



Foreign Agricultural Service

**GAIN Report**

Global Agriculture Information Network

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GAIN Report #RP0008

## **Philippines**

### **Oilseeds and Products**

#### **Copra and Copra Products PSD Update**

**2000**

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#### **Report Highlights:**

**Lingering effects of the El Nino brought down copra output in MY98/99 resulting in a considerable decline in copra and copra products domestic consumption and exports. Copra production will increase in MY99/00 and recovery is expected to be more pronounced in MY00/01. Exports and domestic consumption of copra and copra products in MY99/00 and MY00/01 are expected to increase commensurate to the improvement in copra output.**

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Includes PSD changes: Yes

Includes Trade Matrix: No

Unscheduled Report

Manila [RP1], RP

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**Executive Summary**

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Copra production in MY98/99 was adjusted downwards based on estimates of the United Coconut Associations of the Philippines (UCAP) for calendar year 2000. Domestic consumption was revised due to the downward adjustment in production.

The Philippine Coconut Authority (PCA) expects full recovery of coconut trees in the later part of this year and copra output to reach 2.0 to 2.2 million MT. About 65 percent of total copra production is realized in the second semester of each year and extended rainfall due to the La Nina weather disturbance will pose some drying problems. On a market year basis, Post predicts copra production to remain below the 2 million ton level in MY99/00. Copra output will likely reach 2 million tons the following market year or in MY00/01.

Due to the adjustments in copra output, copra meal and coconut oil production levels were adjusted accordingly. Because coconut meat per nut will likely be less due to the El Nino drought of 1997/98, meal and oil extraction rates were adjusted downwards beginning MY98/99 gradually increasing through MY00/01. Normal meal and oil extraction rates are 32 and 63 percent, respectively.

Copra meal consumption was adjusted upwards in MY98/99 to accommodate spoilage losses due to prolonged storage and off-season rains. Copra meal normally can be stored for a maximum period of 30 days only and a substantial volume of copra meal stocks will likely eventually end up as waste. Copra meal consumption will likely be flat in MY99/00 compared to the previous year and then increase the following market year.

Total domestic coconut oil consumption likewise was pared down in MY98/99 due to decreased oil production. There was a considerable drop in industrial consumption as a result of the economic slowdown of 1998. It was only in the third quarter of 1999 that industrial output marginally grew (0.2 percent) breaking a stretch of five consecutive quarters of year-on-year decline. Food use consumption also declined slightly due to tight supplies of coconut oil. Blending of coconut oil with other oils (soybean oil, palm kernel oil) likely was resorted to. The following year, coconut oil consumption is expected to recover led by a rebound in industrial consumption.

Copra meal and oil exports in MY98/99 were adjusted based on preliminary data from the UCAP but are based to increase in MY99/00 onwards as a result of improved copra supply.

PSD Table						
Country	Philippines					
Commodity	Oilseed, Copra		(1000 HA)(1000 TREES)(1000 MT)			
	Revised	1998	Prelim.	1999	Forecast	2000
	Old	New	Old	New	Old	New
Market Year Begin		10/1998		10/1999		10/2000
Area Planted	3050	3050	3050	3050	0	3050
Area Harvested	2950	2900	2950	2900	0	2900
Trees	284000	283500	284000	283500	0	283500
Beginning Stocks	25	25	25	25	25	45
Production	1550	1350	2150	1800	0	2000
MY Imports	0	0	0	0	0	0
MY Imp. from U.S.	0	0	0	0	0	0
MY Imp. from the EC	0	0	0	0	0	0
TOTAL SUPPLY	1575	1375	2175	1825	25	2045
MY Exports	0	0	0	0	0	0
MY Exp. to the EC	0	0	0	0	0	0
Crush Dom. Consumption	1550	1350	2150	1780	0	1990
Food Use	0	0	0	0	0	0
Feed,Seed,Waste Dm.Cn.	0	0	0	0	0	0
Total Dom. Consumption	1550	1350	2150	1780	0	1990
Ending Stocks	25	25	25	45	0	55
TOTAL DISTRIBUTION	1575	1375	2175	1825	0	2045
Calendar Year Imports	0	0	0	0	0	0
Calendar Yr Imp. U.S.	0	0	0	0	0	0
Calendar Year Exports	0	0	0	0	0	0
Calndr Yr Exp. to U.S.	0	0	0	0	0	0

PSD Table						
Country	Philippines					
Commodity	Meal, Copra		(1000 MT)(PERCENT)			
	Revised	1998	Prelim.	1999	Forecast	2000
	Old	New	Old	New	Old	New
Market Year Begin		10/1998		10/1999		10/2000
Crush	1550	1350	2150	1780	0	1990
Extr. Rate, 999.9999	0.325161	0.314815	0.325116	0.317416	0	0.319095
Beginning Stocks	117	117	87	133	0	138
Production	504	425	699	565	0	635
MY Imports	0	0	0	0	0	0
MY Imp. from U.S.	0	0	0	0	0	0
MY Imp. from the EC	0	0	0	0	0	0
TOTAL SUPPLY	621	542	786	698	0	773
MY Exports	444	299	558	450	0	500
MY Exp. to the EC	380	139	0	300	0	325
Industrial Dom. Consum	0	0	0	0	0	0
Food Use Dom. Consum.	0	0	0	0	0	0
Feed Waste Dm. Consum	90	110	123	110	0	130
TOTAL Dom. Consum.	90	110	123	110	0	130
Ending Stocks	87	133	105	138	0	143
TOTAL DISTRIBUTION	621	542	786	698	0	773
Calendar Year Imports	0	0	0	0	0	0
Calendar Yr Imp. U.S.	0	0	0	0	0	0
Calendar Year Exports	0	260	0	430	0	470
Calndr Yr Exp. to U.S.	0	0	0	0	0	0

PSD Table						
Country	Philippines					
Commodity	Oil, Coconut			(1000 MT)(PERCENT)		
	Revised	1998	Prelim.	1999	Forecast	2000
	Old	New	Old	New	Old	New
Market Year Begin		10/1998		10/1999		10/2000
Crush	1550	1350	2150	1780	0	1990
Extr. Rate, 999.9999	0.630323	0.625926	0.630233	0.626404	0	0.628141
Beginning Stocks	9	9	9	14	0	19
Production	977	845	1355	1115	0	1250
MY Imports	0	0	0	0	0	0
MY Imp. from U.S.	0	0	0	0	0	0
MY Imp. from the EC	0	0	0	0	0	0
TOTAL SUPPLY	986	854	1364	1129	0	1269
MY Exports	657	555	1000	770	0	850
MY Exp. to the EC	380	190	380	320	0	350
Industrial Dom. Consum	100	70	120	115	0	125
Food Use Dom. Consum.	200	195	210	200	0	205
Feed Waste Dm. Consum	20	20	20	25	0	30
TOTAL Dom. Consum.	320	285	350	340	0	360
Ending Stocks	9	14	14	19	0	59
TOTAL DISTRIBUTION	986	854	1364	1129	0	1269
Calendar Year Imports	0	0	0	0	0	0
Calendar Yr Imp. U.S.	0	0	0	0	0	0
Calendar Year Exports	0	475	0	750	0	780
Calndr Yr Exp. to U.S.	0	200	0	300	0	320