black ink, appearing to read 'URON N. SALUM', written over a horizontal line.

URON N. SALUM
Executive Director, APCC