



# Fair Trade Coconut 101

Use these facts to educate about the need for  
Fair Trade coconut

## Fast Facts

- Coconut is used in a wide variety of products, from food and beverage to personal care and home goods.
- Coconut trees take roughly **10 years** to start producing fruit, and can then continue producing for about **80 years**.
- A healthy tree can produce **50 coconuts** or more annually. The average bottle of coconut water contains just over **4.5 coconuts**.
- In 2017, coconut water was a **\$300 million** industry and is anticipated to grow to an **\$8.3 billion** industry by 2023.
- **90 percent** of global coconut supply comes from Asia. The world's major producers of coconut are **Indonesia** at 30 percent, the **Philippines** at 23 percent, and **India** at 19 percent.

## The Need for Fair Trade Coconut

- Current demand for coconut was not anticipated in the past decade, so additional coconut trees were not planted. Newly planted trees take 15-20 years to reach peak production, so there is a scarcity of product and pressure on farmers.
- Coconut farmers struggle with low yields due to aging trees.
- Frequent typhoons pose a serious threat to coconut yields, destroying trees and requiring farmers to restart the decade long agricultural cycle.
- In the Philippines, the world's second largest producer of coconut, an estimated 41-60 percent of coconut farmers live on less than \$2 a day

## Conventional Coconut

- Because coconut farmers typically work on family-farms or are self-employed, they are often operating outside the government benefits system and don't have access to insurance.
- Many coconut companies contract only with big plantations to reduce cost. This results in smaller farmers working through middlemen to compete. In Asia, middlemen are often paid 25-50 percent more per coconut than what is paid to farmers.
- Independent, small-scale coconut farmers lack bargaining power, and many are dependent on traders for important services like transportation and credit.

## Fair Trade Coconut

- With additional income from Fair Trade, coconut farmers can invest in renewing crops, planting new trees to increase production. Farmers also have access to microloans to help diversify incomes.
- Fair Trade standards require farmers to employ sustainable waste and water management practices to support healthy crops and protect the local environment.
- Fair Trade premiums have been used to invest in life insurance for farmers and their families. In the event of death, the member's family receives approximately \$200 to support funeral costs and avoid debt.
- Since 2013, Fair Trade has delivered \$1.7 million of impact to coconut farming communities. This has resulted in greater income sustainability, stronger environmental practices, educational scholarships for farmers and their families, and other community development initiatives.