

UPDATE ON THE PHILIPPINE COCONUT INDUSTRY AND ADOPTION OF SUSTAINABLE PRACTICES

By:

United Coconut Association of the Philippines, Inc (UCAP)

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Sustainable Coconut Roundtable 2024

Manila, Philippines

OUTLINE

1. Industry Performance 2023/2022
2. Expectations for 2024
3. Threats
4. Opportunities
5. Sustainable Practices

1.0 INDUSTRY PERFORMANCE in 2023/2022

1.1 PRODUCTION: 14.893 billion nuts (2023)
14.931 billion (2022)
14.717 billion (2021)



In copra terms:	2023	2022
(million MT)	3.070 MMT	3.182 MMT

Sources of basic data: PSA, UCAP

1.2 EXPORTS:

	<u>2023</u>	<u>2022</u>
(Volume MMT, copra terms)	2.151	2.363
(Revenue, USDB) thereof	1.944	3.197
Traditionals	1.613	2.759
Non-traditionals	0.331	0.438

Source of basic data: PSA



1.3 PRICES (USD/MT FOB) 2023 2022

Coconut oil	983	1,628	
Copra meal	231	201	(+)
Desiccated coconut	1,582	2,358	
Coco shell charcoal	538	659	
Activated carbon	1,664	1,932	
Virgin coconut oil	2,616	3,648	
Coconut water	892	876	(+)
Hydrogenated coconut oil	1,346	1,766	
Coconut water concentrate	3,340	2,679	(+)
Glycerin	849	1,157	

1.4 MARKETS (USD Million)




	<u>2023</u>	<u>2022</u>
European Union (EU-27)	719.4	1,175.4
USA	472.9	698.7
China	198.8	351.7
ASEAN	161.9	444.3
Japan	98.5	158.2
South Korea	86.3	94.7
Australia & New Zealand	37.8	43.9
United Kingdom	26.8	39.3
India	16.0	11.8
TOTAL	1,818.4	3,018.0
	93.5%	94.4%

Source of basic data: PSA



2.0 EXPECTATIONS FOR 2024

What's in store in 2024:

- 2.1 Production - Further production shortfall 
- 2.2 Domestic - Increased biodiesel blend (+1%) effective October 01 
- 2.3 Exports - Further reduction on reduced availability, price recovery, slowly recovering demand, perhaps to replenish stocks drawdown after limiting purchases 

EXPORTS (1000 MT)

2024f

2023

Coconut oil	1,050	1,090
Copra meal	300	284
Desiccated coconut	160	156
Oleochemicals (CT)	65	66
Virgin coconut oil	10	29
TOTAL CT	2,017	2,151

Source of basic data: PSA



3.0 THREATS

3.1 DOMESTIC

3.1.1 Lack of planting materials to support planting/replanting

3.1.2 Weak farm practices

3.1.3 Climate change



3.2 INTERNATIONAL

Compliance with external market requirements: e.g. certifications, stringent quality limits - MOSH, MOAH, health-related issues



4.0 OPPORTUNITIES

4.1. EU GSP+ Scheme

4.2. Return of demand post-pandemic

4.3. Rising non-traditional coconut products export



4.4 Sustainability

4.4.1 European Union Deforestation Regulation (EUDR)

4.4.2 Allies: Coconut Coalition in the Americas Sustainable Coconut Partnership

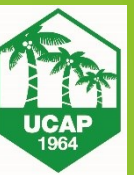


5.0 SUSTAINABLE PRACTICES

5.1 Worker's welfare

5.2 Community engagement projects

5.3 Environmental sustainability and
climate change mitigation



5.1 Worker's Welfare



- Educational assistance
- Free medical consultations
- Provision of PPE
- Commitment to labor laws
- Capacity building and skills development

5.2 Community Engagement Projects



- Sponsorships of community events
- Provision of water supply system, lightings, etc
- On-the-job trainings
- School supplies distribution
- Feeding programs
- Medical missions
- DOH partnership
- Backyard farming

5.3 Environmental sustainability and climate change mitigation



- Ocean cleanup and mangrove planting
- Coconut tree planting
- No deforestation and minimizing carbon footprint
- Disaster response
- Sustainable agriculture training
- Wastewater management

SUMMARY

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THANK YOU FOR YOUR TIME!

Prepared by:

MS. YVONNE AGUSTIN

Executive Director

Presented by:

MR. MARCO REYES

Chairman

UNITED COCONUT ASSOCIATION OF THE PHILIPPINES

WWW.UCAP.ORG.PH

Email: ucap@ucap.org.ph