

CANADA FUND PROJECT BRIEF

- 1. Project Title : Coconut Husk Processing Business Incubation Project
- 2. Location : Davao Oriental
- 3. Project Sector : Industrial development
Cottage industries and handicraft
- 4. CIDA Contribution : Php 1,563,490.00
- 5. Implementing Organization : Kalumonan Development Center
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- 6. Duration : February 25, 2005 - March 30, 2007
- 7. Project Description :

The project is about improving an existing coco coir processing project in San Isidro, Davao Oriental. This is aimed at providing additional opportunities for impoverished coconut farmers through maximizing and diversifying the use of coconut husks that are by-products of the traditional copra industry in the area. Through this project, the proponent group will be able to increase its capacity in buying coconut husks from coconut farmers and enhance its production of coco fibers and coco peat that it sells to the buyers who are largely furniture makers in the region, nation-wide and abroad.

The increased capacity by the proponent to procure raw coconut husks from the coconut farmers will increase the farmers' income. Likewise, the increased capacity on production through the provision of additional equipment will sustain the need for more raw coconut husks. The by-products will be marketed through the assistance of PITAD and other marketing partners of the KDC and Unlad Kabayan. The recent development of coco coir and coir products such as geo-textile nets, liner sheets, rugs and mattresses shows the great potential of the coir industry.

As a support activity, the proponent will also enhance its own initiative in providing additional potential livelihood activities to women farmers through the provision of skills training on coco coir-based handicraft making. The products by these women will be promoted by the proponent through its own on-going handicraft enterprise activity.

For capital build-up and sustainability, the proponent will plow back to the project part of the net income earned from the enterprise. The plowed back income will also help finance the planned expansion of the coco coir processing plant, establishment of women productivity center, and a creation of a socialized health program for the beneficiaries.

- 8. Beneficiaries : 30 plant workers, 175 women, 500 households
- 9. Expected Results :

The following are the expected project results after two years of project implementation:

- The processing plant shall have been able to produce 22 tons of coco coir per month (22 days) starting on the second year;
- The processing plant shall have been self-liquidating through maintaining at least 10% net profitability;
- The plant workers, coconut farmers and coco workers shall have improved the quality of their lives through the income earned through selling coconut husks and/or providing services to the production activities;
- Reduced the accumulation of coconut wastes in the area through putting the husks into good use; and,
- The women shall have had contributed to the household income through enabling them to participate in the proponent's existing handicraft enterprise by way of providing them skills training.