



INVESTMENT GUIDE FOR JACKFRUIT



SCAN ME

WHY JACKFRUIT?

- Jackfruit¹ scientifically known as *Artocarpus heterophyllus*, locally known as “nangka” or “langka” is one famous and largest edible fruit that weighs as much as 50kg and can be widely grown in the Philippines.
- The crop has many economic values: a) leaves can be used as medicine in curing skin diseases, fodder for animals, and compost; b) bark can be utilized in making rope and clothing; c) wood can be an excellent source in making guitars and ukuleles; d) trunk can be used as lumber or building material; e) latex can be used as paste or glue; f) seeds can be used as food, for human consumption, feeds or planting materials; and, g) roots can be used as handle for farm implements.
- Investing in a hectare of land for jackfruit production will require an initial amount of PhP 30,728.40 in year “0” for materials and labor costs and PhP 19,870.00 in year “1” for materials, labor, and operating expenses. Although yield can be expected on the 2nd year, it can be assumed that the 156 trees are already bearing at least 12 fruits per tree, weighing about 12kgs per fruit. Hence, it is estimated that on the 5th year of operation, a net income of PhP 826,148.68 can be realized.

MARKET POTENTIAL

- Jackfruit is traded globally as fresh or as a processed ingredient to flavor foods manufactured by the food processing industry. The Philippines, both exports and imports fresh and processed jackfruit products. In 2012- 2016, the estimated importation of fresh jackfruit has reached to 69,867 kg valued at US\$182,880.

¹ DA RFO VIII Investment Guide on Jackfruit





- It has a positive export trade balance for processed jackfruits recorded at 136.599 metric tons and an import of only 0.883 metric tons equivalent to USD 2,792 in value.
- In Eastern Visayas, fresh jackfruit (whole fruit, sliced and depulped) are traded within and outside the Region.
- It is estimated that only 15% of the market demand is met. Only about 73,300 metric tons are traded or supplied the total annual demand of 500,345 metric tons.
- Dehydrated and vacuum-fried jackfruits, are currently traded or sold within the region. A mere 505 kgs. of processed jackfruit are produced locally as against 1,845,266 kgs. required by buyers both inside and outside the Region.
- The unmet demand for fresh jackfruit is from Cebu Metro Gaisano chain is eager to buy at least 50 metric tons of fresh jackfruit from Leyte or Calbayog twice a month FOB Shipping point. However, Leyte farmers were only able to supply 15 metric tons once and stopped due to shortage of supply.

SUMMARY OF ONE HECTARE AVERAGE COST AND RETURNS ON THE 5TH YEAR OF PRODUCTION, 2019

Particulars	
Gross Returns (PhP/ha)	999,323.08
Total Costs (PhP/ha)	173,174.40
Net Returns (PhP/ha)	826,148.68
Net Profit-Cost Ratio	477
Cost per Kilogram (PhP)	7.71
Yield per Hectare (kg/ha)	21,341
Farmgate Price (PhP/kg)	47.00
Return on Investments (ROI, %)	4.77

Source: Philippine Statistics Authority, 2020



BUYERS/PROCESSORS IN THE PHILIPPINES

COMPANY	CONTACT PERSON	ADDRESS	CONTACT NUMBERS	WEBSITE / E-MAIL ADDRESS
D'Farmers Market Fruits and Pastries Center	Mr. Candelario B. Miculob – Proprietor	Pryce Road, F. Torres St., Bajada, Davao City, Philippines; Factory/Farm: Barangay Cawayan, Calinan, Davao City, Philippines	Tel: (+6382) 2254861; Mobile: +639985415057	Email: larry_miculob@yahoo.com
Doalnara Restoration Society Philippines Multi-Purpose Cooperative	Ms. Genevieve H. Alfeche-Cababarro - Marketing Manager	San Roque, Aposkahoy, Claveria, Misamis Oriental, Philippines	Mobile: +639199937836	Web: doalnarahp.com; FB: www.facebook.com/Doalnara -Phil-Multi-Purpose-Cooperative; Email: givchun@yahoo.com
Gem Foods International, Incorporated		11 MGM Industrial Compound Sitio Gitna, Barangay Kaybiga, Calooan City 1400 Philippines	Tel: (+632) 9377267; Fax: (+632) 9303200; Mobile:	Web: www.suki-mart.com.ph; www.gemfoods.com; Email: gmperrez@gemfoods.com; gemfoods@gemfoods.com
Jojo's Food Products Incorporated	Mr. Eugene King Co - Export Manager / Biochemist	Hernan Cortes Street, Banilad (PO Box 33), Mandaue City 6014 Cebu, Philippines	Phone: (+6332) 3463286; 3464054; 3469572; Fax: (+3622) 3462207; Mobile: +639173999669	Email: jfp.export@gmail.com; jfp_export@yahoo.com; jfp729@gmail.com
Lucky 888 Food International Incorporated	Ms. Perlinda Yeung - President; Ms. Karen Yeung - Corporate Secretary	126 D. Aquino St., Grace Park, Calooan City, Philippines	Tel: (+632) 3617773; Fax: (+632) 3621023; Mobile: +639420076040	Web: www.lucky888food.com; Email: info@lucky888food.com
M. Lhuillier Food Products, Incorporated	Perry Ong General - General Manager	H. Abellana St., Canduman, Mandaue City, Cebu, Philippines	Phone: (+6332) 4221100; Fax: (+6332) 3466314	Web: www.mlfood.com; Email: info@mlfood.com; perry@mlfood.com
Marigold Manufacturing Corporation	Ms. Jennifer Medino - MSD Supervisor; Ms. Marissa Albarece - Assistant Export Manager	538 Jenny's Avenue, Barangay Maybunga, Pasig City, Philippines 1607	Tel: (+632) 6438776 to 78; Fax: (+632) 6438774; Mobile: +639328765711	Web: www.msita.com; Email: jbaider@msita.com; info@msita.com
Orient Foods Industries Corporation	Ms. Katherine Gay A. Vinarao - Manufacturing Director	19th Floor, Citibank Towers, Paseo de Roxas, Makati City, Philippines	Tel: (+632) 6457535 loc. 135; (+6335) 4198609; Fax: (+632) 6457535 loc 135 (+6335) 4198609	Email: kitchay_vinaraoyahoo.com; orientfoods@gmail.com
Polyfruits Incorporated	Ms. Rosalina T. Salaveria – President	Sinanga, Polanco, Zamboanga Del Norte, Philippines #3 Hilltop Drive, Horseshoe Village, Quezon	Telefax: (+632) 7219234	Email: polyfruits@gmail.com
Q-Phil Products International	Ms. Blesila B. Ongchuan - Managing Director	City, Philippines 1112; Plant Address: 1615 National Road, Barangay Muzon, San Jose Del Monte City, Bulacan, Philippines	Tel: (+632) 7258752; Fax: (+632) 7256584; Mobile: +639178543476	Web: www.qphil.com; Email: qphilprods@hotmail.com; blesongqphil@gmail.com;
Reyson's Food Processing	Ms. Samantha Buendia - Marketing Specialist	77 Scout Santiago corner Scout Ojeda, Barangay Obrero, Quezon City, Philippines	Tel: (+632) 4127803; (+632) 4127804; (+632) 4168167; Fax: (+632) 4161559; (+632) 3735525; Mobile: +639153733565	Web: www.titaely.com.ph; Email: info@reysons.net



GOVERNMENT SUPPORT/SERVICES:

Financial Support

- Being administered by Land bank of the Philippines, the Agricultural Competitiveness Enhancement Fund (ACEF) of the Department of Agriculture (DA) makes available loans with 2% interest per annum.
- The DA-Agricultural Credit Policy Council (ACPC) offers loan programs for farmers, fisher folk, the youth, Overseas Filipino Workers (OFWs), micro, small, and medium enterprises: a) Expanded Sure Aid and Recovery Project (SURE COVID 19), Kapital Access for Young Agripreneurs (KAYA), and the Agri-Negosyo (ANYO).
- The Department of Trade and Industry (DTI) implements the Pondo sa Pagbabago at Pag-asenso (P3) Program that provides varied loan packages for MSMEs.
- Land Bank of the Philippines (LBP) creates loans for agricultural production and processing under its usual credit programs for small farmers.
- The Department of Science and Technology (DOST)'s Small Enterprise Technology Upgrading (SET-UP) Program provides loans for processors.

Technical/Non-Financial Support

- Department of Agriculture
 - Conducts training's on production, marketing, and entrepreneurship
 - Provides extension support, research development, investment opportunities
 - Provides processing equipment and / or supplies for feasible projects, agricultural and fishery machineries



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- Department of Science and Technology
 - Provides post harvest equipment and supplies

- Department of Trade and Industry
 - Provides market and trade promotions
 - Provides shared service facilities

The Visayas Region aims to become the Jackfruit Capital of the Philippines. With this objective, aside from the agencies mentioned above, other agencies like the Banko Sentral ng Pilipinas, Microfinance institutions, Dunganon Bank, Inc. (under the CARD Program), ASA Life Bank, Center for Agriculture and Rural Development (CARD) Bank, Inc., Credit Cooperative / Associations Metro Ormoc Community Multi-Purpose Cooperative (OCCI) have mobilized development funds to production, processing, marketing, support research and development of the industry.

ONE HECTARE AVERAGE COST OF PRODUCTION ON THE 5TH YEAR

Particulars	Unit	Unit Cost (P)	Year 5	
			No.	Total
Revenue				
Production (kg/ha)				22,464
Less: 5% Losses (kg)				1,123
Yield / ha (kg)				21,341
Selling Price / kg (P)				47
Gross Revenue				999,323.08
Less: Production Cost				
A. Materials				
Grafted EVIARC Sweet	pcs.	70.00		
Add: Provision for Mortality (2%)		70.00		
Fertilizer (kg)				
Urea (kg)	kg	25.00		
Complete (kg)	kg	30.00	124.80	3,744.00
Solophos (kg)	kg	25.00	124.80	3,120.00
Muriate of Potash (kg)	kg	30.00	124.80	3,744.00
Organic (kg)	kg	11.00	4,680	51,480.00





ONE HECTARE AVERAGE COST OF PRODUCTION ON THE 5TH YEAR, 2019*

Particulars	Unit	Unit Cost (P)	Year 5	
			No.	Total
Cellophane bag (sharkskin)	pc	10.00	899	8,990.00
Nylon straw (1kg)	kg	100.00	3	300.00
Metarhizium (cost/bag)	bag	17.80	48	854.40
Subtotal				72,232.40
B. Labor				
Clearing & Underbrushing	MD	300.00		
Plowing (2x)*	MAD	400.00		
Harrowing (1x)*	MAD	400.00		
Lay-outing/Staking	MD	300.00		
Digging of Holes	MD	300.00		
Planting/Replanting	MD	300.00		
Fertilization	MD	300.00	4	1,200.00
Weeding	MD	300.00	4	1,200.00
Pruning (2x a year)	MD	300.00	6	1,800.00
Spraying	MD	300.00	5	1,500.00
Bagging (P1.00/fruit)	fruit	1.00	1,872	1,872.00
Harvesting (incl. hauling)	MD	300.00	94	28,080.00
Subtotal				35,652.00
Total Production Cost				107,884.40
Gross Profit				891,438.68
Less: Operating Expense				
Administrative Expense				60,000.00
Depreciation				5,290.00
Total Operating Expense				65,290.00
Total Cost				173,174.40
Net Income				826,148.68

Source: DA RFO VIII Investment Guide on Jackfruit

Assumptions:

1. Production area is 1 hectare.
2. Planting distance used is 8m x8m.
3. Total number of trees is 156 jackfruit trees, monocrop.
4. Grafted EVIARC Sweet Jackfruit will start to fruit at Year 2 but at 45% only at 3 fruits/tree.
5. On Year 3, number of productive fruit trees are at 70% at 5 trees/tree.
6. On Year 4, 100% of the trees are already productive at 8 fruits/tree.
7. On Year 5, all the trees are bearing at 12 fruits/tree.
8. Average weight per fruit is 12 kg.
9. There will be 5% production losses due to damage and cracked fruit trees.
10. Fertilization is done @ Year) (2MD/Qtr x Qtrs.); Year 1 (2MD/Qtr x 4 Qtrs.) and Year 3 onwards (2MD x @x a year).
11. Weeding is done @ Year 0 (2MD/Qtr x 3 Qtrs.); Year 1 (2MD/Qtr x 4 Qtrs.) and Year 3 onwards (2 MDx 2x a year).
12. Additional 1 contractual labor @ half of Year 2 since the start of fruiting stage to do the tagging, monitoring, and recording at P5,000/month.
13. Harvesting is done 3 times a week @ 20 fruits/MD.
14. Cellophane bag (sharkskin) can be used twice.
15. Selling price at Year 1 is the current farm gate price.