टी.के. जोस भा प्र से
अध्यक्ष
T.K. JOSE IAS
CHAIRMAN

नारियल विकास बोर्ड
(कृषि मंत्रालय, भारत सरकार)
COCONUT DEVELOPMENT BOARD
(Ministry of Agriculture, Government of India)
केरा भवन, कोची – 682 011, भारत
Kera Bhavan, Kochi – 682 011, India

DO No. 0101/48/MKG-2012 8.10.2012

**Sub: Promoting new initiative products from coconut trees - Neera, palm sugar, palm syrup and honey –reg.**

***Hearty Greetings from Coconut Development Board !***

The coconut farmers in the country are reeling under a severe price crash which seems to be prolonging even beyond the normal period. Various measures have been initiated by Government of India and the state Governments in major coconut growing states to tide over the crisis since January 2012. One of the major factors that contributes to this price crisis is the fact that processing of coconut is confined to conversion into copra and coconut oil, in spite of coconut being a crop of multifarious uses. Hence the pricing of coconut and copra has always been influenced by the prevailing prices of coconut oil in the domestic and international markets. India, being a country deficient in edible oils, coconut oil prices, in turn, are impacted by the fluctuations in the prices of other edible oils. Thus the price of coconut is highly dependent on prices of other edible oils. In the globalised market, with regional trade agreements like SAARC, SAFTA, ASEAN etc working towards a free market, low to zero import duties on palm oil, lack of trade restrictions etc are facilitating large scale import of edible oils, especially palm oil, and thereby the price fall in coconut is likely to be repetitive phenomenon. It is high time to get the price of coconut out from heavy negative impact of oil prices. It is in this context that the Board would like to put forth to your kind attention the prospects of Neera.

As you are aware, Neera is the non-alcoholic, mineral rich and nutritious health drink from the vascular sap of the immature inflorescence of coconut which can be promoted due to its potential for value addition, employment generation and better returns to the coconut farmers. Production of Neera is already undertaken in the State of Maharashtra. Potential of the products that can be produced from the inflorescence sap and the revenue generation is detailed in the note attached herewith. All major coconut growing countries like Srilanka, Indonesia, Phillippines, Malaysia, Thailand and Vietnam have gone much ahead in Neera production and value addition. A wide variety of value added products like "coconut syrup", crystal sugar and jaggery can be produced from Neera. These products have huge prospects in the domestic and international markets owing to the health and nutritive attributes of the products. All the major coconut-growing countries of the world like Phillippines, Thailand, Indonesia and our neighbouring country Srilanka have exploited the potential of this product in the domestic and export market. Last year the production of coconut palm sugar from Neera had crossed 6 lakh tones in Indonesia alone; of which 25% was exported to USA.

The major hurdle in the production of Neera and other products like coconut palm sugar is that even though Neera contains zero alcohol, license is to be taken for the tapping of the inflorescence. Neera, coconut sugar, coconut palm jaggery, coconut flower syrup etc are exported by the producing countries world wide. The products are even being imported to India, with zero duty and made available in the retail stores in the country. When such conditions prevail owing to the opening up of the economy, there is no logic and rationale in restricting the production of Neera and other value added products. It is high time that the tapping of coconut inflorescence be undertaken so that the potential for value added products from Neera can be exploited in the domestic and export markets.

Coconut Development Board is in the process of establishing **Coconut Producer Societies (CPS)** in the major coconut growing regions, of which over 1609 CPS have already been formed. The CPS are registered charitable societies, with 40-100 member farmers, who associate together as a group for undertaking production, processing and marketing of coconut in a sustainable manner. Board intends to integrate 15-25 CPSs to form a **Coconut Producers Federation (CPF)** and integrate 10 federations to form a **Producer Company** with 51% share holding by coconut farmers. The formation of 30 Federations have already been completed. The first Producer Company will be launched during this year.

Board intends to form at least 500 CPS in the state of Maharashtra in the initial phase and integrate them to form CPF. Under the auspices of well functioning Coconut Producer Societies and their Federations, production of Neera, coconut palm jaggery, syrup and sugar can be undertaken by issuing them license. The export market also offers huge potential for such value added products. CDB being the Export Promotion Council for the export of coconut and coconut products(other than coir), promotion of export will bring in more foreign exchange.

Board proposes that Neera be sold only in processed, preserved and packaged form and as other value added products so as to ensure the quality and consistency of the product. The coconut bioparks under the auspices of the State Government can be also be thought of which will also aid in enabling hygienic production, preservation and packaging of Neera and other products like coconut palm sugar. In a state Like Maharashtra, where industries are being promoted to enable developments in the fields of economic and social development, coconut needs to be put in the forefront. And the best potential option is products like Neera, coconut palm sugar, palm jaggery, coconut syrup etc which are highly nutritive, healthy, rich in minerals and have an established growing market, both domestic and international.

Under the above circumstances, once again it is requested for initiating a conducive policy to well functioning and federated Coconut Producers Societies(CPSs) which are registered with CDB for the production of Neera, coconut sugar, coconut honey, syrup etc. Such a policy will result in ensuring coconut farmers a better income, diversifying into various value added products with health attributes and generation of rural employment and rural income. **Policy decisions at the Government level may kindly be considered for issuing license to well functioning and federated Coconut Producers Societies for tapping of the coconut inflorescence for the production of Neera, coconut palm sugar etc.**

This matter may kindly be brought to the notice of the Hon'ble Horticulture Minister for an early positive decision

Yours sincerely,

(T. K. Jose)

To

Dr. Kalyankar
Private Secretary to the
Hon'ble Minister of State for Horticulture
Ministry of Horticulture,
Government of Maharashtra.

टी.के. जोस भा प्र से
अध्यक्ष
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Yours sincerely,

(T. K. Jose)

To

Shri. S.K. Goel IAS
Additional Chief Secretary
Government of Maharashtra
Manthralaya, Mumbai.
Ph. 022-22025357.