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Philippines to revitalize coconut industry sector and boost export strategies

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Philippines Agriculture Secretary Francisco P. Tiu Laurel Jr. underscored the urgency of the call of President Ferdinand Marcos Jr. for the amendment of the Coconut Farmers and Industry Trust Fund Act, saying it is vital for the revitalization of the coconut sectorâ??the countryâ??s top agricultural export earner.

Tiu Laurel recommended revising the law in order to direct the trust fund's resources to the most critical needs--particularly replanting. Coconut trees are rapidly aging, and without immediate replacement, the industry is at risk, he urged

Coconut trees over 50 years old produce less than half the potential yield of younger trees, which stands at around 80-100 nuts a year. While the fruit-bearing capacity of older trees may be temporarily boosted with salt fertilization, replanting is the only long-term solution to sustain the viability of the coconut sector.

Around 3 million farmers working across 3.6 million hectares, the Philippines is the worldâ??s second-largest coconut producer and exporter, after Indonesia. The sector, however, is underperforming: only 134 processing plants are operatingâ??many at just 50 percent capacityâ??and 60 oil mills remain well below their combined capacity of 3.7 million metric tons due to lower farm yields.

Tiu Laurel emphasized that these reforms go beyond boosting productivityâ??they aim to secure the livelihoods of millions of Filipino c
term sustainability.

In 2024, despite El NiÃ±o, the Philippine Coconut Authority (PCA) managed to plant 8.6 million seedlings exceeding the 8.5 targetâ??quadruple the previous two-year average. Still, this falls short of President Marcosâ??s vision to plant 100 million coconut trees by 2028.

For 2025, the government has allocated P1 billion for planting/replanting and P1.8 billion for fertilization. But to truly scale the effort, the P80-billion trust fund must be refocused toward high-impact programs that lift productivity and farmer incomes. The proposed amendment will allow greater flexibility to ensure a more responsive and adaptive approach to the evolving needs of coconut farmers and the industry.

Aside from massive and sustained replanting, said Secretary Tiu Laurel, the amendment to the trust fund also allow the PCA to focus on providing drip irrigation, water impounding, fertilization and farmers welfare.

â??Weâ??ve consulted with agencies, farmer groups, and stakeholders to ensure the amendments to the Coconut Farmers and Industry Trust Fund Act reflect the sectorâ??s growing needs,â? said PCA Administrator Dexter Buted