

## **NEDAC-LINAC WORKSHOP ON COCONUT OIL PRODUCTION, PROCESSING AND MARKETING HELD ON 30.10.2021.**

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Chief Guest Shri. Narendra Singh Tomar, Hon'ble Minister of A&FW, Government of India addressing the event.



Shri. Sundeep Kumar Nayak, MD, NCDC and Chairperson, NEDAC along with delegates from NAFSCOB, MARICO Ltd. India at IPL office, Mumbai

Laxmanrao Inamdar National Academy for Cooperative Research and Development (LINAC) and Network for the Development of Agricultural Cooperatives in Asia and the Pacific (NEDAC) organized an international workshop on Coconut Oil Production, Processing and Marketing on 30.10.2021(Saturday) at 10.30hrs (IST). The programme was organized in hybrid mode (in person at premises of Indian Potash Ltd.(IPL), Mumbai & online in Zoom platform). Mr. Narendra Singh Tomar, Hon'ble Union Minister Agriculture and Farmers Welfare, Government of India was the Chief Guest for the occasion. The programme saw pro-active participation by international experts, key officials in cooperative and corporate sector. The programme began with the opening remarks of Mr. K.B Upreti, Chairman, NCBL, Nepal & Vice Chairman, NEDAC who appreciated the efforts of NEDAC to unify its members, especially during Covid time by continuing various programmes through virtual mode. Other eminent guests present in the event such as Mr. Tomio Shichiri, Country Representative, FAO and Dr. Jelfina C. Alouw, Executive Director, ICC, Jakarta, Indonesia addressed the event by highlighting the importance of coconut plantation in Asia-Pacific region and briefed the gathering on the role of International Coconut Community (ICC) in promoting coconut based industry.

Mr. Konduru Ravinder Rao, Chairman, National Federation of State Co-operative Banks Ltd. (NAFSCOB) briefly spoke on the scope of newly formed Ministry of Cooperation to revive the cooperative sector in India.

To begin the programme, Shri. Sundeep Kumar Nayak, MD, National Cooperative Development Corporation (NCDC) and Chairperson, NEDAC welcomed all the distinguished dignitaries from India as well as other countries and international organizations who were attending the webinar from different countries of Asia-Pacific region and beyond.

At the outset of the event, the Chief Guest Mr. Narendra Singh Tomar, Hon'ble Union Minister Agriculture and Farmers Welfare, Government of India complimented NEDAC Training Centre Bangkok (NTCB) and LINAC for organizing workshop on Coconut Oil Production, Processing and Marketing and highlighted the role of cooperatives in procurement of one-third of agriculture produce. Hon'ble minister in his speech appreciated the initiative on coconut processing in terms of its potential as economic activity for farmers and called for greater technological advancement in the sector.

The programme included five Technical Sessions covering all aspects of Coconut Oil (CNO) Market, Virgin Coconut Oil (VCO) and future prospects of the industry, discussions on "Country focused Opportunities and Challenges", "Question & Answer" session and concluded with a "Way Forward" note. Discussions in the Technical Sessions are enumerated as below:



**Technical Sessions 1:** The session began with industry experts from Marico Ltd., India who deliberated upon the subject of "Coconut Oil Market: Prospects and Challenges" The session was taken by Dr. Prabodh Halde, Head Regulatory, MARICO Ltd. India. and Mr. Arun V, Supply Chain Head (south), MARICO Ltd.

India. The team from Marico India Ltd. emphasized upon the usefulness of coconut as remunerable plantation crop and market potential of VCO which is expected to be USD 5 million in coming years and working together with farmers, technological upgradation, promoting value added coconut products will bring real -time improvement in the sector.



**Technical Session 2:** The session was taken by Mr. Badri Guragain, CEO, NCBL, Nepal to present the research work of Ms. Divina D. Bawalan, Formerly Philippine Coconut Authority, Philippines on "Processing of VCO and its by product for countries of Asia-Pacific region". Mr.Badri talked about the coconut based industry in Asia-Pacific region which mainly deals with

copra. Copra being a low value product does not provide a good return to coconut growers. He also elaborated on the 2 types of edible coconut oil-Refined, Bleached, Deodorised Coconut Oil and Virgin Coconut Oil(VCO) with a stepwise information on production of VCO. The steps include pre-processing operations (harvesting, collection and husking), processing (opening of coconut, extraction and to recovery of VCO) and post -processing activities (includes proper packaging in glass bottle and quality control through lab testing/sensory evaluation).



**Technical Session 3:** The topic of this session was “VCO Processing Technology in Indonesia” by Mr. Annas Ahmed, Industry Representative, Indonesia. Mr. Annas delivered a presentation on the traditional method of extraction of VCO and modern method of production of VCO followed in Indonesia. In his talk, he

informed on how the popularity of coconut oil has been revived by introduction of Virgin Coconut Oil in 2001 and gradually increased over the years. Mr. Ahmed informed about the “dry method” and “wet method” for VCO extraction with elaboration of centrifuge process (industrial processing) and fermentation process. The quality of VCO produced through centrifuged process is considered better as per market standards. Mr. Annas noted that coconut grower must not depend on VCO but also process other by-products of coconut tree, viz. cocopeat as fertilizer, coco shell for activated carbon. The farmers should also focus on integration of coconut cultivation alongwith other plantation crops such as coffee.



**Technical Session 4:** To take the programme ahead, Ms. Rasita Srikerdkruen, NEDAC invited Ms. Peyanoot Naka, Vice Chairperson, Conservation and Development of Coconut Oil Forum, Thailand to speak on “Value Chain of Coconut Oil and Its Products in Thailand”. Ms. Peyanoot Naka elaborated upon the coconut

producing areas of the Thailand and other issues relevant to coconut industry. The speaker noted the major concerns such as the volume of coconut produced in Thailand does not meet the demand and hence is imported from other countries in Asia –Pacific region such as Indonesia and Vietnam. She also informed about the rising popularity of aromatic coconut in Thailand and talked about national and international standards developed in Thailand for certification of coconut products.



**Technical Session 5:** The topic of the session was “Prospects of VCO in Pharmaceuticals and Cosmetics” taken by Ms. Ngo Thi Kieu Duong, General Director, Wealth Dragon Coconut Cosmetic J.S.C, Vietnam. The speaker briefed about the coconut production and its importance to the economy of Vietnam. Ms. Duong talked about VCO and its importance in local vietnamese

market, uses in cosmetic and pharmaceutical industries and gradually increasing demand of VCO as a natural ingredient for such industries. She said that the newly popularized coconut-based /VCO industry is attracting new companies and



investors with encouraging support and encouragement from government and R&D institutes. Ms. Duong in her concluding remarks mentioned that the coconut based industry which are small enterprises needs proper cooperation for international exposure.

To further the objective of the workshop “**Country focused Opportunities and Challenges**” were discussed by panellists from Key Government Official, Cooperators and Corporate representatives from different countries, as detailed below:

**a) Panellist from Bangladesh:** Mr. Chandan Kumar Dey, Additional Secretary, Ministry of Local Government, Rural Development and Co-operatives, Bangladesh briefly described the scope of coconut based industry in Bangladesh and the need of popularizing the coconut oil (CNO) as edible oil through promotion and campaigning. He said that coconut production is mainly concentrated in the southern region of the country. Other constraints in coconut oil industry is lack of availability of dried-coconut kernel, decreasing production area and non-availability of long term supply chain.

**b) Panellist from Lakshadweep, India:** Mohd. Althaf Hussain, MD, Lakshadweep Coconut Industries, U.T of Lakshadweep, India described and abundance of coconut tree in the 36 group of islets which make up the Lakshadweep islands. He stated that Lakshadweep islands produce more organic coconut oil compared to organic coconut produced in the mainland. He said that transportation is the major constraint for marketing and processing of coconut produced in the island which needs to be addressed. He also added that the islands have only 3 coconut processing units, one each for desiccated coconut powder, coconut oil and VCO. However, recently the island has also added on coconut based processing units for *neera* and *jaggery* production.

**c) Panellist from Tamil Nadu, India:** Ms. Vijayasakthi, MD, Tiruchengode Agricultural Producers Cooperative Marketing Society Ltd., highlighted the coconut based products manufactured by the cooperative along with other activities of the cooperative society which include trading and marketing of agricultural produce, product manufacturing unit like groundnut oil, sesame oil etc. and diversified consumer shops by the cooperative. Ms. Vijayasakthi also described the different uses of coconut oil in India culinary and cosmoceutical purposes like traditional medicine systems of Ayurveda and Unani medicines. In her concluding remarks, Ms. Vijayasakthi enumerated the challenges faced by the coconut oil industry, which include skill development, brand promotion & marketing, availability of finance, capacity building etc.

**d) Panellist from Kenya:** Ms. Elizabeth Ngare, the Salvation Army, Likono, Kenya gave a brief insight on the coconut processing scenario in Kenya. Mostly grown in coastal Kenya coconut is an integral part of the farming systems in the region. Over 80% of the coastal farm households derive their livelihoods either directly or indirectly from the coconut tree that is considered as both cash and a food crop. In her deliberations, Ms Elizabeth informed that coconut is an only means of earning to low income farmers who get very low returns is selling the coconut based

product. In Kenya coconut growers are mainly women wherein coconut is the only source of livelihood for them. Lack of good infrastructure, market availability impede the development of coconut based industries in the country. Ms. Elizabeth added that coconut oil processing in Kenya still follow the traditional method which may be done away with necessary awareness programmes and stakeholders workshop.

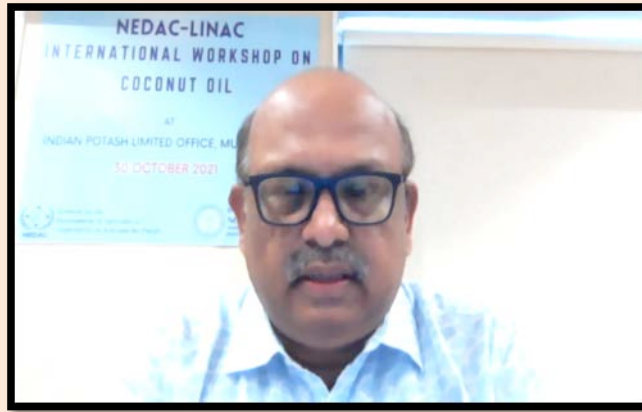
Country focused presentations were followed by an interactive Q&A session moderated by Dr. K.R. Salin, Honorary Director, NEDAC Bangkok & Chair, AARM, AIT Bangkok, Thailand. Dr. Salin praised the presentations made by the panellists covering all the aspects of coconut based industries. Issues like myths about use of coconut oil, productivity constraints and product shelf life were well discussed by Ms. Mridula Kottekate, Asst. Director, ICC, Jakarta, Indonesia, Mr. Arun V, Supply Chain Head (south, MARICO Ltd. India and Mr. Annas Ahmed, Industry Representative, Indonesia.

The Q&A session also highlighted that scientific approach with counter campaigning will help in overcoming the myths about presence of harmful saturated fats in coconut oil. Shri. Sachin Sharma, Managing Director, Lakshadweep Development Corporation Ltd., U.T of Lakshadweep, who was also present in the occasion, assured full support from Lakshadweep administration for promoting coconut based industries and informed transportation subsidy provided by UT Administration for transportation of coconut and its by-products.

Ms. Elizabeth Ngare, the Salvation Army, Likoni, Kenya lauded the initiative and expressed keen interest in future participation in such workshops. To which, Mr. Sundeep Kumar Nayak, MD NCDC and Chairperson NEDAC assured of organizing similar workshop programmes for Kenya, a member country for NEDAC.

Summing up the event, Ms. Meenakshi Yadav, Asst. Director, NCDC, India presented the "Way Forward". As the importance of CNO and VCO is increasing internationally, educational and research institutions must study the technical aspects of the processing to create a sustainable business model for the main stakeholders of the industry. Copra-the main raw material for coconut oil, however, more options to increase grower-farmer income needs to be devised realizing the importance of coconut based industries for economic development of coconut producing countries.

Vote of thanks of the event was presented by Mr. Robert H Touthang, Dy.Director, LINAC, India thanking IPL Mumbai and all distinguished guests and participants of the international workshop.



Mr. Sundeeep Kumar Nayak, MD, NCDC & Chairperson, NEDAC addressing the workshop.



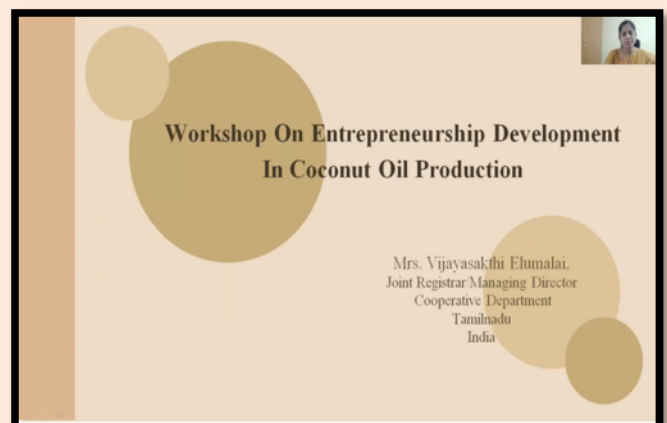
Ms. Elizabeth Ngare, the Salvation Army, Likono, Kenya addressing the workshop.



Mr. Tomio Shichiri, Country Representative, FAO in India addressing the workshop.



Dr.K.R. Salin, Honorary Director, NEDAC, Bangkok & Chair, AARM, AIT Bangkok, Thailand.



Ms. Vijayasakthi, MD, Tiruchengode Agricultural Producers Cooperative Marketing Society Ltd, Tamil Nadu, India.

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