



## Coconut production and marketing practices in BATA ARC

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### Abstract

The coconut industry plays a crucial role in shaping national development because it is one of the export produce of the country. Also, the demands for virgin coconut oil and coconut biodiesel have re-invigorated the industry both in the domestic and international markets. However, the traditional focus on copra and oil makes farmers vulnerable to market fluctuations, and the struggle of the coconut industry has remained viable. That is why some farmers cut down their coconut trees to sell as lumber, which leads to severe depletion of productive trees. The feasibility study started with identifying the different commodities, prioritization, and selection using different criteria and was participated by the stakeholders. The value chain mapping within the locality was conducted and participated by the stakeholders currently involved in the production of coconut, processing, and trading. Furthermore, data gathering and Focus Group Discussion were employed in crafting the feasibility study. The questionnaire was used in the survey for farmers, people's organizations, traders, processors, and stakeholders. The BATA ARC coconut farmers get their coconut planting materials primarily within their locality. They do not necessarily apply fertilizer unless given by some agricultural agency. Their harvesting frequency varies; some can harvest thrice or four times, and the majority hired labor to do the harvesting. Regarding marketing, the products will be sold directly to the regular buyer. Although the farmer sets their own price, most of the time, the buyer will set the price of the products. It is also practiced among some farmers to have cash-advance in the buyer.

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**Introduction**

The Department of Agrarian Reform (DAR) has designed the Convergence on Value Chain Enhancement for Rural Growth and Empowerment (ConVERGE) Project to enhance the participation of Agrarian Reform Beneficiaries (ARBs) and other smallholder farmers in the value chain by facilitating their engagement in agribusiness partnerships with the private sector. The project's ultimate goal is to increase the farmers' productivity, the income of beneficiary households, and employment and livelihood opportunities in the Agrarian Reform Communities (ARCs).

The coconut industry plays a crucial role in shaping national development because it is one of the export produce of the country. Also, the demands for virgin coconut oil and coconut biodiesel have re-invigorated the industry both in the domestic and international markets. However, the traditional focus on copra and oil makes farmers vulnerable to market fluctuations, and the struggle of the coconut industry has remained viable. That is why some farmers cut down their coconut trees to sell as lumber, which leads to severe depletion of productive trees. Hence the study will assess the feasibility of coconut expansion in BATA ARC.

**Materials and methods**

The conduct of feasibility study started with the identification of the different commodities, prioritization, and selection using different criteria and was participated by the different stakeholders, namely, the Local Government Unit, Philippine Coconut Authority, Municipal Agriculture Officer, representatives from the different cooperatives, Department of the Agrarian Reform both municipal and regional offices and the farmers.

The secondary crop which was chosen is coconut. The value chain mapping within the locality was conducted and participated by the stakeholders currently involved in the production of coconut, processing, and trading. Furthermore, data gathering and Focus Group Discussion were employed in crafting the feasibility study. The questionnaire was used for the following groups: farmers, people's organizations, traders,

processors, and stakeholders. The consultant utilized secondary data and reference material given by the Department of Agrarian Reform office, research findings, and other reports published.

**Results and discussions**

There are approximately 157 coconut farmers in BATA ARC. Barangay San Jose has the highest number of farmers (37 or 23.57%), followed by barangay Causwagan (25 or 15.92), then barangay Malixi and Javier (20 or 12.747%), barangay Wakat (16 or 10.19%), barangay Sayon (15 or 9.55%), barangay Sudlon (11 or 7.07%), barangay Manambia (7 or 4.46%), and barangay Batunan (6 or 3.82%) as shown in table 1.

Most of the family members in BATA ARC have 1-5 members (93 or 59.23%), while some have 6 to 10 members (64 or 40.76%). Also, males are dominating among the farmers (112 or 71.33%), although there are also a few females (45 or 28.66%).

**Table 1.** Population and Demographic profile of BATA ARC coconut farmers

Characteristics	Number	Percentage (%)
Population per Municipality		
Brgy. Javier	20	12.74
Brgy. Wakat	16	10.19
Brgy. Sudlon	11	7.06
Brgy. San Jose	37	23.57
Brgy. Sayon	15	9.55
Brgy. Manambia	7	4.46
Brgy. Malixi	20	12.74
Brgy. Causwagan	25	15.92
Brgy. Batunan	6	3.82
Total	157	100
Family Member		
1-5	93	59.23
6-10	64	40.76
Total	157	100
Gender		
Male	112	71.33
Female	45	28.66
Total	157	100

*Background in coconut farming*

About 100 (63.69%) of the respondents are members of the association/cooperative, while 57 (36.30%) are not. Coffee is the primary commodity of the farmers, while coconut is ranked as their secondary commodity.

**Table 2.** Background in coconut farming

	Number of respondents	Percentage (%)
Number of years in farming		
1-5	2	1.27
6-10	7	4.45
11-15	14	8.91
16-20	16	10.19
26-30	15	9.55
31-35	12	7.64
36 beyond	91	57.96
Total	157	100
Farm size (ha)		
1-5	132	84.07
6-10	15	9.55
11-15	6	3.82
26-30	3	1.90
31	1	0.63
Total	157	100
Source of Planting Materials		
Locality	133	84.71
DA	20	12.73
PCA	4	2.54
Total	157	100
Source of fertilizers		
DA	50	31.84
No fertilizer applied	107	68.15
Total	157	100.00

Regarding the number of years in production, 91 (57.96%) said they are in 36 years or more engrossed in coconut production. Sixteen (10.19%) respondents said they are already 16-20 years and 26-35 years in farming, and 23 (14.64%) of the respondents are already in 1-15 years.

Farmers have three possible sources of their planting material: these are within the locality, the

Department of Agriculture (DA), and the Philippine Coconut Authority (PCA). The majority of the farmer source coconut seedlings within their locality (133 or 84.71%); others are given by the Department of Agriculture (20 or 12.73%) and the Philippine Coconut Authority (4 or 2.54%).

Regarding fertilizer management, most respondents do not apply fertilizer (107 or 68.15%). However, 50 (31.84%) of the respondents said that the Department of Agriculture gave them fertilizer, which is their only source of fertilizer for the farm.

**Table 3.** Background in coconut harvesting in BATA ARC

	Number of respondents	Percentage (%)
The volume of Production (kg)		
100-1,000	139	88.53
1,001 above	18	11.46
Total	157	100
Frequency of harvesting		
Three times a year	116	73.88
Fourth times a year	41	26.11
Total	157	100
Needed laborers		
1-5	98	62.42
6-10	51	32.48
11-15	8	5.09
Total	157	100
Source of labor for harvesting		
Owned labor	106	67.51
Association labor	51	32.48
Total	157	100
Paid amount per plant (Php)		
5.00	17	10.82
6.00	38	24.20
7.00	28	17.83
8.00	74	47.13
Total	157	100
Paid amount per day (Php)		
250.00	35	22.29
300.00	78	49.68
Sharing	44	28.02

system (60%- owner, 40%- laborer)		
Total	157	100

**Background in coconut harvesting in BATA ARC**

Most farms are accessible (139 or 88.53%) by motor. However, 18 (11.46%) of the respondents said that their area is not accessible.

Most of the farmers (139 or 88.53%) can harvest coconut in a range of 100 to 1,000 kg, while others (18 or 11.46%) have 1,001 kg and above (table 3). Regarding the number of times the farmer can harvest in a year, 116 (73.88 %) of the respondents said they could harvest thrice a year, while 41 (26.11 %) said they could harvest four times. During harvesting, they will hire 1-5 numbers of laborers (98 or 62.42%), others need 6-10 (51 or 32.48%), and there are also others (8 or 5.09%) that need 11-15 laborers to help them in harvesting the coconut. Their primary source of labor is they will hire or look on their own (106 or 67.51%) whoever is available to perform the job, but others will seek help from the organization/association (51 or 32.48%).

The amount as payment in harvesting can be done either per tree, per day, or in a sharing system which is 60% for the owner and 40% for the laborer. For per tree, the owner will pay either 8.00 (74 or 47.13 %), 7.00 (28 or 17.83%), 6.00 (38 or 24.20%), or 5.00 (17 or 10.82%). If they are on a per-day basis, the amount that will be paid is either 300.00 (78 or 49.68 %), 250.00 (35 or 22.29%), or sharing system of 60% to the owner and 40% to the laborer (44 or 28.02%).

**Table 4.** Price of coconut

Coconut price per kilogram (Php)	Number of respondents	Percentage (%)
16.00 – 18.00	42	26.75
19.00 – 21.00	114	72.61
22.00 above	1	0.63
Total	157	100

**Marketing practices of coconut in BATA ARC**

The products will be sold directly to the regular buyer. Generally, the farmers sell their produce for 19.00-21.00 per kilogram (114 or 72.61%); others will be sold for 16.00-18.00 per kilogram (42 or 26.75%), while there are others can be sold up to 22.00 and above price (1 or .63%). Nevertheless, most of the time, the buyer will set the price of the products. It is also practiced among some farmers (107 or 84.92%) to have cash-advance in the buyer.

**Table 5.** Constraints in coconut production

	The number of respondents	Percentage (%)
Fertilizer	102	64.96
Cost		
Market Price	42	26.75
Maintenance	13	8.28
Total	157	100

**Constraints in coconut production**

The farmer's constraints in coconut production are the higher cost of the fertilizer (102 or 64.96%) of the respondents, market price (42 or 26.75%), remarkably the lower price of coconut meat, and maintenance (13 or 8.28%) in the farm.

**Conclusion**

The BATA ARC coconut farmers get their coconut planting materials primarily within their locality. They do not necessarily apply fertilizer unless given by some agricultural agency. Their harvesting frequency varies; some can harvest thrice or four times, and the majority hired labor to do the harvesting. Regarding marketing, the products will be sold directly to the regular buyer. Although the farmer sets their price, the buyer will usually set the price of the products. It is also practiced among some farmers to have cash-advance in the buyer.

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