



TOGETHER
for a sustainable future

OCCASION

This publication has been made available to the public on the occasion of the 50th anniversary of the United Nations Industrial Development Organisation.



TOGETHER
for a sustainable future

DISCLAIMER

This document has been produced without formal United Nations editing. The designations employed and the presentation of the material in this document do not imply the expression of any opinion whatsoever on the part of the Secretariat of the United Nations Industrial Development Organization (UNIDO) concerning the legal status of any country, territory, city or area or of its authorities, or concerning the delimitation of its frontiers or boundaries, or its economic system or degree of development. Designations such as “developed”, “industrialized” and “developing” are intended for statistical convenience and do not necessarily express a judgment about the stage reached by a particular country or area in the development process. Mention of firm names or commercial products does not constitute an endorsement by UNIDO.

FAIR USE POLICY

Any part of this publication may be quoted and referenced for educational and research purposes without additional permission from UNIDO. However, those who make use of quoting and referencing this publication are requested to follow the Fair Use Policy of giving due credit to UNIDO.

CONTACT

Please contact publications@unido.org for further information concerning UNIDO publications.

For more information about UNIDO, please visit us at www.unido.org



TOGETHER
for a sustainable future

OCCASION

This publication has been made available to the public on the occasion of the 50th anniversary of the United Nations Industrial Development Organisation.



TOGETHER
for a sustainable future

DISCLAIMER

This document has been produced without formal United Nations editing. The designations employed and the presentation of the material in this document do not imply the expression of any opinion whatsoever on the part of the Secretariat of the United Nations Industrial Development Organization (UNIDO) concerning the legal status of any country, territory, city or area or of its authorities, or concerning the delimitation of its frontiers or boundaries, or its economic system or degree of development. Designations such as “developed”, “industrialized” and “developing” are intended for statistical convenience and do not necessarily express a judgment about the stage reached by a particular country or area in the development process. Mention of firm names or commercial products does not constitute an endorsement by UNIDO.

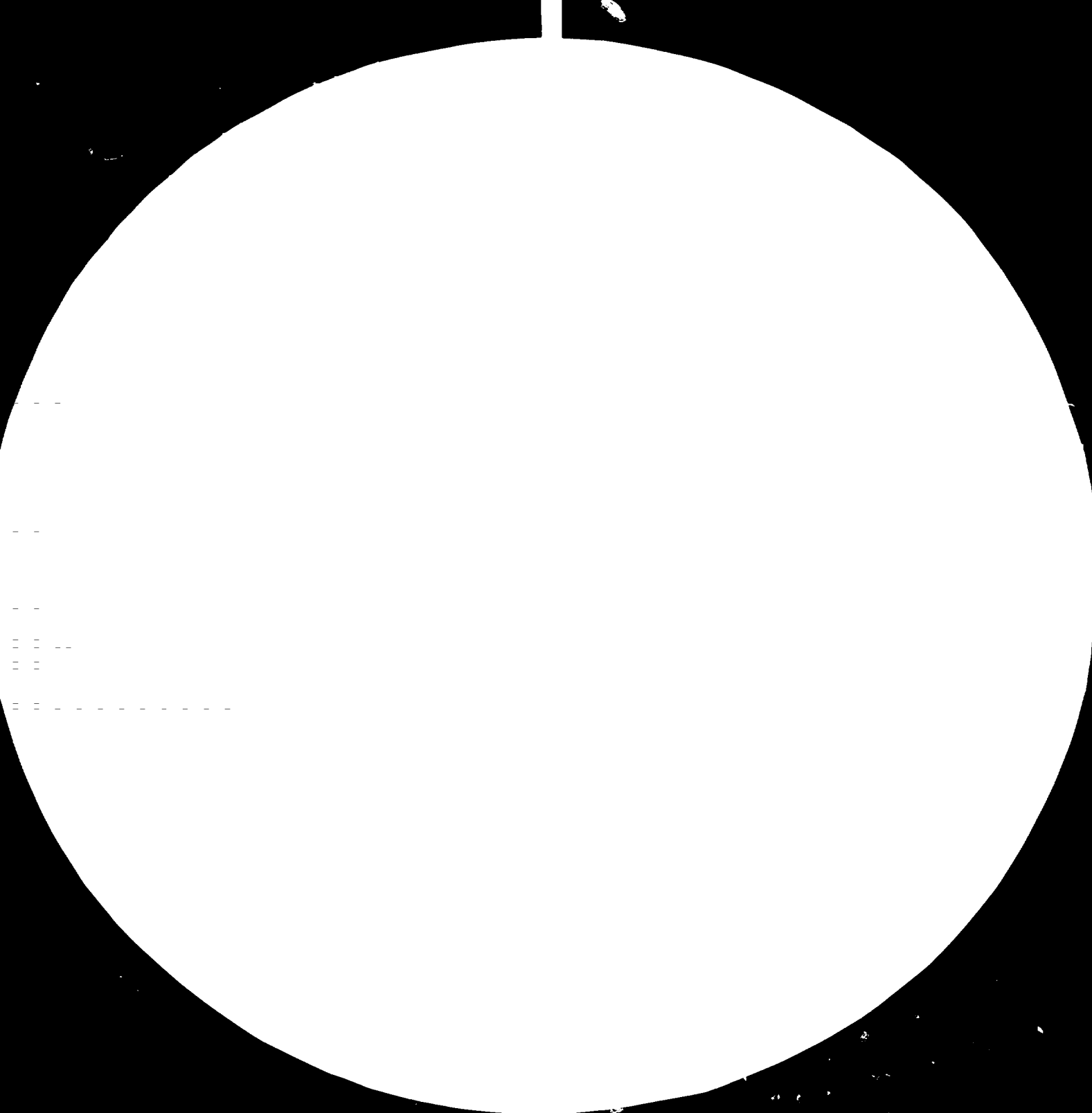
FAIR USE POLICY

Any part of this publication may be quoted and referenced for educational and research purposes without additional permission from UNIDO. However, those who make use of quoting and referencing this publication are requested to follow the Fair Use Policy of giving due credit to UNIDO.

CONTACT

Please contact publications@unido.org for further information concerning UNIDO publications.

For more information about UNIDO, please visit us at www.unido.org





2.8

3.2

3.6

4.0

Minimum Resolvable Frequency (cycles/mm)

1.0 1.1 1.25 1.4 1.6 1.8 2.0 2.2 2.8 3.2 3.6 4.0

1.0 1.1 1.25 1.4 1.6 1.8 2.0 2.2 2.8 3.2 3.6 4.0

1.0 1.1 1.25 1.4 1.6 1.8 2.0 2.2 2.8 3.2 3.6 4.0

11

11

10656

UNITED NATIONS INDUSTRIAL
DEVELOPMENT ORGANIZATION

Distr.
LIMITED

UNIDO/IO.450
13 August 1981

ENGLISH

REVIEW OF THE VEGETABLE OILS AND FATS INDUSTRIES SECTOR OF THE
PACIFIC REGION^{1/}

DP/RAS/79/031

COUNTRY REPORT ON FIJI

Prepared for the Government of Fiji by the United Nations
Industrial Development Organization in co-operation with
the International Trade Centre UNCTAD/GATT.

Based on the work of J. R. Santhiapillai and G. P. Yeats.

^{1/}This document has been reproduced without formal editing.

C O N T E N T S

	<u>Page</u>
Recommendations	1
Project Background	2
Acknowledgments	3
Map	4
Country Facts	5
General	6
Coconut Production	7
Copra Production	9
Dessicated Coconut and Coconut Cream	11
Copra Milling	11
Oil Refining	14
Soap Making	15
Fiji Meat Industry Board	16
Animal Feeds	16
<u>Tables</u>	
Balance of Trade	17
Exports of Selected Items	18
Coconut Oil Production & Exports & Copra Cake Exports	19
Export Value of Coconut Products	20
Imports of Selected Items	21
Soap & Detergent Market	22
Tariffs	23
International price of selected oils and oil seeds	24
World Trade - Major Importing Countries	25
Persons Interviewed	26
References	27

FIJI

RECOMMENDATIONS

- 1) The coconut industry has been neglected and for its survival a proper replanting and rehabilitation programme will have to be organised on the lines of the FAO report made in 1980.
- 2) The quality of the copra has steadily deteriorated and grading standards dropped considerably. Detailed study of the costs involved in grading operations should be undertaken and grading stations improved.
- 3) The copra produced in other Pacific islands could very profitably (for both countries) be imported into Fiji. This is so particularly as regards Kiribati, Tuvalu, Tonga and Western Samoa. This should be undertaken as a top priority as otherwise not only would the oil mills be running at low capacities but also the Animal Feed industry will run short of copra meal, and feedstuffs will have to be imported.
- 4) In the soap industry more expertise is needed to incorporate more coconut oil for soap making instead of imported tallow. Glycerine as a by-product could be recovered without going to waste as in one soap factory.
- 5) The soap stock produced in refining Soyabean oil is now being discarded as waste in Fiji Foods Limited. This should be utilised in soap making.
- 6) Fiji Foods Limited should expand the production of Vanaspati and margarines as the equipment is already available and further produce specialised fats for biscuits, bread, ice cream etc.
- 7) Sales of refined coconut oil for cooking should be promoted so as to replace expensive imported soya bean oil and the agricultural department could determine the feasibility of growing soyabeans, peanuts etc.
- 8) It is recommended that a Regional Coconut & Coconut By-Products Expert be stationed in Fiji to coordinate and disseminate information to all the countries in the Pacific Region and also to provide technical help and guidance in the manufacture of soaps, glycerine, shampoos, refined oils, specialised fats etc. using coconut oil as the main ingredient. This expertise is sadly lacking even though the economies of the countries in the Pacific Region is greatly dependent on the coconut industry.

INTRODUCTION

1. Project Background and Justification

The first consultation meeting of the Vegetable Oil and Fats Industry was held in Madrid from 12 to 16 December 1977.

This meeting convened by UNIDO in pursuance of the Lima Declaration and Plan of Action and General Assembly Resolution 3362, is part of its efforts to promote co-operation in raising the overall level of industrial production in developing countries. The meeting made a series of follow-up recommendations relating, inter-alia, to global policy for increased international and technical co-operation between the developed and the developing countries and among the developing countries themselves, and for specific follow-up action, both short-term and long-term.

UNIDO decided to carry out, through expert services, evaluation studies of the potential of the vegetable oil industries sector in a selected number of developing countries. This evaluation country study was to assess and evaluate the existing situation in the countries to be covered with regard to the availability and utilization of oil-bearing materials (including the raw material potential), the domestic market situation (present demand) in vegetable oils and protein cake/meals and the present status of the vegetable oil industry. In fulfilment of the above decision, a UNIDO consultant on edible oils made a study of Western Samoa from November 20 to December 4, 1978.

Since the Pacific region is agronomically suitable for production of oil producing species, coconuts and oil palm, such raw materials offer one of few available possibilities for integrated agro-industrial development; vegetable oils and fats, detergents, cosmetics, protein cake/meals, livestock feed and further spinoffs and linkages with the agricultural sector.

It was agreed during the UNDP/ESCAP/SPC/SPEC Inter-Country Programming Meeting held in Suva in February 1979, that this type of study should be made into a Regional Pacific Project.

SPEC would like to see the explicit accord recognition to the concept that effective regional co-operation could be a positive means of reducing costs and rationalising development in the Pacific.

2. Objective.

Development Objectives: The long term objective of this regional project is the promotion of regional self-sufficiency in production, processing and related agro-industrial development of vegetable oils and fats.

The study is to assess and evaluate the existing situation with regard to the availability and utilization of oil bearing raw materials and the raw material potential, the domestic market situation demands for a vegetable oil industry, protein/cake and the status of the vegetable oil industry at present in operation with a view to its further technical technological, and alternative development. It should provide specific long range recommendations towards improving the export of vegetable oils and fats, and provide marketing strategies in relation to present export patterns.

Immediate objective: The immediate objective is to recommend methods that can be applied for improving local production and distribution and to provide a marketing diagnosis which will stimulate better export strategy which can be implemented in the immediate future.

Whenever applicable, the study should also consider evaluating oils and fats from animal sources and the possibility of developing viable production and import substitutions.

3. Project

In fulfilment of the above, two consultants

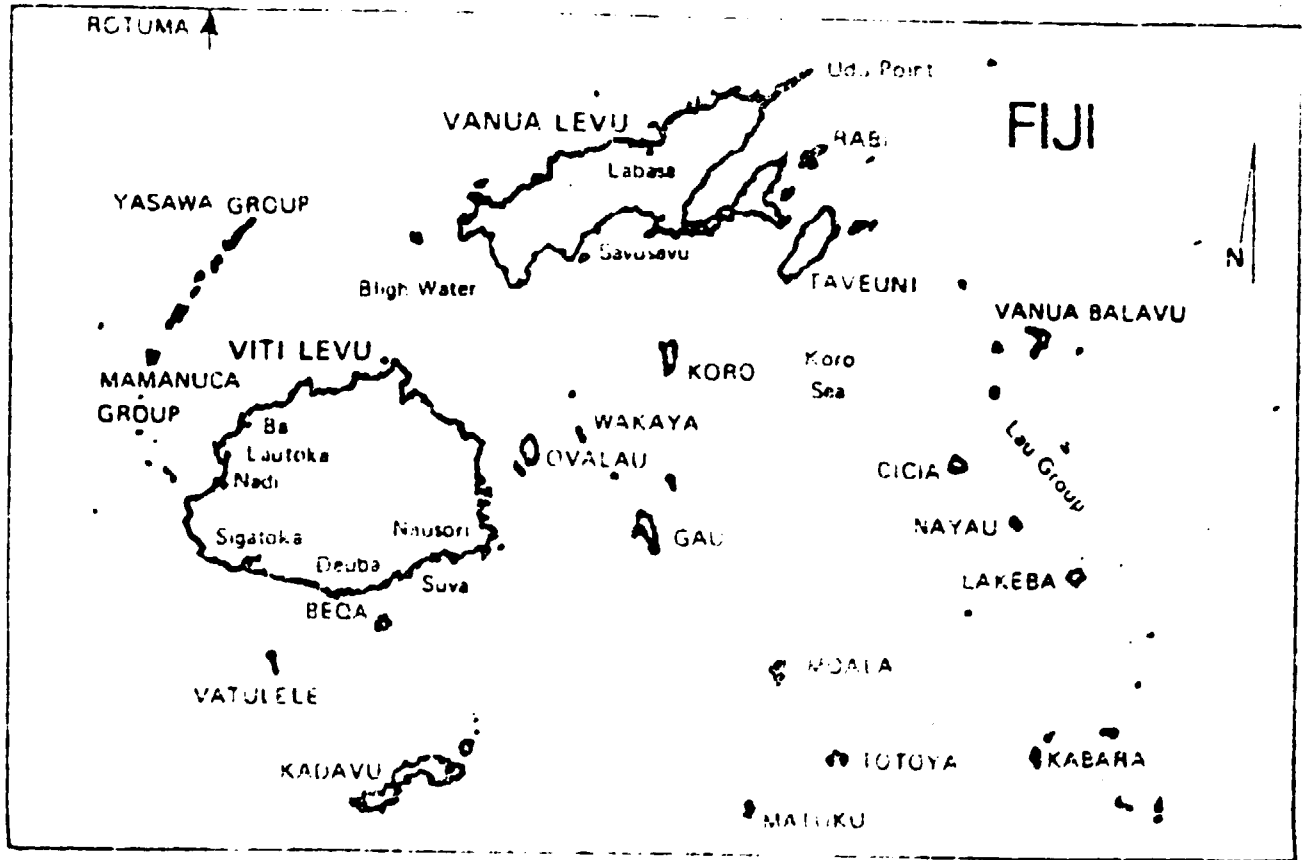
a) Joe R. Santhiapillai - Team Leader and Vegetable Oil Industry Specialist from UNIDO b) George Yeats¹ - Marketing Analyst from ITC, visited Fiji, Kiribati, Tonga, Western Samoa, Niue, TTPI, Papua New Guinea, Solomon Islands, Cook Islands, Nauru, Vanuatu and Tuvalu and prepared twelve country reports with tables, annexes and assessments made and based thereon. In addition the experts produced a summary of the regional study. The project was for a duration of six months.

4. Acknowledgements

Our sincere thanks are due to all the people we had met during our visits to the different countries. If not for their considerable help and co-operation this project would not have been a success. A list of those people principally involved in discussions is given at the end of the report.

During the project we were based at SPEC, Suva and our special thanks are due to the Director, Deputy Director, Administration Officer and Mr. John Franklin, Trade and Marketing Officer and all at SPEC for their invaluable help and co-operation. Our thanks are also due to Mr. Dello Strologo, SIDFA and all the UNDP office in Suva for their help in innumerable ways.

1 - Mr. Yeats was not present during the Fiji study.



4.

FIJI

Population 1980	:	635,000
G.D.P. per capita (Est.)	:	F\$1,300 = US\$1,500
Land Area	:	18,272 sq. kms.
Sea Area	:	1,290,000 sq. kms.
Geography	:	The dominion comprises of about 300 islands.
Agricultural Production	:	The main agricultural crops are sugar cane, coconuts and root crops. In 1980 export of coconut products is only 3.2% of the total exports.
Total Production of oils and fats equivalent 1980	:	14,000 tonnes
Total Exports of oils and fats equivalent 1980	:	13,100 tonnes
Total Imports of oils and fats equivalent	:	12,000 tons
Import Dependency	:	90%
Per capita consumption of oils and fats equivalent (food uses)	:	15.4 kgms/annum
Per capita consumption of soaps and detergents	:	11.2 kgms/annum

Note: Above figures exclude fresh nuts and invisible fats consumption.

General

Fiji compared to other Pacific Island countries has a very high consumption of oils and fats per capita, but 90% of its consumption is imported. This high fat consumption is probably due to the eating habits of the Indian population. Opposed to this Fiji also produces very little oils and fats per capita and exports over 90% of its production.

Fiji only produces coconut oil, but very little is consumed locally, practically all local use of coconut oil is only in soaps. The consumers have a distinct preference for soft oils and soya bean oil in particular. Hence degummed soya oil is imported and refined locally. This refining is only possible because of a 40% tariff protection.

This situation of importing soyabean oil and exporting coconut oil was beneficial to the country in the past as the world price of soyabean oil was generally lower than the F.O.B. price of coconut oil, but now the prices are reversed and would most probably be so in the foreseeable future as such greater local replacement of coconut oil for imported soyabean oil would be beneficial to the country.

Hence greater promotion of coconut oil consumption is recommended and the Agriculture Department should also investigate the feasibility of growing crops like Soyabeans, Peanuts etc. which could produce soft oils.

COCONUT PRODUCTION

The total area under coconuts is estimated at 89,000 ha. About 60% of the coconut area is Fijian communal land and accounts for about 45% of the copra production, the balance 40% of the coconut area is estates occupying freehold land.

The total domestic consumption of fresh coconuts (including those consumed as cooking oil, hair oil and body oil) is estimated to be about 15,000 mt of copra equivalent - this is about 90,000 nuts (assuming 6,000 nuts = 1 mt copra). This would mean about 140 nuts/capita/annum.

The production of copra in 1980 was 22,585 mt that is 135,510,000 coconuts per annum.

Hence the total nut production in Fiji would appear to be 225,500,000 nuts. Let us now analyse the yield/ha and the yield per palm.

AREA AND NUMBER OF PALMS BY AGE GROUP

<u>Age of Palms years</u>	<u>Area ha</u>	<u>No. of Palms ('000)</u>	<u>No. of Palms %</u>
Under 10	21,040	2,000	23.7
10-22	2,020	250	2.3
22-30	5,460	674	6.1
30-42	8,590	1,061	9.7
42-57	14,110	1,743	15.9
57-72	16,810	2,077	18.9
Over 72	<u>20,860</u>	<u>2,577</u>	<u>23.5</u>
TOTAL:	<u>88,890</u>	<u>10,982</u>	<u>100.1</u>

Source: Feasibility Study of Forestry Development in Fiji.

On the basis of the above acreage and number of palms.

Yield/ha = 2,537 nuts/ha/annum
Yield/palm = 20.5 nuts/palm/annum

This type of yield is poor but is not surprising when you consider the age of trees lack of fertiliser application and the very poor management practices. About 40% of the trees are more than 60 years old and these trees are probably bearing less than 10 nuts/palm/annum.

It is therefore very obvious if the coconut industry is to survive a proper replanting and rehabilitation programme will have to be urgently organised. In order to make investment attractive inter cropping with other crops like cocoa would have to be considered. Detailed action plan has been submitted in 1980 by the FAO as regards improvement of the Coconut Industry. This report is being studied by the Government at present, and decisions are expected to be made shortly.

COPRA PRODUCTION

Quality

Copra in Fiji was originally (prior to Lord Silsoe's recommendations) produced in direct fired driers ("smoke" driers). These "smoke" driers produced a heavy smoke resulting in badly discoloured and poor quality copra.

Subsequent to Lord Silsoe's recommendation till the present time copra is produced by indirect fired hot air driers using old oil drums (Kukum driers) and by finger cutting the kernel. This had improved the quality of copra but quality has deteriorated in the recent past judging from the F.F.A. of the oil produced.

AVERAGE GRADING RESULTS AND FFA CONTENT OF OIL

	<u>Grade 1</u>	<u>Grade 2</u>	<u>Grade 3</u>	<u>F.F.A.</u>
	<u>%</u>	<u>%</u>	<u>%</u>	<u>%</u>
1966 ^a	1	43	39	1.6
1966 ^b	45	38	17	0.9
1967	68	28	4	0.8
1968	81	17	2	0.6
1969	86	13	1	0.6
1970	89	11	0.5	
1971	82	17	0.3	
1972	74	26	0.2	
1973	70	25	6.5	
1974	65	35	0.4	
1975	66	33	0.8	
1976	76	24	0.2	1.0
1977	84	16	0.2	1.1
1978	83	17	0.1	1.1
1979	82	18	0.1	1.2

^a based on test grading before grades were officially introduced.

^b After grading was officially introduced.

Source: FAO Report TCP/Fiji/8901(I)

From the above table it would be seen that prior to 1966 the quality of copra was extremely poor but from 1968 the copra quality improved considerably both in terms of FFA and grading results. But from 1976 though grading results have improved markedly the quality of copra has deteriorated in terms of the F.F.A. of oil (double the figures obtained in 1969). It would therefore mean that the grading standards have dropped considerably. If urgent action is not taken copra quality could drop to previous (pre 1966) low standards.

This again is one the symptoms of the neglect of the coconut industry, and also perhaps due to the high cost and the not so easy availability of drums.

The recommendation of the F.A.O. study is fully endorsed in that trials with the Open Fire Drier (Ceylon type) should be started and grading stations would have to be improved.

Quantity

COPRA PRODUCTION, AND IMPORTS IN MT

	<u>Production</u>	<u>Imports</u>	<u>Total</u>
1976	26,770	-	26,770
1977	30,887	223	31,110
1978	26,067	394	26,461
1979	21,822	3,152	24,974
1980	22,585 ^a	1,697	24,282

Source: Bureau of Statistics

^a - from Island Industries

The copra was last exported in 1970 after which all production has been milled locally and from 1977 some copra is imported from the other Pacific Island countries like Tonga, Tuvalu and Line Islands. The production of copra has dropped by about 25% from 1976/1977 to 1979/1980 which could have been due to weather conditions and cyclones. The production in the immediate future is expected to be at present levels, but the long term prospects are certainly grim unless urgent remedial action is taken.

Pricing

The price of copra is calculated by the Auditor General in accordance with the Silsoe Formula and are based on the prices quoted by the London Federation of Oils, Seeds and Fats Association. The Government has a price support programme operated on a Loans Account.

There are 2 main bodies under the Coconut Industry Act:

- 1) The Coconut Advisory Council to discuss regularly all aspects of the Coconut Industry other than Industrial relations and wages and to advise the Board in relation thereto.
- 2) The Coconut Board to determine price of coconuts for copra and of copra; license copra, coconut oil, and coconut product makers exporters; inspect copra driers; prescribe grades of copra and determine general policy regarding the Coconut Industry.

Refer Appendix for Copra Prices 1979.

The pricing system could be changed in light of the F.A.O. recommendations made in 1980.

DESSICATED COCONUT & COCONUT CREAM

Both the above products are manufactured by a private Company called the Castle Trading Company.

1) Dessicated Coconut

The capacity of the plant is stated to be 1 tonne/hr of D.C. i.e. about 2,000 tons/day shift per annum. In 1980 they produced about 700 tons D.C. while in 1981 the production is expected to go up to about 1,200 tons. Practically all D.C. produce is exported.

2) Coconut Cream

The production in 1980 was 130 tons of Coconut Cream and virtually all are exported to Australia and New Zealand. The coconut cream is exported in a) 15 kilo bulk packs under refrigeration b) 425 gm tins unrefrigerated.

Since dessicated coconut and coconut cream are high value products they are able to pay higher prices to the producers for their coconuts compared to copra making. Hence as the production of these products increase the copra available for milling will become less and less and also the copra meal available for the dairy industry will reduce. This again makes it imperative that efforts must be made to increase coconut production and also greater efforts made to import copra from other Pacific countries.

COPRA MILLING

Oil Milling is done by 4 companies and the total available milling capacity in the country is about 60,000 tonnes/annum. The capacity utilised is below 50% as insufficient copra is available in Fiji. This position will worsen as the copra production is also dropping. Hence greater efforts will have to

be made in obtaining copra from other Pacific countries. In 1980 only 1,700 tons of copra were imported from Tonga, Tuvalu and the Line Islands. The reason why the copra is not imported is that the price offered by Fiji is lower than the price offered by European buyers. The main reason for this being that Fijian buyers only offer the price of copra in Fiji.

As stated earlier the price of copra in Fiji is determined on the Silsoe formula. The Fijian mills should be able to offer more than the local copra price for imported copra, as greater throughput through the mills will reduce the costs per ton of copra. One or two in fact purchase at a higher price. The reason why some don't offer higher prices is perhaps of the fear what the reaction of the Government or the local producers will be. It is felt that this problem should be discussed fully and clear guidelines indicated by the Copra Board.

Another point worth noting is that cost of handling copra in some countries e.g. Kiribati could be reduced by shipping the copra from the islands and not only from Tarawa. These possibilities should be fully looked into. A dialogue has been stated between the Fijian millers and the Kiribati Copra Board which we hope would have beneficial results to both parties.

1) Island Industries Limited

This is a subsidiary of Carpenters and has a milling capacity of 42,000 tonnes of copra/annum, using 5 Anderson Super Duo Expellers - 2nd hand equipment obtained from U.S.A. The plant is run efficiently and gets a yield of 62% oil and 34% copra cake. The oil content of the cake is about 6%.

The plant is now running about 40% capacity. At present they do not use imported copra but we have initiated a dialogue with Kiribati which hopefully could produce good results.

2) CASP Limited

This is a subsidiary of Burns Philp and not only does oil milling but also manufactures soaps etc.

The oil plant consists of 1 Rosedown Mk11 expeller and has a capacity of about 8,000 m.t. of copra per annum and presently operates at about 35% capacity. They also import copra from their plantations in the Line Islands and Tuvalu.

The coconut oil produced is used in a) soap making, b) bottled for local use, c) the balance which is the major part is exported.

3) Ocean Soaps Limited

This company is owned by Munga & Sons which is completely locally owned, and produces not only coconut oil and soap but also refines and deodorises crude soya bean oil for local consumption.

The oil plant consists of one Rosedown MkII expeller of about a capacity of 8,000 mt of copra per annum and also has a old expeller of a capacity of 2,000 mt/annum. At present the plant is working at about 40% capacity. They import copra from Tonga as well.

The coconut oil produced is used in a) soap making, b) bottled for local use, c) balance is exported.

4) Lakeba cooperative

This Cooperative in the island of Lakeba has a small oil extraction unit. The expeller is a small Simons-Rosedown expeller with a capacity stated to be 2 tonnes of oil/8 hour shift i.e. about 2,500 tonnes of copra per annum.

OIL REFINING

In Fiji the refined oils used for domestic consumption is practically all soft oils and that too soyabean oil. Practically no coconut oil is used for cooking. It would appear that there is a definite consumer preference for soyabean oil and not for coconut oil. In the past this was beneficial to the country as soyabean oil was cheaper in the world market than coconut oil but now the world prices are very close and hence at present the landed cost of soyabean oil would be greater than the local price of coconut oil, and this might be so in the foreseeable future. Hence it might be better now to popularise the use of coconut oil locally.

There is a total import duty of 40% on refined oils as compared to zero duty on crude oil, as such crude soyabean oil is now imported and refined and packed locally. This industry is only viable because of its tariff protection.

Two companies are now producing refined oils from imported crude degummed soya bean oil.

1) Punja & Sons Limited

This is a 100% privately owned Company which started refining operations in mid 1980.

The plant consists of Rosedown equipment - one 3½ ton deodoriser and one 5 ton neutraliser. The total capacity of the plant is about 3,000 tons of refined oils/annum and at present is working about 60% capacity. The soap stock produced is used in soap manufacture.

2) Fiji Foods Limited

This Company was 80% government and 20% private, but the government has sold the major shareholding to a private company in March 1981.

The plant consists of:

- (a) Sharples centrifuge for neutralising
- (b) One 5 - ton Deodoriser
- (c) One 3½ - ton Hydrogenator
- (d) One 1 - ton/hr Votator
- (e) One 250 p.s.i. Boiler

The plant could not only produce refined oils but could also produce Vegetable Ghee and Margarines. The total capacity of the plant is about 4,500 tons of refined oils per annum and in 1981 it is estimated that it would work at about 60% capacity.

They now produce refined deodorised Soya Bean Oil, Vanaspati vegetable ghee from soyabean oil and Poly unsaturated margarine from imported Corn Oil. Experiments are being made to produce a Table margarine as well.

Estimated 1931 tonnages are:

2,700 tons of Refined Oils, 200 tons of vanaspati and 60 tons of margarine per annum.

Soap stock produced in the refining process is now completely discarded (about 4% of the oil refined). The quantity of oil equivalent is about 125 tons of oil/annum which adds to the cost of refining unnecessarily. This soap stock could be used in soap making as such this should be sold to the soap manufacturers. This is one of the main reasons why the refining and deodorising costs is as high as F\$90/ton.

With better processing and marketing this company can expand its range and sell much more particularly vanaspati and margarines. They should also promote the sales of coconut oil locally. Initially the sales could be quite low but in the long term it could be quite profitable. They could also produce specialised fats for biscuits, ice cream, bread etc.

SOAP MAKING

Soap is produced by 2 companies - CASP Limited and Punja & Sons. Local soaps and detergents has about 90% share of the market. The tariff protection is about 50%.

Soap made in Fiji has about 20-25% coconut oil and the balance Tallow, and unfortunately when the price of coconut oil is low they are unable to take advantages of this and incorporate a higher percentage like in countries like Sri Lanka etc. as they do not have the necessary expertise.

The plant for soap making is of international standards and hence there is a great improvement possible in terms of quality and cost with better expertise being available.

Glycerine is recovered and exported by only CASP Limited, whereas in the other factory it is going waste. It would be worthwhile recovering glycerine in the other soap factory as well, as it is a valuable by-product.

FIJI MEAT INDUSTRY BOARD

The abattoir now produces Meat Meal and Tallow and slaughters about 12,000 cattle and 10,000 pigs/annum. All meat meal and tallow produced were sold to local stock feed manufacturers and livestock farmers and constitute approximately 8% and 5% respectively of local requirements for these products. The tallow is not used by soap manufacturers as it would need bleaching in any event it does not matter who uses it as it replaces imports.

At present Fiji is self sufficient in pork and poultry but is only about 40% self sufficient in beef but it is estimated that it would be self sufficient by 1980.

Future plans have already been made by the Board (which incidentally seems to be extremely well run) for a new abattoir to be built on the western side of Viti Lveu and production be started on Vanua Levu in 1984. With these abattoirs the production of tallow would be about 250 tons.

The production in Tonnes of meat meal and tallow from 1977 is as follows:

	<u>Meat Meal</u>	<u>Tallow</u>
1977	195	77
1978	196	87
1979	260	95
1980	280	90

ANIMAL FEEDS

In 1981 no copra cake is available for exports as all copra cake produced is used locally for the manufacture of animal feeds. In fact the animal feed industry can use more copra cake, as such Fiji would have to go all out to import copra from the Pacific islands not only to utilise existing milling capacity but also for the benefit of the Animal Feed industry, if not the price of copra cake would tend to rise (already there are signs of this) to the detriment of the Dairy industry and Animal Husbandry.

BALANCE OF TRADE - F\$'000

<u>PERIOD</u>	<u>IMPORTS</u>	<u>TOTAL EXPORTS</u>	<u>TRADE DEFICIT(-)</u>
1979	392,863	215,043	-177,820
1978	299,997	166,493	-133,504
1977	281,014	164,316	-116,698
1976	238,040	122,523	-115,517
1975	221,753	142,293	- 78,674

EXPORTS OF SELECTED ITEMSMetric tonnes

	<u>1977</u>	<u>1978</u>	<u>1979</u>	<u>1980</u>
Fresh Coconuts(Nos)	455,554	273,932	130,762	275,551
Dessicated Coconut	139	146	459	557
Copra	-	-	-	-
Coconut Oil	17,751	17,784	15,238	12,690
Copra Cake	4,843	6,785	2,345	491
Toilet Soaps	49	42	37	35
Laundry Soaps	39	39	26	50
Detergents	7	38	50	45

COCONUT OIL - Production and Exports Tonnes
COPRA CAKE - Exports Tonnes

	<u>Production</u>	<u>Exports</u>	<u>Domestic Use (1-2)</u>	<u>Copra Cake Exports</u>
1965	15,298	15,016	282	5,437
1966	14,971	14,705	266	5,315
1967	14,716	14,391	325	5,116
1968	17,662	17,445	217	7,539
1969	17,697	17,411	286	8,216
1970	19,375	19,011	364	7,192
1971	17,312	16,866	466	5,814
1972	15,773	15,095	678	5,649
1973	19,134	18,247	887	5,629
1974	14,610	14,306	304	4,641
1975	16,584	16,060	524	4,402
1976	15,044	14,433	611	3,603
1977	18,299	17,551	748	4,843
1978	18,533	17,784	749	6,779
1979	15,700 ^a	15,238	462 ^a	2,345
1980	13,600 ^a	12,690	910 ^a	491

Source: FAO Report for 1965 - 1978

a = estimates

ANNUAL EXPORT VALUE OF COCONUT PRODUCTS '000

	<u>Coconut Oil</u>	<u>Copra Cake</u>	<u>Dessicated Coconut</u>	<u>Fresh Coconut</u>	<u>Copra</u>	<u>Total</u>	<u>Total Export*of Local Products</u>	<u>%</u>
1965	3,636	260	-	5	977	4,879	35,612	13.7
1966	2,880	294	-	27	250	3,451	32,254	10.7
1967	2,852	231	-	49	184	3,317	34,917	9.5
1968	4,759	374	-	42	-	5,175	39,246	13.1
1969	3,909	384	28	92	250	4,663	43,548	10.7
1970	5,131	383	63	62	180	5,819	49,254	11.8
1971	3,945	231	58	24	-	4,257	48,873	8.7
1972	2,376	250	116	8	-	2,750	51,785	5.3
1973	5,669	480	65	7	-	6,221	52,373	11.9
1974	10,726	375	167	2	-	11,270	95,369	11.8
1975	5,064	309	87	14	-	5,474	115,926	4.7
1976	4,611	271	73	62	-	5,017	89,440	5.6
1977	8,865	464	72	90	-	9,492	124,484	7.6
1978	8,941	548	84	49	-	9,622	121,866	7.9
1979	11,683	234	413	19	-	12,439	167,586	7.4
1980	6,528	42	534	57	-	7,161	220,403	3.2

* excluding Re-exports

Notes: 1) Coconut exported mainly to
U.K. and Australia.

2) Dessicated Coconut mainly to
U.S.A. and Australia

IMPORTS OF SELECTED ITEMS - TONNES

	<u>Ghee</u>	<u>Bulk Butter</u>	<u>Packed Butter</u>	<u>Margarine</u>	<u>Other Prepared Edible Fats</u>	<u>Cocoa Butter</u>	<u>Bakery Fats</u>	<u>Crude Soya Oil</u>	<u>Refined Soy Oil</u>	<u>Other Oils</u>	<u>Edible Tallow</u>
1980	1,115	1,380	56	102	58	-	220	4,572	2	635	243
1979	1,094	1,371	97	114	38	1	108	4,611	26	335	378
1978	1,076	1,201	70	99	118	37	93	1,485	2,300	540	373
1977	1,236	1,238	50	151	164	0	23	3,329		500	274

	<u>Dessicated Coconut</u>	<u>Groundnuts</u>	<u>Other Oil Seeds</u>	<u>Copra</u>
1980	2	180	n.a.	1,697
1979	3	151	38	3,152
1978	8	110	42	394
1977	5	89	89	223

	<u>Toilet Soaps</u>	<u>Soap Powders</u>	<u>Household Soaps</u>	<u>Detergents</u>	<u>Inedible Tallow</u>
1980	201	42	4	716	2,703
1979	158	46	21	846	2,539
1978	161	142	10	715	2,211
1977	137	103	10	732	1,903

SOAP & DETERGENT MARKET - TONNES

	<u>1977</u>	<u>1978</u>	<u>1979</u>	<u>1980</u>
Local Products	4,607	5,229	5,970	6,300
Imported Products	982	1,028	1,071	963
Exports	95	119	113	130
Consumption	5,494	6,138	6,928	7,133

TARIFFS

<u>Item No.</u>	<u>Description</u>	<u>Fiscal</u>	<u>Customs</u>	<u>Export Duty</u>
04.01.00.00	Milk & Cream Fresh	5	Free	Free
04.02.00.01	Milk in solid or powder	Free	Free	Free
04.03.00.00	Butter	5	5	Free
12.01.00.01	Groundnuts	25	5	Free
12.01.00.02	Copra	Free	Free	2
12.01.00.09	Other	Free	Free	Free
15.01.00.00	Lard & poultry fat	35	5	Free
15.02.00.01	Edible Tallow	35	5	Free
15.02.00.09	Inedible Tallow	Free	Free	Free
15.04.00.00	Fish Oils	Free	Free	Free
15.07.00.01	Coconut Oil Crude	Free	Free	2
15.07.00.02	Coconut Oil Refined	35	5	Free
15.07.00.03	Other Oils Crude	Free	Free	Free
15.07.00.04	Mustard Oil, Castor Oil	Free	Free	Free
15.07.00.09	Other Oils Refined	35	5	Free
15.12.00.00	Oils & Fats hydro- genated or solidified	35	5	Free
15.13.00.00	Margarine & other pre- pared edible fats	35	5	Free
18.01.00.00	Cocoa Beans	5	Free	Free
18.04.00.00	Cocoa Butter	5	Free	Free
19.08.00.00	Pastry, Biscuits, Cakes	75	5	Free
27.07.00.01	Sweet Fats & Similar preps. used by bakers	Free	Free	Free
21.07.00.02	Ice cream, powders for beverages, sugar syrups	35	5	Free
21.07.00.03	Peanut Butter	20	5	Free
34.01.02.01	Toilet soaps & Shaving Soaps	50	7½	Free
34.01.02.09	Other	40	7½	Free

INTERNATIONAL PRICE OF SELECTED OILS
AND OIL SEEDS, 1969 - 1981 (US \$/M.T.)

Year	Oils					Oilseeds	
	Coco Oil Phil/Indo. Cif.Rott. 2)	Soybean Oil Dutch fob ex-mill ¹⁾	Palm Oil Malaysian 5% Cif Europe	Palm Kernel Oil, Dutch fob ex- mill ³⁾	Sunflower oil, a.a. ex-Tank Europe	Copra Phil/ Indo Cif. N.W. Europe	Soybeans U.S. no. 2 Yellow Cif. Rott.
1969	347	197	173	306	213	202	107
1970	379	286	260	367	330	222	121
1971	353	304	262	336	374	190	132
1972	254	241	217	219	326	142	144
1973	513	436	376	506	481	348	290
1974	998	832	672	1046	977	670	277
1975	394	563	433	409	739	256	220
1976	418	438	405	433	581	275	231
1977	578	575	530	620	639	402	280
1978	683	607	600	764	665	471	268
1979	984	662	654	1064	762	673	298
1980	674	593	584	763	633	453	296
<u>1981</u>							
Jan.	614	545	625	629	690	433	323
Feb.	603	516	640	621	650	411	306
Mar.	574	535	620	605	650	392	305
Apr.	552	531	588	582	652	387	316

- 1) Prior to December 1970 = a.o. ex-tank. Rott.
 2) Prior to January 1973 = Sri Lanka cif. bulk. CIF
Europe Ports
 3) Prior to January 1972 = West African, CIF Europe
Ports

Source: Cocomunity

WORLD TRADE - MAJOR IMPORTING COUNTRIES
SHIPMENTS OF COPRA INTO THE FOLLOWING COUNTRIES

(Metric tons)

	<u>1975</u>	<u>1976</u>	<u>1977</u>	<u>1978</u>	<u>1979</u>
Belgium/Luxemburg	20,247	18,000	15,000	13,200	5,200
Denmark	21,274	42,931	20,095	22,400	18,300
France	63,879	71,582	61,000	52,100	55,700
Netherlands	166,691	148,500	74,000	78,700	57,700
Norway	11,000	15,000	13,000	10,000	15,600
Portugal	11,100	17,000	25,900	24,300	18,200
Sweden	38,505	38,600	41,600	37,000	13,000
United Kingdom	28,988	21,545	25,598	19,100	22,074
West Germany	413,142	525,183	351,400	211,000	53,900
U.S.S.R.	29,000	9,800	19,900	9,800	14,500
Singapore	27,100	43,700	40,800	73,300	36,100
Japan	89,866	110,856	97,785	90,400	55,659
Total	<u>920,792</u>	<u>1,062,697</u>	<u>786,078</u>	<u>641,300</u>	<u>365,933</u>

Source: 1979 Annual Review Frank Fehr + Company Limited

Note: Main drop in imports is in Netherlands and West Germany. Total drop from 1975 to 1979 is 554,859 mt. Philippines drop in exports in the same period was about 650,000 mt.

Persons Interviewed

1. Mr Sergio Dello Strollogo, SIDFA, UNDP, Suva
2. Dr G E Gris, Director, SPEC
3. Mr Jon P Sheppard, Deputy Director, SPEC
4. Mr John E C Franklin, Trade & Marketing Officer, SPEC
5. Mr Gyan Singh, Administration Officer, SPEC
6. Mr Daryl Tarte, Secretary, Coconut Board Fiji
7. Mr S H Tan, Manager, Castle Trading (South Pacific) Limited
8. Mr Harry Kiss, Director, Carpenters (Fiji) Limited
9. Mr Anthony Amputch, Divisional Manager, Island Industries
10. Mr Ross G McDonald, Manager, CASP Limited
11. Mr V Hawkesley, Manager, Union Soaps
12. Mr R J Woodman, Chairman, Fiji Meat Industry Board
13. Mr Ashok Kumar, Bureau of Statistics
14. Mr P Gounder, Acting Permanent Secretary, Ministry of
Commerce & Industry
15. Mr S Sharon, Acting Director, Trade & Industry
16. Mr Shri Ramlu, Assistant Secretary, Trade & Industry
17. Ms G K Rup, Senior Economist, Trade & Industry
18. Dr Basil Williams, UN Expert on Root Crops, Western Samoa
19. Mr Kalio Tavota, Ministry of Agriculture
20. Mr Suresh Patel, Director, Fiji Foods Limited
21. Mr John Allen, BOMAS
22. Mr Hari Punja, Managing Director, Punja & Sons
23. Mr K A J Roberts, President of the Fiji Manufacturers
Association
24. Mr A J Martin, Managing Director, Rewa Dairy Company
25. Mr R Finch, General Manager, Rewa Dairy Company
26. Mr L Wallace, Regional Agricultural Officer, C.D.C.
27. Mr R Hoyle, Executive, Pacific Islands, C.D.C.

REFERENCES

- 1) Coconut Industry of Fiji TCP/FIJ/8901 (I) - F.A.O. Report
- 2) Use of Coconut Land in Fiji TCP/FIJ/0001 (I) - F.A.O. Report
- 3) Industrial Development Profile of the Island Developing Countries of the South Pacific Region - UNIDO/ICIS/147
- 4) Oils & Fats - Trade between developing countries
ITC/CONF/YOS/4
- 5) Market Development of Palm Oil Products - Proceedings of a Seminar organised by the ITC, UNCTAD/GATT
- 6) Work Programme for 1980 - Ministry of Agriculture, Fiji
- 7) Expanding Trade in Fats & Oils among developing countries - Opportunities, Constraints and Policy needs
ITC/CONF/YOS/5
- 8) Problems affecting the Smaller Pacific Island Countries
- SPEC (80) 9, SPEC (80) 17
- 9) Annual Report 1979 Fiji Meat Industry Board
- 10) Trade Reports Fiji
- 11) Eight Development Plan 1981 - 1985 Volume 1

