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First National Coconut Summit

30th to 31st October 2019, Vanuatu Agriculture College, Santo



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Acknowledgement

The First National Coconut Summit could not have been successful without the support, commitment and time devoted by many who have generously contributed in many ways to eventuate this event. Your esteemed contributions towards this National Event is very much appreciated.

On behalf of the Director's office (Department of Industry) we would like to acknowledge the following:

United Nations Conference on Trade and Development (UNCTAD) for their financial commitment in making this First National Coconut Summit happen.

The Honourable MP, Matai Seremiah Nawalu, Director General, Directors and Staffs under the Ministry of Agriculture, Livestock, Forestry, Fisheries and Bio-security.

Honourable MP, Jotham Napat, Director General, Directors and staffs under the Ministry of Tourism, Trade, Commerce and Ni-Vanuatu business.

Taskforce members for their commitments, time and tremendous efforts in ensuring the event becomes a successful one.

Farmers, processors and other private sectors for actively participating in this event and also taking part in the summit through displays and showcasing their products.

Without your participation, time and commitments, this event would not be successful. Thank you!



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Overview

For over a century, coconuts have been an integral part of the economy of Vanuatu. Recent statistics show that the coconut sector contributes to 45% of Vanuatu's GDP, and accounts for over 50% of merchandise exports. Two out of three rural households are engaged in coconut farming, contributing to the livelihood of more than half the rural population for Torba, Sanma, Penama, Malampa and Tafea. To date, Vanuatu's coconut sector have been concentrated in the production of copra. Expansion in value addition, particularly for smallholder farmers, has been a long-term challenge with only few SME producers and enterprises are engaged in virgin coconut oil production.

Opportunities and challenges in the coming decade

In the coming years, Vanuatu will enter uncharted water which brings new opportunities as well as challenges. On 4th December 2020, Vanuatu will be the sixth country to graduate from the Least Developed Country (LDC) status. This marks the country's achievement in economic and human development. The graduation also comes with a phasing-out of preferential market access and financial and technical assistance specifically granted to LDCs. As regards exports, the growing international demand for more "green" or "sustainable" agricultural products and services may present substantial trading opportunities to Vanuatu. But extreme weather events associated to climate change will continue to pose socio-economic and environmental challenges particularly to Small Island Developing States (SIDS) such as Vanuatu.

Coconut for the future: Diversification and value addition

Vanuatu aspires to achieve "a stable economy based on equitable, sustainable growth that creates jobs and income earning opportunities accessible to all people in rural and urban areas" by 2030. Coconut will continue to play a crucial role in meeting this objective. A big question is: "Are coconut strategies of today fit for purpose in light of upcoming challenges?"

What else needs to be done, for instance, to achieve greater diversification and value addition? The coconut value chain can branch out to multiple end-uses: copra, refined, bleached and deodorised (RBD) coconut oil, oleochemicals for soaps and cosmetics, copra cake for biofuel, virgin coconut oil (VCO), desiccated coconut, coconut milk & cream, coconut water, and many more. The multiple uses of coconut can also generate production and business opportunities unrelated to coconut, which can help Vanuatu its developmental goals, e.g. improving income generating opportunities of youth and women particularly in rural areas.



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Achieving diversification and value addition in the coconut sector faces various challenges. Those identified by [Vanuatu National Coconut Strategy 2016-2025](#) and [the Vanuatu National Green Export Review](#) include inadequate infrastructure for manufacture and transport, lack of finance to smallholders, and lack of economic incentives to diversify into other coconut products. The sector may also need:

- *Investment policy* aligned with the objective to achieve diversification and value addition;
- *Export promotion policy* that is inclusive to MSMEs, women and youth, and fine-tuned with international market trends;
- *More research and development* e.g. for identifying coconut type and planting strategy that would best fit the diversification and value addition.

OBJECTIVE AND EXPECTED OUTCOME

Against the above, the 1st Coconut Summit brought all stakeholders to discuss the future of the coconut sector from economic, social, environmental and political perspectives.

The summit came up with agreed outcomes that directs actions needed to make coconut help Vanuatu achieve its National vision, i.e. “stable, sustainable and prosperous Vanuatu”.

Such actions may address, among others:

- Interim evaluation of the implementation of the [Vanuatu National Coconut Strategy 2016-2025](#);
- Streamlining of initiatives and policy actions of different agencies;
- Tangible linkages between the coconut sector development and the Sustainable Development Goals (SDGs);
- Better institutional setting, e.g. a successor to the Vanuatu Commodities Marketing Board, for sustainable and diversified exports of coconut-based products;
- Follow-up to the 1st Coconut Summit



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Activities:

a. National Coconut Summit

The summit was hosted at the Vanuatu Agricultural College (VAC) for 2 days from the 30th – 31st October 2019.

This brought together farmers, processors, buyers, private sectors and all valuable players along the coconut value chain to discuss strategies to make coconut sector contribute to the sustainable development and “better future” of Vanuatu and most importantly ensure the coconut industry contributes to Vanuatu achieving its national vision which is a “stable, sustainable and prosperous Vanuatu”.

The summit brought together over 100 participants from both public and private sectors, farmers, processors and buyers from all provinces of Vanuatu (refer to annex-attendance sheet). Stakeholders also came from regional and international organizations to participate in this First National Coconut Summit .Refer to Annex 1 for outcome document.



Figure 1. Participants from Malampa & Torba Province during the summit



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Figure 2. Participants from Sanma Province



Figure 3. L-R Minister Matai Seremaiah Nawalu, Mrs Seremaiah, Ambassador Sumbe, Director Ridley and Mr. Stefan during the Summit



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Figure 4. Acting CEO, Vanuatu Bureau of Standards & Director Biosecurity listening to panel discussions



Figure 5. Participant Group Photo



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b. Participating Exhibitors

A total of 15 invitations were sent out and six – confirmed to be part of the exhibition which was on the 30th and 31st October 2019. Exhibitors ranged from MSMEs to manufacturing companies displaying and selling their products.

Though many did not make it to the summit for exhibition, there were products being sent for display on their behalf and put on sale. It is recommended for an increased participation of exhibitors in the next national coconut summit to showcase all products that can be produced in Vanuatu and also the diversification of coconut based products.



Figures 6. L-R Organic Coconut Oil & Aloe Vera and Mama Joy Oil



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Figure 6. Tanna Farms Products



Figure 7. Participants at the exhibition tables



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Figure 8. Local processor explaining his products to Mr. Rohit Lal, Fiji Ministry of Agriculture

c. Field Visit

Participants were given the opportunity to visit Vanuatu's only research and technical center the Vanuatu Agricultural Research and Technical Centre (VARCT). This is the national research center for Coconut, Coffee, Cocoa and Livestock in Vanuatu. Recently, they started research on root/tuber crops, nuts and breadfruit.

The field visit saw staffs from the coconut section within VARTC introducing the different varieties that the center carries out its research on as well as diversified coconut based products that the center wishes to venture into.

The field visit closed with closing receptions that included only coconut snacks and drinks for participants to taste.



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Figure 9. Vanuatu Red Dwarf variety



Figure 10. Kiribati Green Dwarf



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Figure 11. Deputy CEO VARTC, Mr. Steglar showing Charcoal made from coconut shells



Figure 12. Participants visiting the Coconut Plots



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Figure 13. Charcoal Stove using Charcoal from coconut shells to cook food



Figure 14. Refreshments at VARTC



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Figure 15. Coconut based-products trials at VARTC



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d. Budget

Table Below summarises the expenses for the National Coconut Summit.

<i>Category of Expenses</i>	<i>Grant Budget (VUV)</i>	<i>Total Committed (VUV)</i>
Component 1: Transport of Participants	1,005,464	1,307,089
Component 2: Lodging and meals of participants	950,032	905,418
Component 3: Conference Organization & Marketing	1,940,566	1,981,320
Total Estimated Budget	4,193,827 VUV	4,193,827 VUV

N.B refer to Annex for acquittals

e. Challenges

The committee in particular faced a few challenges that also helped them to improve with the future organisation of such summits or big events. Few of the challenges are as follows:

- a. Confirmations from key speakers/panellists – confirmations from panellists/speakers continued till the last week before the event thus, drugged the finalisation of the programme.
- b. Drivers – limited staffs on ground versus the number of staffs with valid driver's license also affected the smooth running of coordination of the preparations towards the event and during the event.
- c. Flights cancellation – some flights for participants were cancelled thus, participants had to stay extra days after or before the summit.

However, the taskforce committee on ground managed to resolve the minor issues.

f. Recommendations

With the outcome of this year's event and with the confirmation of having the event hosted annually, we have a few recommendations that may guide the team for future hosting of the National Coconut Summit.

- a. Sign MOU with VARTC to carry out researches into innovative products to achieve the 4-10 strategy by 2025.
- b. Establish partnerships with other implementing partners to host future events.



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- c. Improve the research and development division to work towards achieving the 4-10 strategy by 2020.
 - d. Plan a year ahead of the next event to ensure all logistical arrangements suits all participants who will be attending the summit. For example, venue, accommodation of preference, travel dates, panellists, etc.



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First National Coconut Summit

30th to 31st October 2019

Vanuatu Agriculture College, Santo

A. Discussion Summary (meeting minutes)



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1. The first National Coconut Summit was held at the Vanuatu Agriculture College in Luganville, Santo, from the 30th to 31st October 2019.
2. The list of participating Members can be seen in the Annex of the Report. More than 100 participants including Vanuatu authorities, the Coconut Oil Processors, Coconut Farmers and private stakeholders from the country, International Coconut Community (ICC) and Fiji Coconut Expert participated in this forum.
3. The main objectives of the summit were to:
 - i. Bring all stakeholders to discuss the future of the coconut sector from economic, social, environmental and political perspectives;
 1. Come up with agreed outcome that lays out actions needed to make coconut help Vanuatu achieve its national vision, i.e. “stable, sustainable and prosperous Vanuatu”. Such actions may address, among others:
 - Interim evaluation of the implementation of the [Vanuatu National Coconut Strategy 2016-2025](#); specifically objective 5 and 6.
 - Streamlining of initiatives and policy actions of different agencies;
 - Tangible linkages between the coconut sector development and the Sustainable Development Goals (SDGs);
 - ii. Better institutional setting, e.g. a successor to the Vanuatu Commodities Marketing Board, for sustainable and diversified exports of coconut-based products
4. This First National Coconut Summit had six sessions and were moderated by various stakeholders that had experiences and knowledge within the different topics for discussion.
5. The meeting started with a word of welcome from the CEO for the Vanuatu Agriculture College, followed by Department of Industry giving a welcome and introductory remarks to welcome participants and coconut farmers who have interest in the coconut sector.
6. The Honourable Matai Seremaiah, Minister of Agriculture, Livestock, Forestry, Fisheries and Biosecurity (MALFFB) and Acting Deputy Prime Minister gave his keynote speech, an opening remark and at the same declared the opening of Vanuatu’s First National Coconut Forum 2019.
7. The Day 1 sessions began with:

Session 1: Coconut for a better future- where are we?

Session 2: Coconut for better future –where do we want to go?



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Session 3: Coconut for a better future – what do we do to support?

(Refer to annex for meeting minutes/content for each session)

8. Discussions on what actions still to be taken and by who?

The session was facilitated by the Executive Officer for the Ministry of Tourism, Trade, Commerce and Ni-Vanuatu Business (MTTCNVB). Participants were separated into four groups for discussions presented and summarized on the table below.

Actions	Specific Actions
Decentralization	<ul style="list-style-type: none"> i. Planting and replanting of coconut trees in identified locations. ii. Government support to these identified locations iii. Trainings on coconut industry standard extend to the rural areas.
Training and support to SMEs	<ul style="list-style-type: none"> i. Facilitate regular basic business trainings for the farmers ii. Marketing and capacity building trainings for the farmers iii. Assist the farmers in the early processes to production ** iv. Encourage farmers to mass produce for cost minimization. v. Extension program for the Agriculture. Research to identify products demanded by the market and relay information to the farmers to produce for the market. Market dictates what is produced** vi. Facilitate more organic trainings. vii. Trainings and awareness on the production/ value adding: <ul style="list-style-type: none"> - White Copra, - Charcoal - Coconut sugar - Coconut flour - Coconut water
Research, Data and Information sharing for Planning and Decision Making.	<ul style="list-style-type: none"> i. National census in 2020 - Coconut stock uptake – farmers, varieties) ii. More research iii. Information sharing of trade statistics by VNSO to wider public for investment decisions/ planning. iv. More research into the cost structures for the different coconut by products.



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<p>Product Development</p>	<ul style="list-style-type: none"> i. Promote and increase production and marketing of organic products (White copra, Activate charcoal, VCO etc..) ii. Research and encourage product development for use in cosmetic and other high value products. iii. Promote and encourage consumption of Vanuatu made coconut products.
<p>Government Support</p>	<ul style="list-style-type: none"> i. Development of export oriented programs ii. Development of an export strategy and value addition strategy with a defined cost structure. iii. Issue/grant export licenses for coconut product exporters. iv. Strengthening linkages between the farmers and government service providers and coordinate the combined efforts of coconut farmers for mass production and cost minimization. v. Regulate movement of Agriculture Labour involved in RSE schemes. vi. Eliminate copra subsidies and redirect funds to support farmers/processors for investment in the industry. vii. Facilitate duty exemption on equipment for value addition and processing and start- up businesses. viii. Impose export tax to encourage production of copra. ix. Access to credits for the farmers x. Eliminate or reduce the business license fees for small businesses/processors to encourage growth. xi. Increase support to VARTC (Finance and technical) xii. Establishment of the Vanuatu Growers Association with Government support (setting up the structure and provide secretariat support). xiii. Support the review of the Vanuatu National Coconut Strategy. xiv. Support communities with materials and equipment for processing & value addition.

9. The Executive Director to the International Coconut Community (ICC) provided the closing remarks for the first day of the coconut summit.

10. Day two sessions began:

Session 5: Rejuvenating Coconut Production in Vanuatu

Session 6: Access to Finance and Investment

(Refer to annex for meeting minutes/content for each session)



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ANNEXES

CONTENT

- 1) OUTCOME DOCUMENT
- 2) PROGRAMME OF NATIONAL COCONUT SUMMIT
- 3) ATTENDANCE SIGN OFF SHEET (PARTICIPANT LIST)
- 4) IMPREST BREAKDOWN
- 5) MEETING MINUTES/DISCUSSION REPORT



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ANNEX 1

Outcome Document



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BACKGROUND

1. This document reflects a summary of the outcomes of the first National Coconut Summit that was held in Luganville Santo, from the 30th -31st October 2019.
2. The agreed outcomes are part of the consultation process that comprised all key stakeholders including public, private, farmers associations and international experts including the International Coconut Community.
3. National Coconut Summit was to come up with an agreed outcome that lays out actions needed to make coconut help Vanuatu achieve its national vision, i.e. “Stable, sustainable and prosperous Vanuatu”. Such actions may address, among others: ●
Interim evaluation of the implementation of the [Vanuatu National Coconut Strategy 2016-2025](#); specifically, objective 5 and 6.
4. Streamlining of initiatives and policy actions of different agencies;
5. ● Tangible linkages between the coconut sector development and the Sustainable Development Goals (SDGs);
6. Better institutional setting, e.g. a successor to the Vanuatu Commodities Marketing
7. Board, for sustainable and diversified exports of coconut-based products;
8. The consultative meeting mobilized more than 100 participants including Vanuatu authorities, the Coconut Oil Processors, Coconut Farmers and private stakeholders from the country, International Coconut Community (ICC) and Fiji Coconut Expert.
9. The consultative meeting objective discussed the opportunities and challenges for launching an EDZ in Vanuatu based on the lessons learned and practices implemented in Pacific and other countries which developed specific models resulting in economic growth, revenue generation and employment creation.
10. The summit came up with a 4- 10 strategy by 2025. That is to increase the value addition of coconut products from four to ten coconut products by 2025. Now Vanuatu only have four products made out of Coconut which includes:
 - I. Copra
 - II. Virgin Coconut Oil
 - III. Crude Oil



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IV. Feed meal

11. A resolution was agreed as outcome of the Summit that further product diversification into and value add of addition by 2025 are:

- I. White Copra
- II. Virgin Coconut Oil
- III. Coconut Water
- IV. Coconut Milk
- V. Coconut Shell Products
- VI. Charcoal
- VII. Coconut Husks
- VIII. Desiccated coconut/coconut feed meal/ Coconut flour
- IX. Coconut sugar

6. LEGAL FRAMEWORK

- With the discussion and question raised during the six session, the summit noted that there are needs to streamline the following ACT:
 - i. VCMB Act
 - ii. Agriculture Act
 - iii. Vanuatu Primary Producers Authority Industrial Development Act

7. PROMOTE INDUSTRY TECHNOLOGY & ENTREPRENEURSHIP THROUGH PARTNERSHIPS

- i. MOU with Coconut board of Sri Lanka & Philippines
- ii. Dues to ICC (International Coconut Community)
- iii. Collaborate with international partners (UNCTAD, UNDO, FAO, ITC, WIPO etc.)
- iv. Regional partners — MSG, Pacific Community

8. IMPROVE SUPPLY CAPACITY AND QUALITY

- i. Quality or products
- ii. Standards



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- iii. Organic certification
- iv. Trainings
- v. Learn best business practice

RECOMMENDATION

- i. Establish a Coconut Authority from which one of their functions are to organize the summit to assess the progress of the road map. (covered under PPA)
- ii. Better use of subsidy to support Coconut diversification.
- iii. Impose levy on raw copra exports to allow product diversification and improve productivity
- iv. Carry out the Mid Term Review of the National Coconut Strategy, 2016 _2025.
- v. Support to VARTC for Coconut diversification and value addition (Financial, Technical with collaborating R&D Partners/institutions)
- vi. Organized the Coconut Summit annually with support from UNCTAD and other Partners
- vii. Review utility tariffs (electricity/water) for value adding
- viii. Create an Economic infrastructure (EDZ) as incentive to support the diversification of the coconut industry



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ANNEX 2

Programme for the First National Coconut Summit



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07h30

Registration of participants

08h30-09h15

Welcome Remarks

Secretary General, Sanma Provincial Government Council (SPGC)

Opening Remarks

- Jimmy Rantes, Director, Department of Industry, Ministry of Tourism, Trade, Industry, Commerce and Ni-Vanuatu Business (MTTCNVB)
- Video message from Pamela Coke-Hamilton, Director, division on international Trade and Commodities, United Nations Conference on Trade and Development (UNCTAD)

Keynote Addresses:

Hon. Minister Matai Seremaiah Nawalu, Minister for Agriculture, Livestock, Forestry, Fisheries and Bio – Security (MALFFB)

Uron N. Salum, Executive Director, International Coconut Community

Facilitated by Alick Berry, Executive Officer, MTTCNVB

09h15-10h30

Session 1: Coconut for a Better Future - Where are we?

This session sets the scene for the Coconut Summit.

- *Progress of [Vanuatu National Coconut Strategy 2016-2025](#) and challenges facing coconut production (e.g. aging trees, rhino beetles, etc.), Mr. Antoine Ravo, MALFFB*
- *Status of coconut industry development, Mr. Jimmy Rantes, DoI, MTTCNVB*
- *Updates with the Eradication of the Coconut Rhinoceros Beetle, Director Meriam Toalak, Biosecurity Vanuatu*
- Vanuatu Intellectual Property Office (VanIPO), Brittien Yosef

Moderated by [Ambassador Sumbue Antas, Permanent Representative of Vanuatu to UN/WTO, Geneva]

10h30-10h45

Coffee/tea



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10h45-12h00

Session 2: Coconut for a Better Future - Where do we want to go?

Coconut diversification and value addition can contribute to socio-economic development of smallholders in the rural area, including youth and women. But different value-chain actors face different challenges vis-à-vis coconut diversification and value addition. This session discusses:

- *Challenges to farmers*, Farmer Representative, Santo/Sanma Province
- *Challenges to Processors*, Rona Garae/ Robert Bohn
- *Industry experiences*, Coconut Oil Production Santo Ltd (COPSL), Vanuatu Copra Cocoa Exporters (VCCE)
- *Challenges in diversifying into a niche “organic” market*, Miho Shirotori, UNCTAD

Moderated by Moses Amos, Director General, MALFFB

12h00-13h00

Session 3: Coconut for a Better Future – What do we do to support?

This session discusses existing as well as desirable support measures that will enhance the coconut industry’s contribution to a better future.

- Mr. Wensie Naki, Department of Strategic Policy Planning and Aid Coordination
- Naheed Hussein, Coconut Industry Development for the Pacific Programme (CIDP)/SPC
- *Supporting commodity diversification and value addition*, Stefan Csordas, UNCTAD

Moderated by Alick Berry, Executive Officer, MTTCNVB

13h00-14h15

Lunch

14h15-15h45

Session 4: Discussion

First 45 minutes: Participants form small groups to discuss the options put forward in Sessions 1, 2 and 3 and formulate the group’s recommendations on what actions to be taken by whom.

Remaining 45 minutes: Presentation by each group of its recommendations, followed by discussion.



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Moderated by Miho Shirotori, Chief, Global and Regional Trade Analysis Section, UNCTAD

16h00-16h30

Recaps from Day 1

- Recap by Jimmy Rantes, Director, DoI, MTTCNVB
- Comments from the ICC, Uron Salum

DAY 2 – Thursday 31 October 2019

08h30-10h00

Session 5: Rejuvenating Coconut Production in Vanuatu

Improving coconut productivity faces numerous challenges such as aging trees and rhino-beetles. This session hears from experts on innovative approaches and actions needed to tackle the challenges.

- Rohit Lal, Principal Agriculture Officer North, Ministry of Agriculture, Fiji.
- CEO/Deputy CEO, Vanuatu Agricultural Research and Training Center (VARTC)
- Nambo Moses, POETCOM
- Eric Omuru, CIDP/SPC
- *Sustainable development of the coconut sector*, a video presentation by Jean-Pierre Labouisse, French Agricultural Research Centre for International Development (CIRAD)

Moderated by Peter Napwat, CEO, Vanuatu Agriculture College

10h00-10h15

Coffee/tea

10h15-11h30

Session 6: Access to Finance and Investment

Productive investment is a pre-requisite for transforming the coconut sector for better future. This session discusses investment trends and different investment sources.

- Vanuatu Chamber of Commerce and Industry (VCCI)



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- Raymond Vuti, Acting CEO, Vanuatu Investment Promotion Authority (VIPA)
- Sid Boubekour and Ben Tofor, VaVaC TA

Moderated by Ridley Joseph, Director, ORCBDS

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|-------------|--|
| 11h30-12h00 | Concluding Session: Adoption of the Outcome and the Way Forward <ul style="list-style-type: none">• Jimmy Rantes, Director, DoI/MTTCVNB• Miho Shirotori, UNCTAD |
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12h00-13h00	Lunch
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13h00-15h00	Field visit to Vanuatu Agriculture Research Training Centre
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