

Column for Manila Bulletin
MANNY VILLAR
October 18, 2011

Of Trees and Forest

Coconut Farmers

MANILA, Philippines — The situation in the coconut industry presents a good opportunity for the conditional cash transfer program or CCT to make a lasting impact.

Consider the following data from the Philippine Coconut Authority: About 3.1 million hectares out of the country's 12 million hectares of agricultural lands are devoted to coconut. Coconut farmers number about 3.5 million. The Philippines accounts for 59 percent of the world's total coconut exports. Exports of copra and other coconut products generate an average of \$760 million a year. And in addition, coconut farmers are among the poorest of the poor in the Philippines, together with subsistence fishermen.

One criticism against the CCT is that it appears like a doleout program because it does not encourage the beneficiaries to seek employment.

This will not happen, I believe, if the program is applied to the coconut sector because the cash that will be given to farmers will serve as an incentive to plant new coconut trees.

The Philippine Coconut Authority (PCA) reports that 44.8 million or 14 percent of our 320 million coconut trees are over 60 years old and must be replaced. Coconut trees produce 50 to 65 nuts a year at their peak (seven to 25 years), after which production declines, which means less income for the farmers.

The PCA is already implementing a program to encourage replanting. The agency gives farmers a cash incentive of R7 per seed nut planted, another R7 for every seedling that grows to at least two feet within five months. If the seedling grows to a meter high during the rainy season, the farmer gets another R16. That's a total additional income of R30 per seedling, too small to create a significant impact on the poverty level in the coconut farming communities.

So I am supporting the PCA's efforts to include coconut farmers in the CCT program. I understand the agency has drafted a memorandum of agreement with the Department of Social Welfare and Development to make it happen.

At present, the CCT program does not have an exit strategy. It is not clear what will happen to its beneficiaries when the cash starts coming after the program expires.

In the coconut sector, the trees that are planted as part of the CCT will continue to grow and bear nuts long after the CCT ends, providing a permanent source of income to farmers.

With coconut farmers as beneficiaries, the CCT will accomplish several things: it will revitalize the coconut sector, generate economic activity, create employment, and alleviate poverty.

Implementing the CCT program in the coconut sector will also correct, even partially, the inequity in our agricultural programs. For instance, billions are being spent to subsidize rice farming to achieve the self-sufficiency program. And billions more are being spent to import rice to cover the shortfall from local production.

It is time, and it is urgent, that coconut farmers should be given the attention and the support that they deserve and need.

Including them in the CCT program will be a good step toward that direction.

(For feedback: mbv_secretariat@yahoo.com)

LINK:

<http://mb.com.ph/node/338234/coconut-farmer>