

## Table of Contents

Page/s:

The Executive Director Speaks “ <i>Effective Transfer of Technology Needed to Embark on Successful Coconut Value Addition Initiatives</i> ”.....	2
Prevailing Market Prices of Selected Coconut Products and Oils .....	3-4
Market Review of Desiccated Coconut.....	5-6
Community News .....	7-21
Trade News .....	21-24
Coconut Technology News .....	25
Bio-Diesel News .....	25-27
Other Vegeoil News .....	27
Did You Know .....	28-29
Coconut Recipe “ <i>Coconut &amp; Lemon Shortbread Stars</i> ”.....	29
STATISTICS .....	30-31

Table 1. Indonesia ’s Monthly Exports of Desiccated Coconut,  
2016 - 2018

Table 2. Philippines’ Monthly Exports of Desiccated Coconut (in MT),  
2015 - 2018

Table 3. Sri Lanka’s Monthly Exports of Desiccated Coconut (MT),  
2016 - 2018

Table 4. Export Volume of Desiccated Coconut by Country of Origin,  
2018



## EXECUTIVE DIRECTOR SPEAKS .....

### ***“Effective Transfer of Technology Needed to Embark on Successful Coconut Value Addition Initiatives”***



A recent visit with a manufacturer of charcoal briquette, PT. Tom Cococha Indonesia, was a learning experience. The final product is briquettes made from Coconut shell charcoal of which 90% of its products are for the 'Shisha' market whilst the remaining 10%, which is the actual waste from fiber production, and is sold for use as BBQ fuel. The Shisha market offers about US\$1,200 per metric ton and the BBQ market at around US\$900, therefore no waste at all.

Similarly, during a visit to a Lampung based Coconut fiber factory in Sumatera it was observed that raw fiber was produced from Coconut husk, packed and exported for high value use overseas. Average market price was US\$200 - 300 per metric ton. The waste from fiber production is basically dust that is swept up and taken to the next factory to be manufactured into a high value product referred to commercially as 'Coco Pith or Peat', with a market price range of US\$140 – 300 depending on its quality.

Another visit recently to a village-based small-scale producer of raw Nata de Coco it was evident that Coconut water from the mature nut normally wasted during harvest and preparation for copra production is instead collected and utilized for processing and marketing of this valuable food product. The final product packaged for overseas market and domestic consumption attracts a selling price range from US\$300 - 700 per metric ton.

A common area observed with utilization of all parts of the Coconut was the manufacturers' ability to continually improve on technologies applied that included fine-tuning of processes, upgrade in machinery and equipment use with the consistent training and development of its workforce. This meant the initial transfer of technology had to be internal followed by transfer to external parties to assist partners associated in the industry and other times the transfer is as a result of another party purchasing the technology, usually from another country.

It is encouraging to observe communications between industry participant in different countries exchange ideas relating to the right technologies presently deployed in the industry as well as ideas for improvement based on experiences so far. There is increasing evidence of enquiries for improved technology to be acquired by interested third parties from another country.

At present rate of improvements through innovation there would be much improvements including new emerging technologies that could further improve productivity and reduce costs to enable processors to achieve acceptable levels of profitability.

The Coconut Sector globally is dependent on new and innovative technology to move the benchmark forward and upward in terms of productivity and cost-effectiveness to enable the industry to succeed. Effective transfer of technology amongst the industry stakeholders of different countries would enable those involved to increase in capacity and meet market expectations relating to both volumes and quality standards.

It would be an ideal situation where the successful private sector and industry participants are able to share their success with the farmers, as important suppliers of raw material, by passing on the benefits through maintaining reasonably viable buying prices for the Coconut.



URON N. SALUM  
Executive Director, ICC

## PREVAILING MARKET PRICES OF SELECTED COCONUT PRODUCTS AND OILS

*Price of CNO decreased Sri Lank, and Philippines, but increased in Indonesia. The price of DC decreased in Indonesia and Philippines, but increased in Sri Lanka.*

**COPRA:** The price of copra in Indonesia was US\$425/MT in January 2019, which was higher than last month's price of US\$421/MT. When compared to last year's data for the same month the price was US\$325/MT lower.

In the domestic market of the Philippines (Manila), the price increased by US\$9/MT compared to the price in December 2018, and about US\$403/MT lower compared to the price of US\$881/MT in January 2018.

**COCONUT OIL:** The average price of coconut oil in Europe (C.I.F. Rotterdam) for the month of January 2019 decreased by US\$24/MT to US\$782/MT from US\$806/MT in December 2018. This price was lower by 44% when compared to the price of January 2018 accounting for US\$1,399/MT.

The average local price of coconut oil in the Philippines in January 2019 was US\$761/MT. This was US\$8/MT higher than the price in December 2018, and it was US\$621/MT lower if compared to the last year price for the same month which was US\$1,1,386/MT.

The average domestic price of coconut oil in Indonesia in January 2019 increased by US\$5/MT compared to the previous month from US\$756/MT to US\$761/MT. January 2019 price was US\$621/MT lower than the price of the same month of 2018 which was US\$1,382/MT.

**COPRA MEAL:** The average domestic price of the commodity in the Philippines at selling points was quoted at US\$203/MT. The price was US\$1/MT higher compared to the previous month, and was US\$44/MT higher than the last year price for the same month.

The average domestic price of copra meal in Sri Lanka increased by US\$10 compared to the last month price of US\$219/MT, and was lower than last year price of US\$382/MT for the same month.

**DESICCATED COCONUT:** The average price of desiccated coconut (DC) FOB USA in January 2019 was US\$1,979/MT. This price was US\$14/MT lower than the previous month's price and US\$458/MT lower than the price of the same month last year. In Sri Lanka, the domestic price of desiccated coconut in January 2019 was US\$1,750/MT or US\$56 higher than the price in December 2018. Meanwhile, the price of DC in the domestic market in the Philippines was US\$1,020/MT, which was US\$402/MT lower than the previous month's price at US\$1,422/MT and US\$686 lower than the price in the same month last year. Indonesian price in January 2019 was US\$1,200/MT, decreased by US\$76/MT compared to the last month's, and decreased by US\$1,167/MT from last year's price.

**COCONUT SHELL CHARCOAL:** In Sri Lanka, the average price of the commodity in January 2019 was US\$385/MT which was US\$46/MT lower than previous month's price. The average price of charcoal in Indonesia for January 2019 was US\$552/MT, which was US\$69/MT higher than last year's price for the same month.

**COIR FIBRE:** Coir fiber traded in the domestic market in Sri Lanka was priced at US\$231/MT for mix fiber and US\$659/MT-US\$989/MT for bristle. The Indonesian price for mixed raw fiber was US\$303/MT in January 2019 which was unchanged compared last month's price.

## Price of Coconut Products and Selected Oils (US\$/MT)

Products/Country	2019 Jan.	2018 Dec.	2018 Jan.	2019 (Annual Ave.)
<b>Dehusked Coconut</b>				
Philippines (Domestic)	125	121	222	125
Indonesia (Domestic, Industry Use)	141	134	206	141
Sri Lanka (Domestic, Industry Use)	164	162	447	164
India (Domestic Kerala)	605	539	n.q.	605
<b>Copra</b>				
Philippines (Dom. Manila)	478	469	881	478
Indonesia (Dom. Java)	425	421	750	425
Sri Lanka (Dom. Colombo)	914	931	1,528	914
India (Dom. Kochi)	1,733	1,494	2,005	1,733
<b>Coconut Oil</b>				
Philippines/Indonesia (CIF Rott.)	782	806	1,399	782
Philippines (Domestic)	761	753	1,386	761
Indonesia (Domestic)	761	756	1,382	761
Sri Lanka (Domestic)	1,784	1,820	2,609	1,784
India (Domestic, Kerala)	2,603	2,307	3,221	2,603
<b>Desiccated Coconut</b>				
Philippines FOB (US), Seller	1,979	1,993	2,437	1,979
Philippines (Domestic)	1,020	1,422	1,706	1,020
Sri Lanka (Domestic)	1,750	1,694	3,794	1,750
Indonesia (FOB)	1,200	1,276	2,367	1,200
India (Domestic)	2,149	1,971	n.q.	2,149
<b>Copra Meal Exp. Pel.</b>				
Philippines (Domestic)	203	202	159	203
Sri Lanka (Domestic)	229	219	382	229
Indonesia (Domestic)	205	200	210	205
<b>Coconut Shell Charcoal</b>				
Philippines (Domestic), Buyer	337	338	454	337
Sri Lanka (Domestic)	385	431	491	385
Indonesia (Domestic Java), Buyer	552	552	483	552
India (Domestic)	442	447	572	442
<b>Coir Fibre</b>				
Sri Lanka (Mattress/Short Fibre)	231	233	193	231
Sri Lanka (Bristle 1 tie)	659	666	700	659
Sri Lanka (Bristle 2 tie)	989	999	1,113	989
Indonesia (Mixed Raw Fibre)	303	303	335	303
<b>Other Oil</b>				
Palm Kernel Oil Mal/Indo (CIF Rott.)	773	742	1,260	773
Palm Oil Crude, Mal/Indo (CIF Rott.)	535	489	677	535
Soybean Oil (Europe FOB Ex Mill)	746	726	864	746

**Exchange Rate: January 31, 2019**

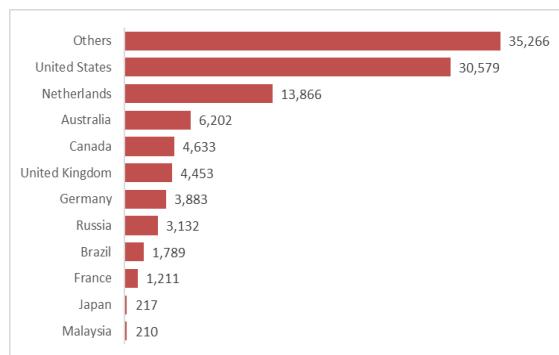
1US\$= P 52.13 or Indo.=Rp13.979 or India=R70.95 or SL=Rs178.40  
Euro=US\$1.15 n.q. = no quote

## MARKET REVIEW OF DESICCATED COCONUT

Philippines maintained its increasing trend of desiccated coconut (DC) export since previous year. The official figure from the Philippines Statistics Authority showed that the export of DC in the period of January-October 2018 was 105,441 MT which was 4.6% higher than previous year's volume for the same period. The export volume has been following a positive growth in the last two years. It should be noted that Philippines' export of DC rose by 35.6% in 2016 and again went up by 26% in 2017.

After experiencing a shortage in supply of raw material due to El Niño in 2015 worsened by a series of typhoons, Philippines' DC production indicated a sign to recover following an improvement in coconut production as favorable weather came. This has enabled Philippines DC manufacturers to fulfill the global demands in international market. The lower price of DC has given a room for importers to boost their demand to accumulate stocks. In the first half 2018, America and Europe were still major destinations for DC from the Philippines accounting for more than 48% of the total export. USA was the main destination for Philippines DC in America which absorbed 30,579 MT or 29% of the total export. In Europe, Netherlands was the main hub receiving 13% of Philippines DC. Meanwhile from Asian countries, Japan and Malaysia were amongst the largest importing countries of DC from the Philippines.

**Export Destination of DC from Philippines,  
January-October 2018**

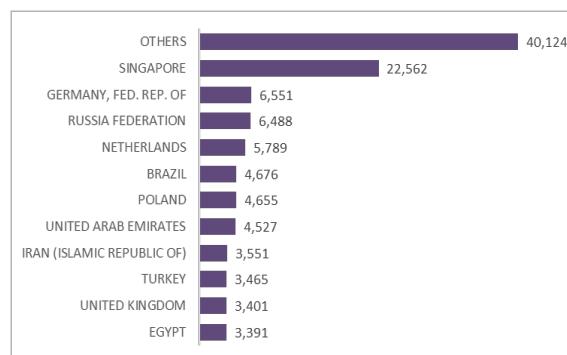


In the period of January-December of 2018, accumulated export volume of DC from Indonesia was 109,179 tons. The export showed a positive growth of 11.4% compared to the previous year's volume. The growth was following an increasing trend in the previous year. In 2017, BPS-Statistics Indonesia recorded that export volume of DC from Indonesia during the period was 98,038 MT which was higher by 23.7% compared to the 2016's volume. An upturn in raw material supply with a lower price compared to other competitors coupled with processing recovery have given a positive signal for Indonesian DC processors to boost their export.

During the period, Asia and Europe were still the main market for DC from Indonesia. The two regions absorbed 82.5% of total export volume of DC from Indonesia. In Asia, Singapore is the main hub for Indonesian DC manufacturers. More than 20% of total DC export was sent to or via Singapore. UAE, Iran and China were the other major importing countries from Asia. Europe was the second largest market for DC

from Indonesia in the period including Germany, Russia, Netherlands, Poland, Turkey and UK. The region received 39,826 MT of DC from Indonesia. The third largest market was America. Its share of Indonesia's DC market was 9%. Amongst American countries, Brazil was recorded as the largest importing country. The country imported 4,676 tons of Indonesian DC constituting 4.3% of the total export.

#### Export Destination of DC from Indonesia, 2018



Global demand on DC from Sri Lanka was still affected from the high price of the product. In the period of January-November 2018, export of DC from Sri Lanka was only 22,288 MT or dropped by 21.6% compared to the previous year's volume. The decrease was following the trend in the previous year. In 2017, export volume of DC from Sri Lanka was 29,418 MT or dropped by 40% opposed to 2016's volume. However, looking at the monthly export data, as the price is easing, the demand for the product is improving. In January 2018, export of DC from Sri Lanka was only 928 MT and gradually increased to reach 2,876 MT in November 2018.

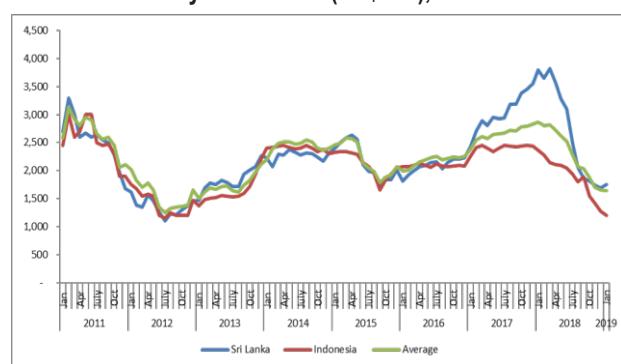
Europe and Asia are the main market for DC from Sri Lanka. In the period of January-November 2018, European countries and Asia imported 6,299 MT and 8,342 MT of DC from Sri Lanka respectively. The imports of the two regions amounted to more than 65.7% of the Sri Lanka's total export of DC. American continent has appeared to become

an important destination for Sri Lankan DC. The continent absorbed 26.3% of Sri Lanka's total export in the period. USA was the main importing country demanding for 3,592 MT or 16.1% of the total export.

Price of desiccated coconut (DC) showed an easing trend in the year of 2018. Price of DC from Philippines (FOB US), the largest exporting country, was slowing down to US\$1,993/MT in December 2018 from US\$2,502 in February 2018. The largest price drop was recorded in Sri Lanka. Price of DC in Sri Lanka plunged from US\$3,816/MT in March 2018 to US\$1,694/MT in December 2018 or dropped by 55.6%. High price premium of Sri Lankan DC over Philippines' and Indonesia's DC together with lowering price trend of raw material, coconut, has brought about the price of Sri Lankan DC to fall. In Indonesia, the price went down from US\$2,367/MT in January 2018 to US\$1,276/MT in December 2018 or reduced by 46%.

The lower price of DC has given an incentive for importers to push their demand. USA, the largest DC importing country, was recorded to raise their demand for the product to the level of 44,772 tons during January-November 2019. This was recorded an increase by 5.2% as opposed to the previous year's import volume for the same period. Meanwhile, European countries recorded a 2.3% increase for import volume of DC during January-June 2018. The global market of DC is still supplied mainly by Philippines, Indonesia, and Sri Lanka.

#### Monthly Price of DC (US\$/MT), 2011-2019



## COMMUNITY NEWS

### CAU, MANIPUR TO DEVELOP A PERSPECTIVE PLAN FOR COCONUT IN THE NORTH EAST REGION

Dr. Raju Narayana Swamy, IAS, Chairman, Coconut Development Board visited Central Agricultural University (CAU), Imphal, Manipur on 2<sup>nd</sup> January 2019 and had interaction with Dr. Premjit Singh, Vice Chancellor and scientists of The University. The team discussed on developing a perspective plan for coconut in the North Eastern Region.

The Chairman, CDB gave a brief introduction about the Board and on the value added products of coconut. He further briefed on the need for developing a perspective plan for the comprehensive development of coconut cultivation and value addition in the North Eastern Region. He requested CAU to develop a roadmap for the same. The Chairman highlighted the Board's intervention in the field of application of artificial intelligence in mitigation of crops loss due to stress and pest and disease, in developing climbing robots etc. Value addition is the key to income generation and hoped that North Eastern India need to become the hub of coconut cultivation. The Chairman further requested the scientists to develop a perspective plan for coconut in the model of a Coconut Park which can undertake all activities of coconut cultivation and value addition.

Dr. S. Basanta Singh, Director of Instruction informed that, there is good scope for Area Expansion Programme in Kolassip, Mamita and Lonklai – border of Basigad area of Mizoram. Around 2000 ha. can be mobilized in this area. Dr. Ratan Kumar Saha, Director of Extension Education informed that, Tripura is having great potential for coconut area expansion programme. Nearly six districts of Tripura are having huge potential to expand the

area under coconut. Pasigar area in Arunachal Pradesh bordering with Assam can be focused on area expansion of coconut. Tura Hills in Arunachal Pradesh and Saro Hills in Megalaya border are suitable for coconut cultivation. Manipur Plantation Crops Corporation can be approached for the development of coconut in Manipur. Tengnoupal District in Manipur is also suitable for coconut cultivation. Nearly 10,000 Ha. in the Tiger Hills near Myanmar border can be converted into coconut plantation which is an alternate crop for income generation for this belt. Project Tiger Hills can be started immediately. Similarly more project can be developed for coconut cultivation. Horticulture Department can be involved in this programme. In Nagaland, Dimapur and Zaloki areas are suitable for coconut cultivation. The Chairman intimated that, Project Tiger Hills and homestead planting of coconut can be thought of immediately.

Dr. S. Basanta Singh, Director of Instruction, Dr. C.A. Srinivasamurthy, Director of Research, Dr. Ratan Kumar Saha, Director of Extension Education, Dr. Y. Ranjana Devi, Deputy Director of Instruction, Dr. Th. Robindro Singh, Deputy Director of Research, Dr. Angad Prasad, Deputy Director of Extension Education, Dr. Y. Bedajit Singh, Deputy Director Instruction and Dr. A.K. Mishra, Deputy Director of Research of CAU, Shri Lungher Obed, Director, CDB, RO, Guwahati, Shri A. Jeyapandi, Deputy Director (Mktg.), CDB, RO, Chennai and Smt. Jayashree, Development Officer, CDB, Kochi attended the meeting.

CAU, Imphal occupies the 13<sup>th</sup> position in the National ranking of Agricultural Universities of India and is having 13 colleges spread over seven states of North Eastern Region.

### CDB TO JOIN HANDS WITH NIPHM, TO GIVE TRAINING IN COCONUT PLANT HEALTH MANAGEMENT

Dr. Raju Narayana Swamy, IAS, Chairman, CDB visited NIPHM, Hyderabad

on 18<sup>th</sup> January 2019 and discussed with the Heads of Divisions of NIPHM in developing a training curriculum for coconut farmers and officials of CDB in plant health management covering all aspects of coconut. Ms G. Jayalekshmi I.A.S. Director General, NIPHM welcomed Chairman and briefed about the activities of the institute. Dr. Ch Sreenivas Rao, Director (PMD), Dr. J. Alice R.P. Sujeetha, Director, (PBD), Dr. Om Prakash Sharma, Jt Director (A&AM), Dr. Vidhu K, Jt. Director (PHE), Ms. D Chanchala Devi, Registrar and other officials attended the meeting.

Chairman, CDB briefed on the requirement of developing a curriculum for giving training to the technical staff of CDB by including all major developments in coconut sector. Developing a special training programme for the farmers of NE states was also discussed. The importance of clubbing on farm production of bio control agents, bio pesticide formulations and production, intercropping practices, formation of FPOs; organic farming practices; control of rodents and invasive pests etc in the module for training was emphasized.

NIPHM will explore the possibility of organizing a training programme exclusively for the coconut farmers in the north eastern states and a national seminar of coconut and its value added products will be organized by CDB in association with NIPHM. A post graduate diploma program exclusively for the technical staff of CDB will be explored by NIPHM with focus on the coconut crop. It was also agreed to design a protocol for production of quality coconut seedlings in the DSP farms of CDB and also to focus on farmers training. (*Indian Coconut Journal*)

#### **COCONUT HANDICRAFT TRAINING**

A five days training programme on Coconut Handicrafts was organized at Coconut Development Board, Farmers Training Centre cum Regional Office, Patna from 22<sup>nd</sup> December 2018 to 27<sup>th</sup> December 2018. Shri Ashok Kumar Sinha, Deputy

Director, Upendra Maharathi Shilp Anusandhan Sansthan, Patna and Dr. Amiya Debnath, Dy. Director, CDB, RO, Patna inaugurated the programme on 22<sup>nd</sup> December 2018 at Farmers Training Centre cum Regional Office, Patna. Shri Nikunj Bihari, Pranshu Coco, Craftsman and Master Trainer, Munger District gave training to the participants.

While addressing the gathering Shri Ashok Kumar Sinha, Deputy Director, Upendra Maharathi Shilp Anusandhan Sansthan, Patna said that his Institute is organizing various handicrafts training programmes in Bihar state. There is huge demand for handicraft items in our country as well as abroad. Training programmes on coconut handicrafts are conducted through Coconut Development Board. There is huge demand for handicrafts made out of coconut shell also. He said that all trainees should attend the training with full devotion so that in future they could take up this art as a profession and earn livelihood.

Dr. Amiya Debnath, Dy. Director said that the objective of organising this training programme at Farmers Training Centre cum Regional Office is that the local community may be benefitted with this and they could make this as a profession for their livelihood.

Shri. Nikunj Bihari, Master Trainer gave a brief description about the handicraft items made up of coconut shell and the process of making handicrafts and imparted training to these trainees. He also shared information on various types of handicrafts made with coconut and the market price for these products.

15 trainees attended the programme. All the trainees displayed their handicraft items made with coconut in which Shri. Hemant Kumar bagged first prize and Kumari Pooja and Shri Pradeep Kumar were awarded second and third prize respectively. The trainees were provided stipend, tool kit and certificate. The objective of conducting this programme under Coconut Development Board

schemes was that these trainees could start self employment for generating their own income after obtaining training under skill development programme.

In the concluding session Shri. Ravidra Kumar, Technical Officer, CDB, RO, Patna proposed vote of thanks and congratulated all the trainees for taking part in the training programme. (*Indian Coconut Journal*)

### **COCONUT OIL EXTRACTORS RUSH FOR COPRA DRIVES UP PRICES**

Branded coconut oil makers are driving up copra prices as they scramble to corner stocks in the backdrop of a looming shortage of the raw material.

Trading sources cited an instance of a leading company engaged in the manufacture of branded coconut oil procuring copra from the market paying ₹100/quintal more than the previous day's price.

The sources said this has resulted in copra prices spiralling northwards, touching ₹10,000 a quintal in Kerala and ₹9,600 in Tamil Nadu. Both these markets have been witnessing copra scarcity, following the floods and Cyclone Gaja.

Admitting that there is a supply crunch, Thalath Mahmood, Director, Cochin Oil Merchants Association (COMA), said that the sector is pinning hope on the next harvest season in February-March for adequate availability.

The low turnout at the Sabarimala pilgrim season this year has also affected copra arrivals to the market from the hill shrine.

However, copra arrivals to the market have slightly improved as the issues connected with women's entry to the hill shrine started abating.

Sabarimala copra is mostly inferior quality with high moisture content and is used by soap manufacturers due to its low price, he said.

Low arrivals and a good upcountry demand also lifted coconut oil prices to ₹14,400 a quintal in Kerala and ₹9,800 a quintal in Tamil Nadu.

Mahmood also voiced concern on the rising instances of adulteration of coconut oil with cheap edible oils in the neighbouring States and hoped the authorities concerned will take steps to curb it. (<https://www.thehindubusinessline.com>)

### **AMAZON INDIA IS SELLING COCONUT SHELLS FOR OVER RS 1,200; INTERNET IS NOT HAPPY**

Amazon India has recently come under criticism for allowing buyers to sell a product on its platform. This is not a new and unique situation as the company has been in this sport multiple times over the last few years. Taking a closer look at this particular instance, a majority of internet users on social media website Twitter are not amused when they found that the e-commerce giant is currently selling coconut shells on its platform for a price that is upward of Rs 1,200. The problem here is not particularly the product itself but in fact, the pricing.

According to a report on NDTV, a number of Twitter users took to the social media platform to express their surprise at the price of the products in question. The report and a large number of tweets focused on "Natural coconut shell cups" on the websites that came at varying prices starting from Rs 1,289 all the way to Rs 2,499. The description of the product added, "This is an actual, real, coconut. Therefore, it may have cracks, dents, and imperfections".

The social media posts ranged in response from people simply being confused to people comparing the price online with the real world price. Some of them also made jokes around the price adding that it was the quickest way to become rich. We tried to search for the product on Amazon but it looks like the seller "Century Novelty" seems to have

taken down the listing after attracting negative feedback on the internet.

We tried to search similar listings on the website but could not dig up similar product listings. The report also took note of the reviews on the now down product listing adding that the reception was overall mixed. Similar to the social reactions, some made fun of the listing in the reviews while a select few also thought that the listing was helpful adding that it was cheaper than the showroom price. (<https://www.bgr.in>)

#### **RESEARCHERS DEVELOP FUNCTIONAL PROBIOTIC BEVERAGE FROM FERMENTED COCONUT WATER**

Researchers in India and South Korea have developed a functional fermented coconut beverage using the bacterial strain *Lactobacillus casei* L4. Coconut water has a unique combination of sugars, minerals, vitamins, enzymes and hormones, and is widely consumed globally. Fermenting coconut water with probiotics is said to be able to facilitate the development of an enhanced functional beverage that possesses probiotic benefits.

Based on above premises, researcher at Periyar Maniammai University, Seoul National University and Jawaharlal Nehru University thus aimed to produce a fermented coconut water beverage with the potential probiotic *Lactobacillus Casei* L4. They fermented coconut water with *L. Casei* L4 for 48 hours at 35°C, investigating its pH, organic acid production rate, antioxidant activity, levels of sugar, minerals and vitamin B12, and total viable bacteria counts after 24 and 48 hours.

Results showed: (1) *Lactobacillus casei* A, a strain shown to have potential probiotic activities, was demonstrated to be useful in producing a fermented coconut water beverage; (2) Following the 48-hour fermentation with *L. Casei* L4, it was determined that the fermented beverage contains essential minerals, vitamin B12, antioxidants, and has antimicrobial activity. (3) Even after 28-day storage at 4°C, the

fermented broth retained the desired *L. Casei* L4 levels, which are in accordance with the daily recommended probiotic dose. (4) The fermented coconut water supplemented with 15% honey and artificial coconut flavor was shown to have the highest acceptance rate by panelists. (*UCAP Bulletin*)

#### **THE PERENNIAL CROP DEVELOPMENT PROGRAMS IN MALUKU PROGRESS SIGNIFICANTLY**

The perennial crop development programs in Maluku Province in 2018 funded by Government Budget experienced significant progress. Perennial crops cover an area of 1,075 ha, spreading in Southeast Maluku Regency 300 Ha, West Southeast Maluku 375 Ha, Eastern Seram 225 Ha and Central Maluku 175 Ha. In addition there are intensification activities of coconuts at the amount of 400 Ha, 300 Ha of which is in the Aru Islands District, and 100 Ha is located in Eastern Seram "said Ola Maitimu, OIC of the Department of Agriculture of Maluku Province in Ambon.

According to Maitimu, the intensification means this activity is in order to increase production which is focused on maintenance such as: fertilizer and pesticide assistance for pest control. "The target is for existing coconut plants but the production is declining, and the results are visible after one year later," he said.

In addition, there is also a program to develop nutmeg and spice plants in Maluku Province covering an area of 7,200 Ha, which consists of: Rehabilitation activities to replenish nutmeg trees with an area of 3,150 Ha requiring 189,000 nutmeg seedlings. The rehabilitation activities of these nutmeg take place some different places such as in Central Maluku Regency 550 Ha, Buru 400 Ha, West Seram 800 Ha, East Seram 500 Ha, South Buru 800 Ha and Ambon City 100 Ha.

Activity of expansion / development of nutmeg area of 1,200 Ha was conducted in Central Maluku District 400 Ha, Southeast

Maluku 200 Ha, Buru 300 Ha, and South Buru 300 Ha, with 144,000 Nutmeg seedlings.

She also said that nutmeg plant rejuvenation activities covering an area of 2,850 Ha spreading in the Central Maluku District of 1000 Ha, 300 Ha in Buru, 400 Ha in Western Seram, 900 Ha in Eastern Seram, and 250 Ha in Southern Buru, with 342,000 seedlings of Nutmeg seedlings.

This program includes the development of clove plants in Maluku covering an area of 1,300 Ha spread over Central Maluku District 400 Ha, Buru 400 Ha, West Seram 400 Ha, and Ambon City 100 Ha, with a total of 84,500 clove seedlings. (<https://www.tribun-maluku.com>)

#### **INDONESIA: WILD ELEPHANTS RAVAGE COCONUT PLANTATION IN PEKANBARU**

A herd of wild Sumatran elephants (*elephas maximus sumatranus*) ravaged a coconut plantation in Pekanbaru, Riau Province, on Monday morning.

"Some 13 elephants entered the plantation," Mangido Nababan, owner of the plantation, informed Antara, here, Monday. The elephants were first spotted by local residents on Saturday evening (Feb 16), and they later entered Nababan's plantation.

Hundreds of seedlings and some 20 four-year-old coconut trees were eaten and damaged by the elephants.

Nababan remarked that the wild elephants had entered and destroyed his plantations thrice so far, including the first being on July 30, 2017, and again on August 10, 2019.

Meanwhile, 32 wild Sumatran elephants had ravaged dozens of hectares of the local farmers' agricultural land in Negeri Antara Village, Pintu Rime Gayo Sub-district, Bener Meriah District, in Aceh Province in early February 2019.

As a result, several local farmers severely suffered material losses, caused by damaged crops and fruits. They also developed a fear of entering their farms, a

resident of Negeri Antara Village, Ismail, informed Antara when contacted on February 10, 2019.

The hungry Sumatran elephants ravaged the farms that local farmers used for their durian and banana orchards, as well as for planting pinang or areca nut palm trees and other crops, Ismail revealed.

"The government is expected to resolve this human-elephant conflict," he stated, adding that as of Sunday, the wild elephants were still wandering around the village's area, triggering fear among farmers to enter the farms.

The wild elephants not only ravaged the farmers' agricultural land but they also damaged their huts, Ismail noted.

In dealing with this human-elephant conflict, the Aceh Natural Resources Conservation Agency (BKSDA) officers attempted to drive out the jumbo animals from the village area, Head of Peusangan Conservation Response Unit Syahrul Rizal remarked.

However, the wild Sumatran elephants could still be spotted around the village's area that they had trespassed into several weeks ago.

(<https://wildsingaporenews.blogspot.com>)

#### **COCONUT SHELL CRAFT FROM TANJUNGSARI VILLAGE BLITAR CITY, NOW BECAME FAMOUS IN INDONESIA**

Do you know about coconut shell? Now the coconut shell can be used as a craft that makes money.

Tanjungsari Village, Sukorejo Sub-district, Blitar City, now famous because of batok craft (coconut shell craft) and called as batok craft village. Many kind of craft made from coconut shell waste produced in that village.

Ismarofi (43), is one of the figure who made the Tanjungsari village known as batok village. Father that has two children is the first person that pioneered making batok

crafts in his environment. Now, batok craft is one of the product superior in Blitar City.

"When I started this business, I just thought that I wanted to make a craft that can give benefits to local communities," said Rofi, a nickname from Ismarofi when he was met at his house, RT 2 RW 9 Tanjungsari Village, Sukorejo Sub-district, Blitar City.

Rofi make his house as a production place that has many kinds of batok crafts. Start from backyard to terrace of the house, it looks a number of workers are making crafts made from batok (coconut shell).

Behind the house, there is one worker is cutting coconut shell to be part small. On the side yard is place for workers veneer and dry half-finished crafts. On the side terrace and front of the house, there are some women are stringing batok into purses.

"I have some type crafts from coconut shell, but the main one is purses craft made from coconut shell," he said.

Since 1999, Rofi began to pursue the craft of batok bags. With debt capital of Rp. 2 million, he bought tools such as saws sitting and drills to start making batok bags. For more than three months, he learned how to cut and drill coconut shells so they could be assembled into bags.

Rofi learns to make self-taught batok craft. His experience as carpenter become the capital of polishing batok waste into crafts of high artistic value. At that time, he made batok craft by himself.

Although it has succeeded in producing batok bags, he still has problems in marketing. At that time, there is no many people know the craft batok bags. Six month later, batok bags made by him sell well. He markets the batok bags to souvenir traders who usually sell at the Bung Karno cemetery.

"The first idea to make a craft of batok bags came from neighbors. There is a neighbor who usually sells souvenirs at Bung Karno's tomb that has a batok bag.

From there, I thought of imitating the making of batok bags," he said.

He acknowledged that the process of making batok bags needed a long process. The longest process is at the cutting and drilling section.

After being cut and drilled, the formed batok is mashed using sandpaper, then varnished. Then put on the media that has been prepared.

To make batok bags, he needs other ingredients such as cardboards, fabrics, and zipper.

"It must be patient made batok bags," he said.

Tenacity and persistence of Rofi to make craft of batok bags yields a results. Now his craft of batok bags is growing rapidly. The orders for batok bags from outside the region continue to flow every month, starting from Bali, Jakarta, Yogyakarta, Aceh, Sulawesi, until Kalimantan.

Not only that, the development of technology also makes the marketing of batok bags reach overseas. He markets his batok bag through social media.

The impact of selling craft batok bags is many Indonesian workers abroad are ordering batok bags in their places to be sold overseas start from Hongkong, Singapore, Netherlands, until Russia.

The production of batok bags also continues to grow. Now, every day on average, he produces 50-75 batok bags. The number of workers also increased to reach 43 people.

The workers are his neighbors. The type of production also increase, not only bags, but also making key chains, tissue boxes, and lighting places.

The price of crafting Rofi's batok bags is also relatively cheap start from IDR 50,000 to IDR 100,000 per seed. With initial debt capital of IDR 2 million, now the turnover of the business of Rofi's batok bags reaches IDR 50 million per month. The turnover has

not been deducted by the employee's salary, raw material purchases, and other production costs.

Rofi is grateful that his batok craft business is growing rapidly. However, he is more grateful to be able to create employment opportunities for unemployed neighbors. With the development of its business, automatically the workforce needed also increase.

"At least my initial intention to make a craft that benefited the surrounding community was realized. This is my shodaqoh in the hereafter," he said.

(<http://suryamalang.tribunnews.com>)

#### **COCONUT AS NEW SOURCE OF INCOME**

Coconuts can be a new source of income for farmers, said Agriculture and Food Industry Minister Datuk Junz Wong, as demand for coconut seedlings had risen due to the increase in downstream products.

Towards this end, he commended the efforts of the Sabah Agriculture Department in the production of high quality seedlings. "We have to continue such initiatives to cater to the current needs," he said after a visit to the Ulu Dusun Agriculture Research Station, Sandakan.

"As such, efforts will be taken so that the Federal Government will provide enough allocation to fund agricultural research and development."

Junz reiterated that his Ministry aims to achieve 25,000 acres of coconut cultivation to enable a coconut processing factory to be set up in Sabah.

During the trip, he visited the research plantation, as well as the tissue culture laboratory and briefed by officials.

He also reminded all staff to continue their good cooperation in enhancing food production.

The station was established in 1962 and emphasises on cultivating high quality crop as well as to improve good agricultural practices (GAPs).

Initially the station focussed on oil palm, and now has expanded to cocoa, coconut, fruits, bamboo, and herbs, among others. (<http://www.dailyexpress.com.my>)

#### **CURBING COCONUT IMPORTS TRICKY, SAYS MINISTRY**

AMID a coconut supply glut that is choking local farmers, calls for import restrictions are getting louder. But doing so is tricky as it could invite repercussions, the Ministry of Agriculture and Agro-based Industry says.

Recent news reports have quoted local coconut suppliers as saying that they are finding it difficult to clear their stockpiles. Many believe this is due to rising imports from Thailand and Indonesia, which are cheaper than locally grown coconuts.

Asked if import restrictions are being considered, the MoA says it is proceeding cautiously.

"In today's open market, we need to take extra care in imposing any measures that could affect the market as a whole," Minister Datuk Salahuddin Ayub tells The Edge in an email response. "We are also bound by the World Trade Organisation and international trade regulations that may jeopardise our local industry and market in the long run, should we take any action that is against the regulations."

Data shows that coconut imports have risen sharply in the past several years, according to estimates by geo-economist Khor Yu-Leng. In 2016, total coconut imports from Indonesia alone amounted to 130 million kg, which rose 38.46% to 180 million kg in 2017. And last year, total imports of 187 million kg from January to September surpassed the 2017 total.

Data for October 2018 onwards was not yet available at the time of writing. Each coconut weighs about 1kg.

"Coconut import data from October will no doubt be closely watched. The question is: What will Malaysia's policy on coconut imports be, in view of complaints from local coconut traders and farmers?" Khor writes on her website.

Coconuts can be imported only by approved permit (AP) holders. At the time of writing, it was unclear how many APs had been issued by the MoA, relative to the domestic market consumption.

Technically, imported coconuts are meant only for wholesale buyers and are not to be sold for fresh use on the open market. However, it could be that rising imports had curbed demand for locally produced coconuts, which in turn led to increased supply on the open market and lower prices. It is worth noting that local coconuts are more expensive than imports.

According to the Consumers Association of Penang (CAP), local coconuts are usually priced at RM1.20 to RM1.50 each while imported Indonesian coconuts can cost as little as 80 sen to RM1.

"It puts local growers and sellers in a Catch 22 situation — they cannot match the price of Indonesian coconuts and, given a choice, consumers would go for the cheaper coconut," says CAP President SM Mohamed Idris in a letter to The Edge.

### Call to regulate imports

An underlying issue is that despite producing better quality coconuts, local producers do not have the scale to compete on price against imported coconuts. Production costs are lower for vastly larger producers in other countries.

The current price gap creates the risk that smaller coconut producers may be forced out of business in a self-perpetuating cycle that would further increase Malaysia's dependence on coconut imports.

"As long as [imported coconuts are cheaper] local growers will face stiff price competition ... If they continue to run at a

loss, they may give up the cultivation of coconuts and switch to other crops," says Mohamed Idris, adding that, in the long run, it may affect national food security. CAP suggests that the government take measures to regulate imports and encourage more coconut cultivation to reduce import dependency.

Historical data from CAP shows that the overall hectarage for coconut cultivation had declined from 151,004ha in 2001 to 83,250.1ha as at 2017. Over the same timeframe, output increased from 475.6 million kg of coconuts per annum to 517.6 million kg.

But to meet local demand, Malaysia still needed to import an additional 110 million kg, CAP says. To give perspective, Indonesia's coconut plantations spanned 3.6 million hectares as at 2016, producing a surplus of 181,200kg for export.

Also potentially driving down prices for imports is cooling demand in some lucrative markets. For example, the Wall Street Journal reported this month that coconut oil prices had dropped by over half in the past year, while coconut imports by the US in the 12 months up to September last year had declined 4%.

Datuk Carl Bek-Nielsen, Chief Executive Director of United Plantations Bhd, agrees that the government should intervene by controlling imports. While primarily a palm oil planter, United Plantations also cultivates coconuts.

"It [the imports] should be controlled and not exploited by the few at the expense of the many poor farmers and other Malaysian producers. Now, the greed of the few factories is setting the agenda at the expense of the thousands of poor Malaysian farmers, most of whom are already finding it difficult to make a living," says Bek-Nielsen.

### Import regulation 'effective'

However, the Agriculture Minister says investigations have found that the issue of

excess coconut supply in the market is “isolated”.

“We took note that the issue had occurred on the marketing side and not so much the production side, that is on the plantations or farms,” Salahuddin said.

That said, he stresses that MoA departments and agencies, including the Federal Agricultural Marketing Authority (FAMA) and the Farmer’s Organisation Authority (LPP), will work together to stabilise the coconut market.

“FAMA has already established a committee to monitor prices and will buy the coconuts at special prices at the farm level ... to stabilise the market,” the Minister says in his email. In addition, he stresses that the existing import-control mechanism, via the issuance of APs, “has so far functioned effectively”.

Citing data from the Department of Malaysian Quarantine Inspection Services, the Minister says the import volume is still within the approved limit of the APs.

“The approved import quantum considers the current needs of the country [and is] monitored from time to time,” says Salahuddin.

That said, he acknowledges that there is room for improvement and says MoA is looking at strengthening procedures and tightening up inspections at national entry points.

“At the same time, we need to strategise our local coconut production to ensure we produce [what] the market really needs,” he says. (<http://www.theedgemarkets.com>)

#### **MISSION TO SELL 200,000 COCONUTS**

With Thaipusam just around the corner, a third-generation coconut supplier in Penang is embarking on a stock-clearing exercise involving more than 200,000 coconuts.

AK Coconut Trading managing director A. Loganathan, whose shop is in Lorong Selamat, is desperate to clear the dehusked coconuts before the arrival of his new stock on Jan 15.

“I’m selling at a cheaper price, between RM1.30 and RM1.50 each, before the nuts turn stale.

“I believe this is the cheapest price any supplier in Penang is selling.

“Even my competitors had queried me about it.

“Last year, some 300,000 coconuts were smashed during the Thaipusam celebration in Penang. The price was between RM1.70 and RM1.80 each then.

“My coconuts are grown at four farms in Perak and will be brought to my shop in Penang in batches to ensure they are still fresh,” he said yesterday.

Loganathan said so far, he had secured about 80,000 orders and hoped to clear the old stock before Thaipusam on Jan 21.

During Thaipusam, Hindu devotees smash coconuts on the road to symbolise the breaking of one’s ego and to reveal the purity inside.

Others believe the act of breaking the nuts will rid them of bad luck from the past, or to fulfil their vows.

Last month, *The Star* reported that far cheaper coconuts imported from Indonesia had caused a drop in demand for the local ones.

However, local suppliers argue that the quality of the imported coconuts is actually lower. (<https://www.thestar.com.my>)

#### **D&L BOOSTS EXPORT CAPABILITY WITH ISO CERTIFICATION RENEWAL**

D&L Industries, the country’s largest specialty foods ingredients, plastics and oleochemicals firm, has boosted its export capability with the renewal of its ISO/IEC 17025:2005 accreditation from the

Philippine Accreditation Bureau. This accreditation refers to the international standard for competence in laboratory testing and demonstrates that the company's laboratory testing capabilities and management system follow global best practices.

In addition, this allows D&L to offer its laboratory testing services and to serve as third party laboratory to a wider range of customers from the following industries: Industrial oils, edible fats and oils, plastics, packaging, pipes, paints and coatings. Some of the tests that D&L's analytical laboratory is capable of include material identification and profiling, detection of impurities and contaminants, and reverse engineering.

ISO/IEC 17025 accreditation is a rigorous process that involves extensive documentation and audits on processes, equipment, and personnel technical proficiency. The certification is valid for 5 years. In addition to ISO/IEC 17025, the D&L group has the following certifications in select business units: ISO 9001 (Quality MS), ISO 14001 (Environmental MS), OHSAS 18001 (Occupational Health & Safety MS), Good Manufacturing Practice (GMP), Hazard Analysis and Critical Control Points (HACCP), FSSC 22001 (Food Safety Standard Certification), Kosher, Halal, and Organic Trader for refined, bleached, and deodorized coconut oil and virgin coconut oil. (*UCAP Bulletin*)

### **PROFESSOR OBSERVES ADVANTAGES OF DWARF SWEET COCONUTS FROM THAILAND**

Dr. Pablito P. Pamplona, a retired Professor and fruit expert, has reported in the January 2019 issue of Agriculture Magazine the results of his 10-year research on the production of two dwarf coconut varieties from Thailand - the Nam Wan and Nam Hom varieties. Both are very prolific with sweet water and one of them being aromatic and are adapted under Philippine conditions based from his experience growing them in Cotabato and

Agusan del Sur. The trees have been bearing fruits very well but Dr. Pamplona emphasizes that they should be grown away from traditional varieties to prevent crosspollination which can adversely affect their sweet and aromatic characteristics. Also, Nam Wan and Nam Hom should not be grown together.

Dr. Pamplona has observed some peculiarities of the two varieties. Both bear fruit early, at three years after field planting as long as they are taken cared of properly. The plants have semi-erect and more number of leaves compared to the local varieties and hybrids. More leaves mean they can support more fruits. The two varieties have been observed to produce high coco sugar yield, almost at par with the hybrid called Matag. The other difference is that the Nam Wan and Nam Hom varieties fruit earlier and are more productive than the Matag.

The Advantage of the dwarf varieties when it comes to coco sugar production is that they are very easy to tap. There is no need to use a ladder in collecting the sap from the unopened flowers. Aside from coco sugar, the main products are the refreshing sweet and aromatic coco water and the nutritious young nuts or their meat. Neighboring countries like Thailand and Malaysia have developed high value products that include healthful chips, coconut jelly, processed young meat and others. (*UCAP Bulletin*)

### **AGRICULTURE SECRETARY PIÑOL WAS UCAP COCOHOUSE LUNCHEON GUEST**

Department of Agriculture Secretary Emmanuel Piñol was guest of honor at yesterday's Cocohouse luncheon held at the Marquis Events Place, Bonifacio Global City, Taguig City. In his talk, he announced to UCAP members about a reorganization taking place at the Philippine Coconut Authority (PCA) ahead of the implementation of the two laws expected to be signed by President Rodrigo Duterte this month. These are the Strengthening the

PCA Law and the Coconut Farmers and Industry Development Act.

He also reported his recommendations presented at the Cabinet meeting held earlier this week to address low copra prices. The first was to address the huge importation of palm oil which has seriously affected the local market for coconut oil by enforcing trade remedies which his department is now studying. The second was to increase the biodiesel component in local biofuel blend for the transport sector from the current 2 percent (B2) to 5 percent (B5). In addition, he invited the members to join the trade delegation to Russia to move coconut products there. He added that Russia has signified interests in coconut oil and other products.

During the event, UCAP also welcomed its new associate member, NFF Industrial Corporation. The company's core business is in providing engineering solutions involving filtration and emission problems. Mr. Aurelio Gomez, president, introduced his company's various products and services which can be availed of by UCAP members. (*UCAP Bulletin*)

#### **DAIRY GOAT RAISING IN COCONUT FARM FOR ADDED INCOME**

A fruit expert who also plants coconuts commercially recommends that coconut farmers should consider raising dairy goats for added income, especially at this time when copra prices are very low. The fellow is Dr. Pablito P. Pamplona of Kabacan, North Cotabato who is doing his personal research on integrated dairy goat production in a coconut plantation. He put up his own herd of dairy goats in 2017 with a population today of about a hundred head raised in two barns which can accommodate 250 head at full capacity.

Dr. Pamplona, a retired research scientist from the University of Southern Mindanao, continues doing his personal research on subjects that can help the farmers. He wants to show that coconut farmers can derive more income from their

farms if they integrate other income-producing projects like dairy goat raising.

Under their current modeling, Dr. Pamplona reports, a coconut farmer raising 15 to 20 milking pure Anglo Nubian goats supported by forage plants grown on 1.5 to 2 hectares of coconut trees can easily produce an added farm income of more than P6,000 per month or P72,000 per year. Income comes from the sale of milk, breeding stocks, culled animals for slaughter, and processed organic fertilizer from goat manure. (*UCAP Bulletin*)

#### **COCO LEVY BILL VETOED ON LACK OF SAFEGUARDS**

The coconut levy bill presented for signing by President Rodrigo Duterte last January was vetoed. Malacañang has urged Congress to craft a better law that would protect public funds from irregularities. In his veto message dated February 8, Duterte said the bill lacked "vital safeguards to avoid the repetition of painful mistakes in the past." The measure, he added, did not reflect the ultimate goal of accelerating the full use of coconut levy assets and funds for the benefit of coconut farmers and the coconut industry. He did not provide specifics.

"The veto of the bill will give Congress more time and opportunity to improve the formulation of the Philippine Coconut Authority and the distribution of coco levy funds. The veto by (President Duterte) of the legislative measure is a reflection of the principled stand of this administration in promoting good governance and public accountability," presidential spokesman Salvador Panelo said.

Some lawmakers said that farmers and other stakeholders would have to work hard and fast to come up with a new measure that will allow them to benefit from the P100-billion coco levy fund. Sen. Cynthia Villar, principal sponsor of the measure, said it was unfortunate that Duterte did not sign the bill into law. "However this does not mean that all hopes

are lost for our 3.5 million coconut farmers who have waited for decades to benefit from the coconut levy funds," said Villar, who chairs the Senate committee on agriculture and food. She said she was willing to work with the President to come up with a new bill. (*UCAP Bulletin*)

#### **PHILIPPINE COMPANIES PRESSED TO PURSUE TRADE CERTIFICATION FOR COCONUT PRODUCTS TO RAISE EXPORT INCOME**

Filipino companies were pressed to pursue trade certifications for coconut products to raise export earnings especially from organic food valued at \$49.4 billion and will grow by 30-40% in 5 years due to countries' Sustainable Development Goals (SDG). Organic food products continue to grow with \$3.5 billion in new sales in 2017 from the previous year. It now accounts for more than 5% of total food sales in the US.

"Consumption of organic food in the US grew by 6.4%. That's a 30-40 percent increase in consumption in 5 years. That's not too far from now. And imagine the increase in demand in terms of volume. And somebody has to supply," said Sanjaya K. Pathirage, regional manager of Control Union, a global network of independent service companies.

The company noted trade certifications will create important income from value added for coconut products. In a farm production, obtaining a trade certification for a small 2-hectare land may not make sense to generate improved income with cost equivalent to \$250 per hectare. But consolidating land into a bigger 500 hectares will significantly cut certification cost down to a minimal \$10 per hectare.

A cost-benefit study on virgin coconut oil (VCO) showed that certification cost for 2 hectares will bring \$310 decrease in profit. However, a consolidated land of 10,000 hectares will generate VCO value of \$18.673 million and increased profit of \$868,550. Among profit-certification

schemes Filipino companies may comply with are Global Good Agriculture Practice (GAP) and ISO 22000. (*UCAP Bulletin*)

#### **GHANAIAN COMPANY TURNING COCONUT HUSK INTO USABLE PRODUCTS**

Nothing is left to go waste after consuming coconut water and its fruit as Ghanaian companies have found a way in turning the hard husk of coconut into usable materials and artefacts.

Coconut fibre mats, coconut fibre board, coconut fibre seedling pots, coconut fibre dish scrub pad, coconut fibre cold pressed bicycle seat, based shoe inner sole pads, foam mattress, packaging container, egg carrier, automobile seat lining, hollow blocks and corrugated roofing sheet are the few products made out of the processed coconut husk.

While husks are often discarded, it has now become raw material for companies such as Eco-fiber AgroSystems, Fiber Wealth and other companies in the production of useful products. The challenge faced by Ghana with regards to the proper disposal of coconut husk is now a thing of the past.

Also known as coir, the history of using coconut husks to manufacture a variety of natural bio-products goes back thousands of years. Today, it's progressing hand-in-hand with an inclusive model of international development centred on the sustainable local market and business development, job creation and the opening up of new opportunities that could raise the living standards of millions of families living in the tropics.

Danida Alumni Network with funding from the Ministry of Foreign Affairs, Denmark (MFA) and Danida Fellowship Centre (DFC) organized a stakeholder forum in Accra on opportunities for managing coconut residue in Accra and Tema.

The discussions were centred on how coconut waste as a resource could be turned into a variable venture with key participants being entrepreneurs, coconut sellers and other governmental bodies such as the Accra Metropolitan Assembly (AMA).

Achilles Ali, President and Chief Executive Officer of Eco-fiber AgroSystems said Ghana has the capacity to produce several other products with coconut husk but lacks funding and the capacity in terms of equipment to do more than they could with the over 30,000 tonnes of coconut that is consumed in a day.

He, therefore, wants government to help the industry with funding as sustainable jobs are guaranteed. Also, local authorities like A.M.A should also assist them in the collection of the coconut husk from in and around the city.  
(<https://www.theindependentghana.com>)

### **OMAN PLANS TO SET UP MAJOR COCONUT PLANTATION**

The Oman Ministry of Agriculture and Fisheries is inviting private investors to support the establishment of a 100,000 coconut tree plantation in Salalah, said a report.

The plantation is integrated with a value-adding manufacturing facility that will kickstart the growth of a coconut-based processing industry in the sultanate, added the Oman Daily Observer report.

The so-called 'Model Farm for Coconut Trees and Product Manufacturing' is proposed to come up on 1,150 acres of land allocated to the Ministry in Ayn Razat in Salalah.

Plans drawn up by the Ministry envisage the cultivation of 50,000 trees in the first phase, followed by a similar number in the second phase.

Besides being the single largest coconut farm in the sultanate, the plantation will also add to Salalah's verdant appeal and tourist potential, it said.

In conjunction with the development of the coconut farm, the Ministry is also proposing the establishment of a manufacturing complex that will process the fruit to manufacture a wide array of products for domestic consumption as well as overseas export.

It includes fresh coconuts, packaged coconut water, coconut milk, coconut oil, juices, grated and desiccated coconut products, and a wide range of coconut-based sweets. The Ministry also sees the potential for investments in a slew of products processed from the tree branches, fronds and trunk, notably organic fertiliser, added the report.  
(<http://www.tradeearabia.com>)

### **NEW VEGAN COCONUT MCT OIL POWDER TO BE LAUNCHED AT EXPO WEST THIS MARCH**

Innobio®, a leading manufacturer of functional nutritional ingredients, has announced the launch of a new vegan coconut MCT Oil Powder. The MCT oil is only microencapsulated with arabic gum. MCT & Arabic Gum can provide more health benefits and it will boost a trend of product development in the keto diet. Innobio will introduce Vegan Coconut MCT Oil Powder at its booth at the Expo West trade show in Anaheim, California on March 7-9, 2019.

According to the Data Sheet, the MCT Oil Powder characteristics are as follows: 1) clean label formula, 2) high-fat, low-carb formula, 3) uniform and free-flowing particles, 4) rapidly disperses in both in cold and hot water and 5) neutral smell and taste with creamy texture. Applications include for meal replacement, keto coffee/tea creamer and energy beverages or bars for sports nutrition. (*UCAP Bulletin*)

### **NEW PRODUCT LAUNCHES THIS YEAR**

Beverage Daily has taken a look at some of the new products hitting the shelves around the globe this month. There were a dozen products in the list which included among them a product with coconut-based ingredient. The product,

Koia Keto, will be launched this month in the US.

Koia Keto is high-fat, low carb beverage that claims to help achieve ketosis (where the body burns fat instead of carbohydrates for energy) as part of the keto diet. The drinks are primarily a coconut cream based with 14g of MCT oil, 22g of fat, 12g of plant-based protein (pea, rice and chickpea), with a total of five net carbs. They contain no added sugar and reach a ratio of 74% fat, 18% protein and 8% carbs.

Koia Keto comes in a range of three indulgent flavors - chocolate brownie, cake batter and caramel creme - chosen because followers of the low-sugar keto diet usually have to sacrifice sweet desserts. Koia Keto is available exclusively in Whole Foods for the first six months of 2019, before expanding to other retailers later in the year. (*UCAP Bulletin*)

#### **SCIENTISTS RECOMMEND COCONUT OIL FOR FRYING**

Cooking with vegetable oils releases toxic chemicals linked to cancer and diseases, according to leading scientists, who are now recommending food be fried in olive oil, coconut oil, butter or even lard. The scientists found that heating up vegetable oils led to the release of high concentrations of chemicals called aldehydes, which have been linked to illnesses including cancer, heart disease and dementia. The results contrast with official advice that oils rich in polyunsaturated fatty acids (PUFA) are better for the health than the saturated fats.

Martin Grootveld, a Professor of Bioanalytical Chemistry and Chemical Pathology, De Montfort University in Leicester, said that his research showed "a typical meal of fish and chips", fried in vegetable oil, contained as much as 100 to 200 times more toxic aldehydes than the safe daily limit set by the World Health Organisation. In contrast, heating up butter, olive oil and lard in tests produced much lower levels of aldehydes. Coconut oil

produced the lowest levels of the harmful chemicals.

The findings are contained in research papers. Prof. Grootveld's team measured levels of "aldehydic lipid oxidation products" (LOPs), produced when oils were heated to varying temperatures. The tests suggested coconut oil produces the lowest levels of aldehydes, and three times more aldehydes were produced when heating corn oil and sunflower oil than butter. The team concluded: "The most obvious solution to the generation of LOPs in culinary oils during frying is to avoid consuming foods fried in PUFArich oils as much as possible". (*UCAP Bulletin*)

#### **DR. MARY NEWPORT TO GUEST AT COCONUT COALITION OF THE AMERICAS EVENT**

The Coconut Coalition of the Americas invites everyone on March 6, before the Expo West exhibit hall madness begins, for Cocktails & Conversation with Dr. Mary Newport. She will discuss the latest science behind brain health and there will be an opportunity for questions. Guests will also have a chance to learn more about the Coconut Coalition of the Americas and sample tasty coconut-based foods, cocktails and other beverages. Details are as follows: March 6, 2019 at 5:30 to 8:00 P.M., Anaheim Hilton, Palos Verdes AB Room.

Dr. Mary Newport is author of *Alzheimer's Disease: What if There Was a Cure? The Story of Ketones* (Turner Publishing, 2011), now in its second edition (2013), with multiple foreign language translations, and is also author of *The Coconut Oil and Low Carb Solution for Alzheimer's*,

*Parkinson's and Other Diseases* (Turner Publishing, 2015). Dr. Newport has been an invited speaker on the subject for symposia and conferences in various countries in US, Europe and Asia and has given numerous presentations to university students and to the public. (*UCAP Bulletin*)

## NOOTROPIC PRODUCTS SHOULD NOW BECOME MORE MAINSTREAM

As industrialized nations continue to move away from manual labor toward tech- and creative-based economies, it is about time that nootropic products become more mainstream, says Chris Miller, CEO and founder of Koios Beverage Corp., reported in NutraIngredient-usa.com. Nootropics are drugs, supplements, and other substances that may improve cognitive function, particularly executive functions, memory, creativity, or motivation in healthy individuals, as defined by Wikipedia.

Koio's flagship product is a canned drink with a Supplements Facts panel that touts a formula of ingredients with some scientific evidence linking them to cognitive function, such as vitamins B6 and B12, as well as proprietary blend with coconut-derived medium chain triglycerides (MCTs), L-theanine, and Lion's Mane.

Last month, it just landed a bricks-and-mortar distribution deal with supplement retailer GNC. Slated for sale in around 2,700 GNC stores in the US, the company characterized it as the largest purchase order in the company's history. Sports and supplement retailers and distributors were early adopters' of Koios Beverage Corp, but Chris Miller has his eyes set on more mainstream retailers as well. (*UCAP Bulletin*)

## ALOHA'S NEW PROTEIN POWDER PRODUCT HAS MCT OIL

Pioneer in the plant-based protein industry, ALOHA, announced last month the launch of its newly reformulated protein powder, along with a substantial increase in national retail availability to further meet consumer demand. The reformulated protein powder comes in Chocolate, Vanilla and Banana varieties and now contains MCT oil.

Aloha was among the first to market in the plant based protein trend, and benefitted from that positioning, according to NutraIngredients-usa. However, the

company seemed to lose its way with multiple SKUs. Now the company enters the new year with a revised strategy on the markets it serves and the first tweak on the basic formulation approach. First to the formulations: The protein powders now contain MCT oil and are milled a smoother texture. Aloha bills MCT oil as being linked to energy, gut health, enhanced mood, and performance. It has become a more popular ingredient of late because of its connection to the latest trend in eating, the 'keto' diet.

Medium chain triglycerides have been researched for many indications. Most recently, a Russian study found them to be a suitable source of energy for high intensity training. Other companies are capitalizing on the MCT trend and responding to the demand it has created, NutraIngredients said. On the finished products side, Coromega announced in October the launch of individual packets of protein with MCT oil. Also suppliers like Phytochem and Stepan have recently launched MCT ingredients. (*UCAP Bulletin*)

## TRADE NEWS

### PHILIPPINE EXPORT OF COCONUT PRODUCTS UP SHARPLY IN DECEMBER

Export of coconut products continued to post year-on-year growth for the fourth month running in December 2018. UCAP estimates show the month's shipment shot up 59.9% to 191,344 MT in copra terms from 119,630 MT year-earlier. The increase was exclusively credited to the sharp leap in coconut oil export. Compared against November shipment estimated at 147,626 MT, the increment was 29.6%.

Aggregate export in the review month exceeded the monthly average (based on past 11 months, January-November average). However, on per product basis, only coconut oil and oleochemicals showed above average volumes.

Coconut oil export rocketed 70.5% at 111,627 MT to record the highest volume for the year. Last year figure was 65,457 MT. Tonnage likewise was 51.2% above average at 73,831 MT. Almost two-thirds (64.1%) of the month's shipment went to Europe at 71,505 MT. The US took in a third at 37,772 MT (33.8%) while Japan held 2,350 MT (2.1%).

Shipment of copra meal at 24,900 MT dropped 23.0% from prior year at 32,324 MT and was 25.7% short of the average 33,525 MT. Korea was primary destination accounting for nearly three-fourths (74.7%) at 18,600 MT. Other importers were Vietnam at 3,300 MT and China at 3,000 MT for respective market share of 13.3% and 12.0%.

Delivery of desiccated coconut likewise declined at 5,890 MT from 6,444 MT (-8.6%) and miserably fared below the average at 10,307 MT by 42.9%. Oleochemicals export at 5,052 MT as copra similarly posted a deficit of 12.0% from 5,744 MT but bested the average at 4,656 MT by 8.5%. There was no export of copra on record during the month, as of this report, as last year.

The cumulative export figure for calendar year 2018 stood at 1,707,176 MT in copra terms, rising slightly from 1,692,712 MT at the same time last year. Breakdown is as follows, in MT: copra 92 (111 last year), coconut oil 923,842 (912,632), copra meal 393,669 (256,172), desiccated coconut 119,270 (115,005), oleochemicals as copra 56,268 (66,174). (*UCAP Bulletin*)

## DESTINATIONS OF COCONUT OIL EXPORT IN OCTOBER 2018

Export of coconut oil in October consisted to 52,458 MT crude coconut oil, 23,926 MT cochin (refined, bleached) oil, and 4,271 MT RBD (refined, bleached, deodorized) oil, the combined value of which was USD75.109 million. The US was top destination during the month with combined volume of the three coconut oil types at 37,411 MT representing 46.4% of aggregate export. Europe was second with

uptake at 26,969 MT (33.4% share), trailed by Malaysia at 6,068 MT (7.5%), China 4,564 MT (5.7%), and Japan 4,272 MT (5.3%).

Europe remained leading importer of crude coconut oil with purchases at 26,458 MT (Spain 14,000, Netherlands 12,458), followed by the US at 20,000 MT and Malaysia at 6,000 MT. However, the US was primary buyer of cochin oil at 16,613 MT, tracked by Japan 4,256 MT, China 2,900 MT, Europe 118 MT (Netherlands), New Zealand 22 MT and Australia 17 MT.

China was principal destination for RBD oil at 1,664 MT, followed by the US at 798 MT, Europe 392 MT (Netherlands 311, Poland 41, Belgium 41), Saudi Arabia 344 MT, Argentina 232 MT, Pakistan 198 MT, Iran 194 MT, Taiwan 169 MT, Vietnam 70 MT, Malaysia 68 MT, Canada 64 MT, and seven others with uptake ranging 1-20 MT. The latter group comprised of Hong Kong, South Africa, Ecuador, Japan, Singapore, Australia and Thailand.

## ...OF COPRA MEAL

Shipment of copra meal which totaled 51,973 MT turned in USD9.374 million in October. There were six country importers led by South Korea which took delivery of 13,949 MT (26.8%), trailed by China at 11,900 MT (22.9%) with Vietnam close behind at 11,065 MT (21.3%), followed by India 9,378 MT (18.0%), Papua New Guinea 4,425 MT (8.5%) and Taiwan 1,256 MT (2.4%).

## ...OF DESICCATED COCONUT

External trade of desiccated coconut in October at 14,057 MT generated USD29.317 million. The product counted 44 country buyers during the month. The US maintained its leading position in the market responsible for 5,045 MT or more than one-third (35.9%), with Netherlands 1,457 MT (10.4%) and Canada 1,020 MT (7.3%) completing the top three markets. The next five major destinations, namely United Kingdom with 723 MT, Germany 704

MT, France 628 MT, Australia 587 MT and Russia 518 MT jointly accounted for 22.5%.

A dozen other countries which held volume above 100 MT (ranging 111-400 MT) collectively represented 19.1%, namely China, Brazil, Japan, South Korea, Turkey, Taiwan, Belgium, Israel, Sweden, Malaysia, Georgia, Chile. On the other hand, 24 countries had purchases ranging 3-91 MT and together shared 4.8%, namely Italy, Spain, Colombia, Thailand, New Zealand, Portugal, Syria, Norway, Hong Kong, Vietnam, Estonia, Ecuador, Kuwait, Saudi Arabia, El Salvador, Argentina, Peru, Serbia, Czech Republic, Egypt, Mexico, Switzerland, Poland, South Africa.

#### **...OF COCO SHELL PRODUCTS**

International sales of coconut shell charcoal in October was 5,447 MT valued at USD3.039 million. Key outlets were Japan and China with the former cornering 2,516 MT (46.2%) and China 2,262 MT (41.5%). Other markets were Belgium 266 MT, Sri Lanka 213 MT and South Korea 190 MT, for respective market share of 4.9%, 3.9% and 3.5%.

Outbound load of activated carbon, on the other hand, in the same month stood at 7,231 MT worth USD13.112 million. Biggest buyer was the US at 1,236 MT (17.1%). Trailing behind were Japan at 927 MT (12.8%), Germany 796 MT (11.0%), Sri Lanka 612 MT (8.5%) and South Korea 543 MT (7.5%). The next 10 countries with substantial purchases had combined market share of 34.4%. This comprised of China 449 MT, Italy 406 MT, Taiwan 328 MT, Netherlands 321 MT, Finland 210 MT, Canada 207 MT, Russia 169 MT, Kenya 137 MT, Belgium 133 MT and Indonesia 131 MT.

Meanwhile, 17 countries took in much lower volume ranging 5-92 MT and had total market share of 8.7%. This included United Kingdom, Australia, Dominican Republic, Ghana, South Africa, Ivory Coast, Tanzania, Brazil, Peru, Spain, Venezuela, Romania, Lebanon, Estonia, Hong Kong, Singapore, Turkey. (*UCAP Bulletin*)

#### **SRI LANKA DESICCATED COCONUT EXPORT UP IN OCTOBER 2018**

Figures from Sri Lanka's Coconut Development Authority showed the country's export of desiccated coconut increased in October 2018. Total at 2,709 MT climbed 9.8% from October 2017 at 2,468 MT. The shipment was worth USD6.234 million, declining by 28.6% from prior year at USD8.733 million. Average traded price was calculated at USD2,301.28/MT FOB, a drop by 35.0% from prior year at USD3,538.58/MT.

Export in October went to at least 43 countries. Key markets held volume above 100 MT and was led by the United States at 410 MT (15.1% share), followed by Iraq 223 MT (8.2%), Canada 191 MT (7.0%), Egypt 167 MT (6.2%), Iran 156 MT (5.8%), Germany 142 MT (5.2%), Pakistan 141 MT (5.2%), Spain 139 MT (5.1%), Japan 129 MT (4.8%) and UAE/Dubai 104 MT (3.8%). The remaining 33 countries took in volume ranging 1-88 MT and jointly comprised 33.5% of the market.

The cumulative January-October export figure at 19,412 MT declined steeply by 26.7% from a comparable year-ago period data at 26,479 MT. Corresponding revenue totaled USD57.536 million to record a deficit of 26.9% from USD78.700 million at the same time year-ago. (*UCAP Bulletin*)

#### **SRI LANKA VIRGIN COCONUT OIL EXPORT DOWN IN JANUARY-OCTOBER 2018**

Figures from Sri Lanka's Coconut Development Authority also showed the country's export of virgin coconut oil was down by 15.3% to 10,207 MT in January-October 2018 from 12,057 MT in a similar period year-ago. Shipment value at USD51.120 million dropped by 14.8% from previous year at USD60.011 million. Average traded price at USD5,008.36/MT FOB was shade higher by USD31.13/ MT from prior year at USD4,977.23/MT.

For the month of October alone, total export was 1,374 MT, reducing by 18.9% prior year figure at 1,156 MT. Revenue at USD5.700 million fell 4.8% from last year at USD5.990 million. Average price dropped sharply by 19.9% to USD4,149.12/MT FOB from USD5,182/MT previously.

During the 10-month period, export markets accumulated to 79 countries. Top buyer was the United States at 2,759 MT (27.0% market share), trailed by Australia at 1,752 MT (17.2%), Germany 1,424 MT (14.0%). The next 12 importers held volume ranging 101-596 MT and collectively accounted for 27.3%, namely United Kingdom 596 MT, Netherlands 391 MT, Canada 368 MT, France 297 MT, Sweden 211 MT, Chile 173 MT, Israel 146 MT, Pakistan 141 MT, UAE/Dubai 135 MT, Portugal 115 MT, China 109 MT and Taiwan 101 MT. The remaining 64 countries which aggregately accounted for 14.6% took in volume ranging 1-96 MT. (*UCAP Bulletin*)

#### **SRI LANKA ACTIVATED CARBON EXPORT UP IN JANUARY-OCTOBER 2018**

Figures from Sri Lanka's Coconut Development Authority show the country's export of activated carbon was little moved in January-October 2018 from a similar period year-earlier. Volume at 33,393 MT topped by only 163 MT prior year total at 33,230 MT. Shipment value, however, at USD82.387 million rose significantly by 26.3% from previous year at USD65.220 million driven by high prices. Average traded price calculated at USD2,467.19/MT FOB leaped by 25.7% from year-ago at USD1,962.70/MT.

For the month of October alone, export was 3,383 MT, sliding by 4.9% from prior year figure at 3,557 MT. Revenue hiked by 18.2% at USD8.750 million from USD7.399 million. Average traded price during the month at USD2,586.40/MT FOB jumped 24.3% from USD2,080.13/MT.

Export destinations during the 10-month period accumulated to at least 55 countries. The top eight importers held volumes above 1,000 MT and collectively

accounted for 68.9% of total trade. Leading the pack was United States with 10,317 MT (30.9% share), followed far behind by China with 4,055 MT (12.1%), Japan 2,060 MT (6.2%), India 1,458 MT (4.3%), Italy 1,308 MT (3.9%), Estonia 1,300 MT (3.9%), Turkey 1,295 MT (3.9%) and South Korea 1,220 MT (3.7%).

Twenty-two other countries also took in significant volume ranging 110-990 MT and jointly contributed 28.6%, namely Germany, Taiwan, Hong Kong, Peru, Singapore, United Kingdom, South Africa, Ukraine, Netherlands, Russia, France, Finland, Egypt, Poland, Sweden, Ghana, Surinam, Malaysia, Canada, Australia, Mexico and Kenya. The remaining 28 countries which aggregately shared 2.5% of total sales took in volume ranging from a low of 1 MT to a high of 97 MT. (*UCAP Bulletin*)

#### **COMBINED EXPORT OF WORLD'S MAJOR DESICCATORS DOWN IN OCTOBER 2018**

According to collated country data from the Philippines Statistics Authority and Sri Lanka's Coconut Development Authority, the combined export of desiccated coconut by the Philippines and Sri Lanka in October dropped by 10.1% to 16,766 MT from 18,655 MT in a similar month last year.

Export from the Philippines, which accounted for 83.8% of combined volume, was sharply down by 13.2% at 14,057 MT from 16,187 MT. Shipment from Sri Lanka at 2,709 MT increased by 9.8% from 2,468 MT year-ago. Computed average traded price of Philippine desiccated coconut was USD2,085.55/MT FOB (USD2,306.79/MT last year) as against Sri Lanka product with average price at USD2,301.28/MT FOB (USD3,538.58/MT).

The cumulative figure for January-October 2018 at 124,852 MT slid by 1.9% from 127,297 MT in the same period year-ago. Export from the Philippines at 105,440 MT slightly increased by 4.6% from last year at 100,818 MT, while delivery from Sri Lanka at 19,412 MT dropped by 26.7% from 26,479 MT. In terms of market share, the Philippines was responsible for 84.5% and Sri Lanka 15.5%. (*UCAP Bulletin*)

## COCONUT TECHNOLOGY NEWS

### GROWING BONSAI, NOW MADE EASY

Home Gardens with Bonsai plants is found to fine tune the beauty concepts of modern interior designing. The miniature version of the enormously sized trees is definitely a treat for the eyes. Growing Bonsai is considered to be a tough task. But with few simple steps you can as well design a dwarf tree; interest will be more when the tree is coconut!

For making a coconut bonsai an unpeeled dried coconut with husk is selected. Select those nuts which on shaking shows presence of water inside. Place these nuts in a container of water. Keep this in a warm place for 35 days. Change water every 5 days. After 35 days, remove water and leave the nut in a dry place for 2-3 days for draining the water.

The nuts are taken and the husk is peeled carefully. On peeling we can see the coconut sprout. Take a pot or a suitable container and fill the container with well drained soil till half. Add same coco peat or coco coir. Now carefully place the sprouted nut such that the sprout and half of the nut is above the portion covered with coco coir. Water the pot.

Few days later we can see new roots developed. And further after 14 days we can witness leaf germination with increased number of roots. When the leaves grow upto 8 -10 cm with long roots the planting is ready to repot. The coir and soil attached to the nuts and roots is washed thoroughly and cleaned.

Take an attractive container pot and fill with stones in  $\frac{1}{2}$  inch thickness. Make a soil mix of garden soil (60%), sand (30%), compost, cocopeat / coco husk (each 10%). The planting is placed into this soil with the nut partially above the soil and cover it with white stones. Cover the below stem portion to prevent root drying. Keep in shade for 10

days. Pour water in every 4 days. The coconut Bonsai is ready to be in the home garden. (*Arjun N V, College of Agriculture, Kerala Agricultural University, Vellayani, Trivandrum*)

## BIO-DIESEL NEWS

### AEMETIS UPGRADES BIOFUELS PLANT IN INDIA

US biofuels and renewable chemicals company Aemetis announced last month the completion of a two-year upgrade of its Kakinada, India biodiesel and glycerine plant. The upgrade now brings the annual plant capacity to 165,000 tons of biodiesel and 18,000 tons of glycerine. "The upgrade includes a pre-treatment unit to process lower-cost and waste feedstock into oil, and expansion of boiler and other utility capacities to enable full production of 50 million gallons (189 millions liters) of biodiesel and bio-oil while simultaneously operating the biodiesel, pre-treatment and glycerine refining units," Aemetis said.

The company said the 2018 India National Policy on Biofuels raised the target for domestic biodiesel consumption from less than 1% presently to 5% of the approximately 25 billion gallons (94 billion liters)/year of petroleum diesel consumed. In mid-2018, the Goods and Services Tax on biodiesel was reduced from 18% to 12% to encourage the usage of biodiesel. In addition, the Indian government recently issued a purchase requisition for some 260 million gallons (984 million liters) of biodiesel for 2019 to be supplied by domestic biodiesel producers. (*UCAP Bulletin*)

### TOTAL'S LA MEDE BIODIESEL PLANT THREATENED BY GOVERNMENT MOVE TO EXCLUDE PALM OIL AS BIOFUEL FEEDSTOCK

French energy group Total SA says the French National Assembly's decision to exclude palm oil as a biofuel feedstock

could put its La Mede biodiesel refinery in southern France at risk, The Star reports. On 19 December, the assembly voted to end tax incentives for adding palm oil to diesel fuel as of 2020. French parliamentarians also decided to treat palm biodiesel as a regular fuel so it cannot count towards Europe's targets for renewable energy in transport.

In 2015, Total converted the loss-making La Mede facility from a crude oil refinery into a 500,000 tons/year biodiesel plant. It pledged that palm oil would account for less than half of its feedstock, the remainder being French rapeseed crops and recycled oil.

The French decision has caused tensions with palm oil producers in Malaysia and Indonesia. Malaysian Prime Minister Mahathir Mohamad has said he will be writing to French President Emmanuel Macron on the issue and that the restrictions would affect the country's relations with Europe. (*UCAP Bulletin*)

#### **BIODIESEL WORLD PRODUCTION TO INCREASE THIS YEAR**

Oil World has projected world biodiesel production in calendar year 2019 to increase by 10.0% to 44.28 million MT from year-ago at 40.24 million MT. EU-28 will remain the biggest producer at 13.50 million MT (13.30 million year-ago). Following behind are (in million MT): Indonesia at 7.45 (5.20), United States at 7.43 (7.14), Brazil 5.15 (4.66), Argentina 2.50 (2.50). Other countries with smaller production likewise were projected to show increases over prior year: Thailand at 1.53 (1.30), Malaysia 1.40 (1.14), Singapore 1.20 (1.12), Colombia 0.60 (0.57) and others with combined output at 3.52 (3.31).

Palm oil is to remain the biggest feedstock at 17.08 million MT (14.12 million) with Indonesia leading the pack at 7.45 million MT (5.20 million), followed by EU at 3.82 million MT (3.75 million), Thailand 1.53 million MT (1.30 million), Malaysia 1.40 million MT (1.14 million) and

US 0.63 (0.60). Soybean oil will still be the second biggest feedstock at 11.19 million MT (10.45 million) with Brazil utilizing 3.94 million MT (3.42 million MT), the US 3.50 million MT (2.34 million), and Argentina 2.50 million MT (2.50 million) all of which are major soybean producing countries.

Rapeseed oil is third at 6.84 million MT (6.81 million), mainly used in the EU, with projection at 5.86 million MT (5.85 million) and the US at 0.55 million MT (0.54 million). Fourth feedstock in the list was used cooking oil with total at 4.04 million MT (3.87 million) mainly in the EU at 2.25 million MT (2.18 million) as well as the US at 1.07 million MT (1.03 million). Tallow follows at 2.78 million MT (2.67 million) with Brazil utilization projected at 0.67 million MT (0.63 million MT), US at 0.65 million MT (0.63 million MT), Singapore at 0.57 million MT (0.55 million) and EU at 0.56 MT (0.55 MT). Projection for Philippine coconut oil feedstock was placed at 0.22 million MT (0.18 million MT). (*UCAP Bulletin*)

#### **ARGENTINA TO RESUME BIODIESEL EXPORTS TO EU**

Argentina and the EU have reached an agreement to end their long-running trade dispute over exports of biodiesel from the South American country to the bloc, the Argentine Ministry of Foreign Affairs said last month. The deal established price and volume limits to be announced next month, the Ministry said.

The European Commission (EC) had announced on January 14 that it was willing to accept a deal with Argentine biodiesel producers, allowing them to avoid proposed anti-subsidy duties of 25-33.4% that were due to come into force on February 28, Euractiv said, adding that the deal could help bolster Argentina's soybeans and biodiesel sector.

The European Biodiesel Board (EBB) welcomed the deal, saying it showed the EU recognised that Argentine export taxes had unfairly distorted the international

market. Under the agreement, Argentine exporters would be allowed to export up about 1.2 million MT/year of biodiesel without paying duties, the EBB said. (*UCAP Bulletin*)

#### **ITALIAN GAS COMPANY LAUNCHES NEW BIOFUEL PILOT PROJECT**

Italian gas and oil company ENI has launched a pilot project in the city of Gafsa, Tunisia using castor oil plants, which will be used in the ENI biorefinery in Venice and subsequently in the biorefinery in Gela on the island of Sicily. The experimental project aims to find alternative raw materials in place of palm oil and to fuel ENI biorefineries.

The project would cultivate the castor oil plants in semiarid areas and use its fruit to extract the oil for processing into biofuel. Experimentation began on a 140-hectare plot of land divided into several lots. When the plants are in the final stages of maturation, the fruit will be harvested for yield evaluation in oil per ton and to define an extended cultivation plan. (*UCAP Bulletin*)

#### **OTHER VEGEOIL NEWS**

#### **INDIAN EDIBLE OIL IMPORTS UP IN DECEMBER**

India's import of vegetable oils were up 11 percent in December 2018 due to a supply glut in major producing countries such as Malaysia and Indonesia and growing consumption in local markets. Data compiled by the apex industry body, the Solvent Extractors' Association (SEA) in India showed the country's total vegetable oil import was 1.21 million tons for December 2018, favorably comparing with 1.09 million tons for the same month of the previous year. The share of palm oil shot up by 71 percent to 811,700 tons, the highest in five years. The share of soft oils (soybean, sunflower, etc.) on the other hand, has declined 29 percent at 333,094 tons.

Import of vegetable oils in India is expected to escalate further in the coming months due to a cut in duty as mandatory under the Malaysia-India Comprehensive Economic Cooperation Agreement (MICECA). Signed in October 2010 with South East Asian countries, of which Malaysia is the biggest beneficiary as of now, the MICECA mandates import duty on crude edible oil and refined oil should not be more than 40 per cent and 45 per cent, respectively.

"The duty cut has reduced the effective duty difference between crude palm oil (CPO) and refined, bleached and deodorized (RBD) palm olein to just 5 percent from 10 percent earlier. The reduction in the duty difference will encourage large import of RBD palm olein in the coming months, which is detrimental to the interest of domestic oil palm cultivation and will also erode the competitiveness of domestic refiners," said B V Mehta, Executive Director, SEA. (*UCAP Bulletin*)

#### **MALAYSIA CALLS FOR A STOP TO 'NO PALM OIL' CLAIMS ON PACKS OF IMPORTED PRODUCTS**

Malaysia is rallying its citizens to "love palm oil" and to stop the rising tide of imported products that bear "no palm oil" claims on pack. However, currently there is no law in the country that bans the import of food products with "no palm oil" labels. Malaysian authorities are taking steps to protect the reputation of palm oil, a key agricultural product of the country amid the anti-palm oil campaign.

To educate the public on the benefits of using palm oil, the Ministry of Primary industries announced a year-long "Love MY (Malaysia) Palm Oil" campaign. The campaign, to be officially launched in the first quarter of this year, aims to instill national pride and greater appreciation for Malaysian palm oil, given its socio economic importance and wide-ranging applications in health, nutrition, food and non-food products. (*UCAP Bulletin*)

## DID YOU KNOW?

### WHAT WENT BEFORE: COCONUT LEVY IMPOSED BY MARCOS

The coconut levy was a tax imposed by President Ferdinand Marcos on the produce of coconut farmers between 1973 and 1982, supposedly to develop the coconut industry.

Through Republic Act No. 6260, a tax of 55 centavos was imposed initially on the first sale of every 100 kilos of copra.

Upon collecting the initial P100 million, the Philippine Coconut Authority (PCA) established the Coconut Investment Fund, a capital stock subscribed to the government and on behalf of the coconut farmers.

In 1975, Marcos issued Presidential Decree No. 755, which authorized the PCA, whose board included businessman Eduardo "Danding" Cojuangco Jr., to use the levy funds to buy 72.2 percent of First United Bank (FUB), which was later renamed United Coconut Planters Bank (UCPB). Cojuangco became its President and Chief Executive Officer.

With the PCA and UCPB in their control, Cojuangco and his associates were able to buy companies and mills placed under the Coconut Industry Investment Fund (CIIF), a group of 14 holding companies whose assets included 47 percent of San Miguel Corp. (SMC). These assets were held by UCPB, the CIIF Administrator.

In 1986, shortly after the Edsa People Power Revolution, all coco levy-acquired assets were sequestered by the Presidential Commission on Good Government (PCGG), but control of UCPB went to Cojuangco when Joseph Estrada assumed the presidency in 1998.

In December 2001, the Supreme Court ruled that the coco levy funds were "public in character" but left it to the Sandiganbayan to decide who owned the assets acquired with the funds.

In its 2003 ruling, the Sandiganbayan declared unconstitutional PD 755 and voided the transfer of the shares of stock of FUB/UCPB by the PCA to Cojuangco, which cost the PCA more than P10 million in 1975.

The antigraft court forfeited 72.2 percent of UCPB's outstanding shares in favor of the government.

The Supreme Court ruled in 2012 that the 24-percent block (originally 27 percent but diluted and reduced because of SMC's expansion) belonged to the government in trust for the country's coconut farmers.

In November 2012, the high court affirmed its ruling that Cojuangco was not entitled to the UCPB shares that were bought with public funds and were considered public property. (<https://newsinfo.inquirer.net>)

### COCONUT OIL BOOSTS BRAIN FUNCTIONING

Coconut oil was one of those ingredients which was once considered the 'villain'. The same ingredient, later came into limelight as the most preferred oil with an array of health benefits, adding it to the 'superfood' category.

Coconut oil is one of the richest sources of saturated fats. Intake of saturated fats was a cause for concern, as it was believed to increase cardiovascular disease risk. However, the saturated fats in coconut oil, doesn't induce bad effects as the fatty acids are in the form of medium chain triglyceride (MCT). Therefore, they do not need the complex digestive and absorptive processes that the other forms of fats require. They directly enter the circulation and are utilised for energy production. Therefore, coconut oil provides instant energy and has also been proven to not cause dyslipidemia (abnormal blood cholesterol levels). In fact, coconut oil has been proven to increase the good cholesterol (HDL) in the blood.

When these fats are oxidized for energy, ketone bodies are produced. These ketones are the preferred source of fuel for the brain. Also, ketones help decrease appetite and will make you feel satiated. Therefore, it helps with quantity control in your diet.

Apart from general benefits, coconut oil also is useful for therapeutic purposes. People with epilepsy can add coconut oil as part of their ketogenic diet. This helps decrease the severity and frequency of seizures. Coconut oil has also been found to boost brain function and can be used as an adjuvant for treatment of Alzheimer's. And for children recovering from malnutrition, coconut oil is the perfect adjuvant to make the food's calorie dense to aid weight gain. This oil can be used to improve skin, hair and oral health. The lauric acid in coconut oil kills harmful pathogens in the body and therefore can be used for its infection preventing properties.

Coconut oil boosts fat burning. Clinical trials have proved how coconut oil has the capacity to facilitate abdominal fat loss, which is a risk factor for metabolic syndrome. Further, it is interesting to note, how in places where coconuts and coconut oils are used as a native staple, people thrived for multiple generations. (Eg. Kitavans, Tokelauans and India's Malayali population).

Along with all the above mentioned advantages, coconut oil also has a high smoking point which makes it suitable for high temperature cooking, and is one of the best oils for daily use. As with any other food item, moderation is the key. Combine coconut oil with a structured, well-planned diet and reap its health benefits.

(<http://www.newindianexpress.com>)

## COCONUT RECIPE

**"Coconut & Lemon Shortbread Stars"**

Makes approx 25

### Shortbread:

- 250g butter, diced and softened to room temperature
- ¾ cup icing sugar
- 1 ¾ cup plain flour
- 1/3 cup McKenzie's Fine Desiccated Coconut
- ¼ cup McKenzie's Rice Flour
- 1 tsp finely grated lemon rind

### Icing:

- 1 ½ cups icing sugar, sifted
- 1 tbsp water
- 10g butter, melted
- ¼ tsp lemon rind
- McKenzie's Desiccated and Shredded Coconut, for serving

For shortbread; place butter and icing sugar in the bowl of an electric mixer. Beat until creamy and pale. Fold in the flour, coconut, rice flour and lemon rind. Tip onto a lightly floured surface and bring together. Form into a disc, cover in plastic wrap and refrigerate for 1 hour.

Pre-heat oven to 160°C (140°C fan-forced). Line oven trays with baking paper. Remove dough from refrigerator and roll out on a lightly floured surface to 5mm thickness. Using star shaped cutters, cut stars and place onto prepared trays. Bake for 20 minutes or until just starting to turn golden. Allow to cool on trays, before removing to a cooling rack to cool completely. Store in an airtight container until ready to ice.

For the icing; combine all the ingredients in a mixing bowl. Mix until smooth. Allow to sit for several minutes to come to desired consistency if required. Spread over shortbread stars and sprinkle with coconut. Store in an airtight container.

(<https://www.mindfood.com>)

## STATISTICS

**Table 1. Indonesia's Monthly Exports of Desiccated Coconut, 2016 - 2018**

Month	2016		2017		2018	
	Volume (MT)	Value (FOB) US\$'000	Volume (MT)	Value (FOB) US\$'000	Volume (MT)	Value (FOB) US\$'000
January	5,150	7,230	5,872	9,170	8,453	16,165
February	4,697	6,805	7,595	12,327	8,464	16,408
March	8,327	10,945	7,494	12,807	9,517	18,292
April	7,484	10,887	6,583	11,432	9,890	17,543
May	7,484	10,216	8,270	14,542	9,014	14,971
June	7,986	12,064	6,837	11,994	6,471	9,974
July	3,810	6,015	7,139	13,524	10,321	15,637
August	6,813	10,724	10,854	20,647	10,706	15,496
September	6,779	10,512	8,544	16,375	9,230	12,670
October	7,020	10,704	9,350	18,180	10,775	13,640
November	6,771	10,209	10,749	20,944	8,680	10,671
December	6,903	10,263	8,751	17,031	7,658	9,076
<b>Total</b>	<b>79,224</b>	<b>116,574</b>	<b>98,038</b>	<b>178,973</b>	<b>109,179</b>	<b>170,542</b>

Source: BPS-Statistics Indonesia

**Table 2. Philippines' Monthly Exports of Desiccated Coconut (in MT), 2015 - 2018**

Month	2015	2016	2017	2018
January	6,092	4,849	6,107	8,307
February	7,107	4,079	8,675	6,251
March	5,894	4,897	7,628	5,249
April	3,734	4,554	5,560	7,671
May	4,842	4,387	9,029	8,285
June	4,026	6,234	8,023	11,077
July	8,469	12,636	12,844	13,871
August	6,583	8,268	13,858	16,314
September	6,061	15,384	12,907	14,359
October	4,883	7,964	16,187	14,057
November	4,474	7,939	7,743	
December	5,094	10,029	6,444	
<b>Total</b>	<b>67,259</b>	<b>91,220</b>	<b>115,005</b>	<b>105,441</b>

Source: Philippines Statistics Authority

**Table 3. Sri Lanka's Monthly Exports of Desiccated Coconut (MT), 2016 - 2018**

Month	2016		2017		2018	
	Volume (MT)	Value (FOB) US\$'000	Volume (MT)	Value (FOB) US\$'000	Volume (MT)	Value (FOB) US\$'000
January	2,970	6,345	2,941	7,069	928	3,387
February	3,494	7,102	2,655	7,271	1,122	3,899
March	4,487	9,192	3,515	9,724	1,830	6,614
April	3,926	8,145	2,039	5,855	1,482	4,863
May	4,210	8,972	2,413	7,048	1,594	5,328
June	4,354	9,428	2,401	7,127	2,163	7,034
July	4,393	9,410	2,521	7,636	2,216	6,710
August	4,669	9,758	2,619	8,547	3,009	7,909
September	4,604	9,876	2,907	9,691	2,359	5,557
October	4,580	10,048	2,468	8,733	2,709	6,234
November	3,972	9,004	1,953	6,825	2,876	5,630
December	3,541	8,309	986	3,279		
<b>Total</b>	<b>49,200</b>	<b>97,280</b>	<b>29,418</b>	<b>88,804</b>	<b>14,344</b>	<b>63,167</b>

Source: Coconut Development Authority, Sri Lanka

**Table 4. Export Volume of Desiccated Coconut by Country of Origin, 2018 (MT)**

Month	Malaysia	Thailand	India	Mexico
January	949	91	128	329
February	897	174	152	251
March	1,770	183	444	275
April	1,263	155	86	335
May	915	108	141	326
June	1,017	118	101	337
July	1,112	200	196	340
August	817	158	121	454
September	1,219	155	264	439
October	941	154	202	409
November	1,129	125	45	345
December	1,349	213		
<b>Total</b>	<b>13,378</b>	<b>1,834</b>	<b>1,880</b>	<b>3,840</b>

Source: ITC, Thai Customs and Department of Commerce of India