



Dominican Republic buying most of Guyana's coconuts

November 1, 2015

– over 7, 000 tonnes exported annually

The local coconut industry is booming, with The Dominican Republic listed as the largest purchaser over the past several years, according to export data from the Guyana Marketing Corporation. For the period January to September 2015, The Dominican Republic led with coconut purchases followed by Trinidad, Suriname, Canada, USA and Barbados.

The coconut industry in Guyana has been identified as one of the sectors with a large potential for further development, as over 7,000 tonnes are shipped annually.

In Guyana, the coconut already exists as one of the key non-traditional crops, since it can be used in fuel, food, and feed, while it delivers a wide variety of other products such as coconut oil, coconut water, coconut kernel and coconut milk which are in demand internationally and regionally.

Coconuts have been dominating agricultural exports annually; this has earned hundreds of millions of dollars, as the sector produces over 92 million nuts annually.

Coconuts are grown widely in the coastal regions of Guyana, primarily along the Pomeroon River, the Essequibo Coast, East Demerara, West Berbice and on the Corentyne Coast.

The estimated area under production is 24,000 hectares.

In Guyana, coconut (*Cocos nucifera*) ranks third after rice and sugar in terms of acreage cultivated. Agriculture officials disclosed that some of the constraints hampering development of the industry are lack of fertilisation, limited local manufacturing and processing facilities, poor drainage, high and rising costs of production, marketing, and inadequate crop management and farming.

Farmers in the country's coconut industry are currently benefiting from significantly increased prices, resulting from the availability of more lucrative markets in some Caribbean territories.

Officials recommend the following three areas of intervention to aid the development of the coconut industry in Guyana: increasing the productivity and production potential of Guyana's existing coconut sector; assessing the state of Guyana's coconut oil industry and its future and considering possible support mechanisms, if deemed necessary; and exploring other coconut-derived products in terms of their value-added potential and export potential.

In Guyana, the major oil extraction mills are the Pomeroon Oil Mill, National Edible Oils and Fats Incorporated and the Maharaj Oil mill.

COCONUT INDUSTRY PROFILE - Guyana (Ref: Singh et al, 2008)

2.4 GUYANA

The major coconut growing areas in Guyana are Pomeroon area and West Bank Berbice. The Pomeroon area is a major coconut growing area in Guyana. Production acreages were estimated at around 15,000 acres in the Pomeroon Region. Over 1500 farms can be found in this area; accessible only through the Pomeroon River and various other water courses. There is one large, fully integrated farm estimated at 1000 acres as well as a number of small farms ranging from 20-60 acres. A large amount of the trees in the coconut estates are more than 40 years old. With respect to electricity and other services, no public utilities are available in the Pomeroon Region. Land is available for expansion.

The crop may also be very suitable for cultivation in terms of tolerance to floods and waterlogged conditions, soil infertility, capacity for valued added production, perishability, post harvest treatment and transport conditions. The coconut is mainly grown pure stand, but may be found inter-planted with other cash crops in rain-fed systems. Generally, fertilizers and pesticides are not used.

The Panama tall (Creole) is the predominant variety grown. Within recent years, an increasing amount of Malaysian Dwarf is being cultivated, targeting the water nut market. Another relatively new "variety" referred to as "Bastard" has been observed. This variety may have resulted from a Malaysian Dwarf / Creole natural cross. On-farm selection of planting material is undertaken based on productivity, oil content of copra, age at bearing, and the ease at which the dry coconuts fall off the tree at maturity. In this regard, greater use of the Bastard variety needs to be evaluated.

All farm production and harvesting operations are manual. Climbers are used to harvest the dry coconuts from the shorter trees. For taller, more difficult to harvest trees, dried coconuts are left on the trees and allowed to fall before harvesting. In this regard, coconuts which quickly fall off the trees when dried are regarded as a desirable characteristic. Both chemical and manual weed control may be used to facilitate field collection.

The waterway network allows for access to the farms and into the fields. Moreover, the perimeter and field drains provide for efficient field transportation and collection at the farm gate. Dry coconuts are collected in the perimeter and infield drains which are used to transport coconuts to the processing area. There, the nuts are de-husked and the extracted nut placed in a dryer which burns the coconut shell to reduce the moisture content. The copra is then filled in bags or stored in large heaps in a covered area before sale. Farmers may sell to middlemen or may transport the copra to the factory gates at Pomeroon, or directly to Georgetown. Some copra is also sold to an exporter. Maintenance of these access routes is critical for the efficient operation of the farm units. The waterways also provide good access to the Charity market, where principal oil processing mills are located (in addition to Georgetown).

The principal products harvested from coconut in Guyana are copra, edible coconut oil and coir / fibre. The fibre products are done mostly for the export market. Most of the coconut cultivated in the Pomeroon area is being farmed actively while in other parts of Guyana, the crop is farmed inactively or completely abandoned. Over the years, commercial production has remained a large-holder crop.

A significant percent of production enters national consumption through the fresh nut and dried coconut market channels. Generally, production surpluses are recorded; mostly being channeled into sales of oil and copra for export markets. A significant amount of the coconut oil and green water coconuts produced are consumed on the domestic market. The coconut oil competes on this market with other vegetable oils such as soybean and corn oils imported from Trinidad and Tobago, Argentina, Brazil and Suriname. Crude and refined coconut oil is also exported within the Region as well as into North America. Coir is exported to Europe as an input into the automobile industry. Some copra is exported to Trinidad.

The major diseases reported are Red Ring, Cedros Wilt, and Heart Rot. The Coconut Mite is the major pest. Farmers practice a cut and burn strategy for diseased trees at early stages which appears effective in minimizing losses.

In addition, despite the use of perimeter drains to transport produce to processing mills, the additional cost for copra exports from the Pomeroon region to Georgetown for shipment adds a substantial cost to the commodity. Development and upgrade of landing / stelling facilities to a

shipping port would allow for exports from this major-producing point. Such development can serve to develop trade from this region, lower shipping costs and increasing competitiveness of both coconut oil and copra. Moreover, this practice may provide a gateway to trade of other coconut products and linkages through tourism with the Caribbean also has the potential to develop.

The two coconut oil processing plants utilize most of the country's copra. The remaining / surplus copra is exported to Trinidad. In addition, vendors travel around the country to purchase green and dry coconuts at the farm gate. In this regard, marketing support is not required. The Ministry of Agriculture provides technology transfer support on primary production and management to farmers. Technology support for value added activities, however, is limited. Additional support should focus on areas such as new product development / value added (e.g. bio-fuels), and crop agronomy and evaluation.

Currently, the levels of R&D, as well as supportive policy for strategic development, are grossly lacking. Also, there is no developed market information system for the coconut industry. Also, the CARICOM Oils and Fats Agreement and the Edible Oil Policy (Soybean) impact on Guyana's coconut oil industry and there have been calls for its review.

Stabroek News

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Coconut industry poised to take advantage of lucrative regional market

prices up by more than 75 per cent

Farmers in the country's coconut industry are currently benefiting from significantly increased prices, resulting from the availability of more lucrative markets in some Caribbean territories, according to New Guyana Marketing Corporation General Manager Nizam Hassan.



Coconuts ready for export

Accelerated regional demand for dried coconuts, particularly in the Dominican Republic have resulted in a more than 75 per cent increase in the price from around \$8 each to \$26 each and the New GMC is seeking to support the industry in its quest to maximize export earnings, Hassan told Stabroek Business.

While the Dominican Republic continues to be the single largest importer of local coconuts, Dominica, Trinidad and Tobago and Canada also import coconuts from Guyana.

More than 60 per cent of the coconuts grown in Guyana are cultivated in the Pomeroun area while Regions Four, Five and Six produce smaller quantities.

Hassan said the New GMC has realized some measure of success in putting coconut farmers and buyers together as part of its business development programme and the service had included “support and advice” in the area of pricing. Between January 2008 and April this year export prices for coconuts have almost trebled, from \$1,000 per tonne to \$2,900 per tonne. During the same period the volume of coconut exports increased from 57 tonnes in January 2008 to 758 tonnes in April this year. Since November 2009, the volume of coconut exports has consistently been in excess of 500 tonnes and in April this year exports reached 758 tonnes the highest for the January 2008 to April 2010 period.

Meanwhile, the April 2010 report on the operations of the New GMC’s Pack Houses at Sophia and Parika indicate that so far this year the two facilities have handled more than 600,000 kilogrammes (kg) of local agricultural produce. This includes 220,072 kg of watermelons, 218,089 kg of pumpkins, 45,461 kg of plantains, 56,135 kg of limes and 27,005 kg of pineapples.