

ANNUAL REPORT AND AUDITED FINANCIAL STATEMENTS OF THE COCONUT
INDUSTRY BOARD FOR THE YEAR ENDED DECEMBER 31, 2019

1. **PURPOSE**

The matter for tabling in the Houses of Parliament is the Annual Report and Audited Financial Statements of the Coconut Industry Board for the year ended December 31, 2019. This report is being tabled in Parliament in accordance with the provisions of Section 27 of the Coconut Industry Control Act.

2. **BOARD PROFILE**

The Coconut Industry Board was established under the Coconut Industry Control Act, enacted in 1945. The Board consists of nine members. The Minister of Agriculture and Fisheries appoints four members, which includes the Chairman. Registered coconut growers elect the remaining five and must themselves be registered coconut growers; or the attorneys for such registered coconut growers; or the managing director of the companies that are registered coconut growers.

The Board promotes the interests and efficiency of the coconut industry and encourages the production of coconuts.

Allied functions are:

- a) Keeping Government informed on the state of the industry and advising the Government when any action is necessary.
- b) Arranging the insurance of coconut trees against damage by windstorm.
- c) Assisting growers to market their crop.
- d) Conducting research on the agricultural problems facing the industry and providing suitable advice to farmers.

3. **PRODUCTION AND DISPOSAL**

Coconut production in 2019 totalled 129.4 million nuts, valued at \$5.82 billion (year 2018 – 126.3 million nuts). The average price paid by the Board for the Maypan and Malayan Dwarf jelly coconuts was \$45.00 per nut. Production during this period was adversely affected by improper agronomic practices, lack of fertilizer and further deaths of bearing coconut trees from lethal yellowing and other diseases.

Production for 2019 was processed and distributed primarily by; bottlers of jelly coconut water, the Coconut Industry Board, street vendors, supermarkets and the producers of coconut oil. The portion of the crop processed and sold through the channels of the Board for 2019, along with the four preceding years are summarized below:

COCONUTS PROCESSED BY THE BOARD (Nuts)

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>TOTAL</u>
	<u>'000</u>	<u>'000</u>	<u>'000</u>	<u>'000</u>	<u>'000</u>	<u>'000</u>
St. Andrew	1	1	2	1	1	6
St. Elizabeth	133	178	157	173	103	744
St. Thomas	29	29	33	45	137	273
Portland	61	10	29	56	54	210
St. Mary	444	785	667	467	651	3,014
St. Catherine	144	145	116	322	135	862
TOTAL	812	1,148	1,004	1,064	1,081	5,109

4. **EXPORT**

Seed coconuts were exported to Florida in the United States of America. The total number of seed coconuts exported in 2019 was 6,000 with a F. O.B. value of US\$19,500.00.

Export of seed coconuts during the preceding four years and year ended December 31, 2019 are as follows:

<u>Year</u>	<u>F.O.B.</u>	
	<u>Number</u>	<u>Value</u>
	<u>Exported</u>	<u>(US\$)</u>
2019	6,000	19,500
2018	60,000	183,000
2017	42,500	135,500
2016	33,000	108,500
2015	47,850	149,100
Total	189,350	595,600

5. **RESEARCH**

The Research Department continued to work towards the development of the coconut industry in Jamaica, through constant monitoring and review of prevailing cultural practices, improvement of available germplasm and disease control interventions.

The research activities undertaken during the year included:

- a) Monitoring the Brazil Green Dwarf and fifteen other varieties introduced from the Ivory Coast, Africa in 2009 for their potential to increase local coconut production.
- b) Monitoring the progression of lethal yellowing disease at Plantain Garden germplasm collection.
- c) Replication exercise at Plantain Garden Field Gene bank.
- d) Assessment of "Tall" coconuts received from Thailand in 2014.
- e) The use of organic and inorganic fertilizers and their effects on coconuts.

- g) The use of mycogel (a living mycorrhizal culture of fungi) to increase the uptake of nutrients by the roots of coconut plants.
- h) Developing embryo culture and somatic embryogenesis protocols for the production of elite coconut varieties.

6. **FINANCE**

For the year ended 2019, the Board reported revenues of \$158,816,000, highlighting 10.43% decrease when compared to 2018's figure of \$177,326,000. The net surplus also showed a decrease, moving from \$419,412,000 in 2018 to \$102,784,000 in 2019. This decline was due primarily to the Board receiving a reduced share of profits totaling \$110,604,000 from an associate company, compared to the previous year (\$216,840,000 in 2019 versus \$327,444,000 in 2018). Additionally the Board did not benefit from any change in the value of its shares in the associate company, as was the case in the previous year.

7. **AUDITORS' REPORT**

PriceWaterhouseCoopers audited the accounts and they have stated that in their opinion the financial statements gave a true and fair view of the financial position of the Board as at December 31, 2019. The auditors furthermore reported that the cash flows for the year ended December 31, 2019 are in accordance with the International Financial Reporting Standards.

8. **REMUNERATION**

The salaries and emoluments of the directors and senior executives are set out in appendices I and II respectively.

9. **RECOMMENDATION**

The 2019 Annual Report and Audited Financial Statements of the Coconut Industry Board are hereby submitted to be tabled in the Houses of Parliament in accordance with the provisions of Section 27 of the Coconut Industry Control Act.



Floyd Green M.P.

Minister of Agriculture and Fisheries

August 12, 2021

COCONUT INDUSTRY BOARD
DIRECTORS' COMPENSATION 2019

Position of Director	Fees (\$)	Motor Vehicle Upkeep/Travelling or Value of Assigned Motor Vehicle (\$)	Honoraria (\$)	All Other Compensation including Non-Cash Benefits as applicable ** (\$)	Total (\$)
Christopher Gentles (Chairman)	262,500.00	76,842.00	-	110,000.00	449,342.00
Stephen Black	120,600.00	72,964.00	-	-	193,564.00
Homer Davis	84,600.00	146,589.00	-	-	231,189.00
Charles Douglas	152,250.00	72,828.00	-	-	225,078.00
Sandra Ennis	144,000.00	121,555.00	-	-	265,555.00
Hugh Gentles	108,000.00	115,218.00	-	-	223,218.00
Nicholas Jones	113,400.00	62,028.00	-	-	175,428.00
Frank Phipps	122,400.00	64,656.00	-	-	187,056.00
Alaric Pottinger	162,000.00	150,651.00	-	-	312,651.00
Total	1,269,750.00	883,331.00	-	110,000.00	2,263,081.00
<i>Others*</i>		49,842.00	-	-	49,842.00
Total	1,269,750.00	933,173.00	-	110,000.00	2,312,923.00

Notes

* Represent travelling for Raymond Mattis (Government representative) that attends Board meetings.

** Represent out-of-pocket expenses for the year.

**COCONUT INDUSTRY BOARD
SENIOR EXECUTIVE COMPENSATION 2019**

Name	Position of Senior Executive	Year	Salary (\$)	Gratuity or Performance Incentive (\$)	Traveling Allowance or Value of Assigned Motor Vehicle (\$)	Pension or Other Retirement Benefits (\$)	Other Allowances (\$)	Non-Cash Benefits (\$)	Total (\$)
Miss Y. E. Burns	General Manager	2019	7,167,648	796,405	-	-	860,117	120,000	8,944,170
Dr. M. M. Wallace	Director of Research	2019	4,680,564	520,063	-	-	561,668	120,000	5,882,295
Mrs. A. Chung-Campbell	Corporate Secretary	Jan - Mar 2019	1,004,745	-	-	-	105,905	30,000	1,140,650
Miss N. M. Blackwood	Corporate Secretary	June - Dec 2019	1,625,000	-	-	-	-	50,000	1,675,000
	Total		14,477,957	1,316,468	-	-	1,527,690	320,000	17,642,115

Notes

1. The column labelled "Gratuity" represents amounts paid which were approved by the Board.
2. "Other Allowances" represents travelling allowances paid to the executive staff.
3. "Non-Cash Benefits" represents motor vehicle allowance for the executive staff
4. The Corporate Secretary resigned and the post was later filled.