



COPAL COCOA *Info*

A Weekly Newsletter of Cocoa Producers' Alliance

Issue No. 177

1st – 5th May 2006

ICCO Daily Cocoa Prices

	ICCO daily price (SDRs/tonne)	ICCO daily price (US\$/tonne)	London futures (£/tonne)	New York futures (US\$/tonne)
1 st May	1082.01	1597.78	894.33	1555.67
2 nd May	1076.82	1591.28	887.00	1546.00
3 rd May	1077.57	1592.86	887.00	1545.00
4 th May	1074.58	1586.23	880.33	1540.67
5 th May	1077.48	1595.27	881.67	1547.33
Average	1,077.69	1,592.68	886.07	1,546.93

Up-coming Events

- International Workshop on Chocolate Making Course, Selango, Malaysia, 22nd - 25th May 2006
- Extra-Ordinary General Assembly of the Cocoa Producers' Alliance, 9th June 2006 (After ICCO Executive Council Meeting) London, UK

On-going Events

- Africa Cocoa Summit, Abuja, 4th – 6th May 2006.

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Cocoa Producers Alliance

International Financial Futures and Options Exchange (LIFFE)
London Futures Market – Summary of Trading Activities
 (£ per tonne)

Monday 1st May 2006						
Month	Opening Trans	Settle	Change	Daily High	Daily Low	Volume
May 2006						
Jul 2006						
Sep 2006						
Dec 2006						
Mar 2007						
May 2007						
Jul 2007						
Sep 2007						
Dec. 2007						
Mar-08						
Totals		#DIV/0!				0

Tuesday 2nd May 2006						
Month	Opening Trans	Settle	Change	High	Low	Volume
May 2006	887	873	-14	887	872	974
Jul 2006	887	871	-15	890	868	3,065
Sep 2006	900	885	-15	900	884	682
Dec 2006	919	905	-14	919	903	668
Mar 2007	932	914	-14	932	913	348
May 2007	925	922	-15	925	922	134
Jul 2007	934	930	-14	934	929S	75
Sep 2007		937	-15			0
Dec. 2007		948	-15			0
Mar-08		951	-15			0
Totals		914				5,946

Wednesday 3rd May 2006						
Month	Opening Trans	Settle	Change	High	Low	Volume
May 2006	872	874	1	883	872	934
Jul 2006	868	871	0	881	868	3,146
Sep 2006	884	885	0	895	884	706
Dec 2006	903	905	0	914	903	840
Mar 2007	919	914	0	925	914	371
May 2007	930	922	0	932	929	46
Jul 2007	938	930	0	938S	929	111
Sep 2007		938	1			0
Dec. 2007	952	946	-2	952	948	57
Mar-08		952	1			0
Totals		914				6,211

Thursday 4th May 2006

Month	Opening Trans	Settle	Change	High	Low	Volume
May 2006	870	867	-7	879	867	2,398
Jul 2006	867	864	-7	877	863	3,537
Sep 2006	883	879	-6	892	878	1,622
Dec 2006	903	898	-7	910	898	1,120
Mar 2007	913	908	-6	918S	908	653
May 2007		916	-6			0
Jul 2007	925	924	-6	933	925	100
Sep 2007		932	-6			0
Dec. 2007		940	-6			0
Mar-08		946	-6			0
Totals		907				9,430

Friday 5th May 2006

Month	Opening Trans	Settle	Change	High	Low	Volume
May 2006	865	872	5	874	858S	1,002
Jul 2006	861	865	1	868	853	7,512
Sep 2006	877	880	1	881	870	1,258
Dec 2006	893	900	2	902S	890	2,998
Mar 2007	906	910	2	912S	900	867
May 2007	913	918	2	915	910	183
Jul 2007	920	925	1	922	916	157
Sep 2007	931	933	1	931	931	52
Dec. 2007	940	941	1	940	940	78
Mar-08		947	1			0
Totals		909				14,107

New York Board of Trade
(New York Futures Market – Summary of Trading Activities)
(US\$ per tonne)

Monday 1st May 2006

Month	Opening Trans	Settle	Change	High	Low	Volume
May 2006	1520 0	1523	22	1535	1505	19
Jul 2006	1526 1529	1531	10	1545	1520	8619
Sep 2006	1546 1547	1552	10	1564	1546	626
Dec 2006	1576 ^B 1580 ^A	1584	11	1594	1582	88
Mar 2007	1605 ^B 1610 ^A	1612	10	1616	1616	3
May 2007	1620 ^B 1630 ^A	1630	10	1637	1637	47
Jul 2007	0 0	1646	10	0	0	55
Sep 2007	0 0	1662	10	0	0	0
Dec. 2007	0 0	1685	11	0	0	0
Mar-08	0 0	0	0	0	0	0
Totals		1434				9,457

Tuesday 2nd May 2006

Month	Opening Trans	Settle	Change	High	Low	Volume
May 2006	1500 ^B 1525 ^A	1515	-8	1480	1480	1
Jul 2006	1524 1528	1523	-8	1528	1506	7585
Sep 2006	1545 0	1546	-6	1548	1529	912
Dec 2006	1578 0	1576	-8	1578	1565	479
Mar 2007	1600 ^B 1610 ^A	1605	-7	1603	1590	248
May 2007	0 0	1623	-7	1618	1612	375
Jul 2007	0 0	1641	-5	0	0	20
Sep 2007	0 0	1657	-5	0	0	343
Dec. 2007	0 0	1677	-8	0	0	0
Mar-08	0 0	0	0	0	0	0
Totals		1436				9,963

Wednesday 3rd May 2006

Month	Opening Trans	Settle	Change	High	Low	Volume
May 2006	1485 ^B 1525 ^A	1506	-9	1530	1525	9
Jul 2006	1527 1531	1524	1	1537	1515	6963
Sep 2006	1550 0	1546	0	1559	1544	462
Dec 2006	1579 ^B 1583 ^A	1577	1	1589	1570	227
Mar 2007	1607 ^B 1610 ^A	1605	0	1617	1610	217
May 2007	1625 ^B 1630 ^A	1624	1	1636	1630	235
Jul 2007	1642 ^B 1650 ^A	1641	0	0	0	150
Sep 2007	1658 ^B 1665 ^A	1658	1	0	0	131
Dec. 2007	0 0	1678	1	1683	1683	35
Mar-08	0 0	0	0	0	0	0
Totals		1428				8,429

Thursday 4th May 2006

Month	Opening Trans	Settle	Change	High	Low	Volume
May 2006	1482 ^B 1525 ^A	1498	-8	0	0	0

Jul 2006	1519 1524	1516	-8	1535	1510	4616
Sep 2006	1539 ^B 1541 ^A	1537	-9	1555	1535	523
Dec 2006	1568 ^B 1574 ^A	1567	-10	1580	1568	221
Mar 2007	1595 ^B 1605 ^A	1596	-9	1605	1605	221
May 2007	0 1622 ^A	1614	-10	0	0	60
Jul 2007	0 0	1632	-9	1645	1645	3
Sep 2007	0 0	1649	-9	0	0	9
Dec. 2007	1670 ^B 1678 ^A	1668	-10	0	0	10
Mar-08	0 0	0	0	0	0	0
Totals		1428				5,663

Friday		5th May		2006		
Month	Opening Trans	Settle	Change	High	Low	Volume
May 2006	1460 ^B 1500 ^A	1512	14	1509	1509	3
Jul 2006	1497 1506	1522	6	1524	1497	4356
Sep 2006	1521 1522	1543	6	1545	1520	571
Dec 2006	1556 0	1573	6	1575	1550	344
Mar 2007	1580 ^B 1588 ^A	1602	6	0	0	0
May 2007	0 0	1620	6	1610	1603	300
Jul 2007	0 0	1639	7	0	0	0
Sep 2007	0 0	1656	7	0	0	291
Dec. 2007	0 0	1674	6	0	0	5
Mar-08	0 0	0	0	0	0	0
Totals		1434				5,870

Spot Prices (US \$ per tonne)

	1st May	2nd May	3rd May	4th May	5th May
Main Crop Ghana, Grade 1	1919	1911	1912	1904	1910
Main Crop Ivory Coast, Grade 1	1813	1805	1806	1798	1804
Main Crop Nigerian, 1	1799	1791	1792	1784	1790
Superior Arriba	1759	1751	1752	1744	1750
Sanchez f.a.q.	1746	1738	1739	1731	1737
Malaysian 110	1548	1540	1541	1533	1539
Sulawesi f.a.q.	1573	1565	1566	1558	1564
Ecuador Cocoa Liquor	2490	2477	2479	2466	2476
Pure Prime Press African Type Cocoa Butter	4149	4127	4130	4108	4125
10/12% Natural Cocoa Press Cake	684	680	681	677	680

Source: Cocoa Merchants' Association

News

Pure pleasure, but chocolate is unlikely to lift bad mood

By Nigel Hawkes, Health Editor

The Times May 02, 2006

CHOCOLATE may inspire cravings but it is neither addictive nor an anti-depressant. Addicts have long consoled themselves with the belief that it is cheaper than therapy and you don't need an appointment. But, say Gordon Parker and colleagues from the Black Dog Institute in Sydney, a thorough review of the scientific evidence fails to substantiate that belief. Far from lifting a bad mood, eating chocolate may prolong it, the team says in *Journal of Affective Disorders*. That's enough to induce a bad mood on its own. "Any mood-state effects of chocolate are as ephemeral as holding a chocolate in one's mouth," Professor Parker says.

Many claims have been made for chocolate's healthy properties, attributed to a range of pharmacologically active constituents such as serotonin, theobromine, phenylethylamine, caffeine and magnesium. Italian researchers have even claimed that women who enjoy chocolate have a better sex life than those who don't. "Chocolate is not like a food, it is like a drug," Andrea Salonia, from San Raffaele Hospital in Milan, has asserted.

Professor Parker offers a more prosaic view. He distinguishes between food cravings, emotional eating, and actual measurements of mood. "Chocolate can provide its own emotional pleasure by satisfying cravings, but when consumed as a comfort eating or emotional eating strategy, is more likely to be associated with prolongation rather than cessation of a depressed mood," he said. The team cites some key experiments done by others. For example, most of the chocolate ingredients said to have mood-altering properties are found in higher levels in other foods that do not cause cravings. And when cravers are offered a choice of milk or plain chocolate, white chocolate or cocoa powder, they go for milk chocolate, although it contains much lower levels of the supposedly psychoactive ingredients than plain chocolate. The unique appeal of chocolate, the team concludes, is its "melt-in-the-mouth" quality, which it owes to cocoa butter with its low melting point.

The other claims made for it do not stand up. "For most people, chocolate invokes anticipatory and consummatory pleasure, and is therefore an indulgence," the team concludes.

BEAN COUNTING

The Englishman Joseph Fry created the first chocolate bar in 1847. Last year Britain spent £4.3 billion on chocolate. British chocoholics eat 10kg of chocolate each a year — more than any other European nation. In 2003 the European Court of Justice rejected attempts by the Spanish and Italians to refuse to sell British chocolate because of its low cocoa count and excessive vegetable fat content

Cameroon: Donors To Help Re-launch Cocoa Sector

Cameroon Tribune (Yaoundé): Emmanuel Kendemeh

May 2, 2006

Prime Minister Ephraim Inoni and the Executive Director of International Cocoa Organisation discussed ways of increasing cocoa production. There are great prospects to improve cocoa farms, replace aging plants and acquire modern production and preservation technology in order to boost the cocoa sector in Cameroon. The International Cocoa Organisation is prepared to furnish farmers with up-to-date scientific knowledge, work with the government on projects to revamp the cocoa sector as well as seek financing and technical support from donors.

Prime Minister Ephraim Inoni last April 28 granted an audience to a four-member delegation from the International Cocoa Organisation, led by its Executive Director, Dr Jan Vingerhoets. It was during the audience that Dr Jan Vingerhoets declared the plans of his organisation to help re-launch the cocoa sector in Cameroon that had been hit by low productivity. He told journalists at the end of the audience that the Prime Minister informed the delegation members of the problems plaguing the cocoa sector in Cameroon ranging from old farms, lack of farm inputs, modern production and preservation methods. They all agreed that the farms must be rejuvenated for productivity to be increased both in quantity and quality. According to Dr Jan Vingerhoets, Prime Minister Ephraim Inoni informed them of the institutional measures taken to strengthen the cocoa sector, with particular emphasis on the appointment of new management teams at National Cocoa and Coffee Board (ONCC) and the Cocoa Development Corporation (SODECOA).

With a proper understanding of the problems of the cocoa sector in Cameroon, Dr Jan Vingerhoets said, " we have to work to bring information we have on good practices to farmers. To make them better farmers, bring up-to-date scientific knowledge to farmers". In this respect, he said extension services will be important as well as collaboration with farming groups and cooperatives. For better results to be obtained ,the International Cocoa Organisation boss said, "we want to continue working with Cameroon in particular on projects that fit to the drive by the government to re-launch the cocoa sector. We want to help with concrete projects for which we can find financing from donors to help improve on the situation in the cocoa sector".

Nigeria to host African cocoa development strategy summit

May 2, 2006

ABUJA, -- Eight African leaders are billed to converge in Nigeria's capital Abuja on Thursday for the "All Africa Cocoa Summit" designed to address the challenges of African cocoa producing nations, a senior Nigerian official said here Tuesday. At a news conference, Nigerian Federal Minister of Agriculture and Rural Development Malam Adamu Bello said the presidents of Cameroon, Cote d'Ivoire, Gabon, Ghana, Togo, Uganda and Sao Tome and Principe will attend the summit.

According to the minister, part of the agenda for the three-day summit with the theme "Sustainable cocoa economy for Africa" includes articulating strategies for ensuring equilibrium between supply and demand. "The summit will agree on strategies for maintaining international quality standards, come up with deliberate strategies at targeting the emerging markets and agree on strategies for increased local consumption amongst others," he said.

The agriculture minister added that the summit would also seek to work out improved access and affordability of cocoa production through building better markets, review evidence of cocoa use in African, identify major constraints to the current limited use of cocoa on the continent and proffer solutions to them. Adamu said 80 percent of the world cocoa export comes from Africa which consumes only about 2 percent of the product, adding that the scenario had affected the pricing with consumers dictating price without recourse to production cost.

The three-day summit is expected to initiate policies that will ensure a permanent answer to the perennial challenges of cocoa producers. Erelu Olushola Obadan, chairman of the Cocoa Rebirth Committee,said some cocoa producing countries like Brazil and Malaysia had moved beyond exporting the commodity to consuming all their beans. She, therefore, said that African producing states could not do less, because "we have the population and all we need is the political will and determination." Enditem

Nigeria: Obasanjo meets Bank chiefs on Cocoa

May 3, 2006,

By Andnetwork .com

President Olusegun Obasanjo has invited chief executives of six biggest banks in Nigeria to a meeting today in Abuja, to look for ways to promote cocoa economy in Africa. Expected at the meeting are members of the National Cocoa Development Committee.

Minister for Agriculture and Rural Development, Mallam Adamu Bello, who disclosed this in Abuja, yesterday, said the meeting is convened to enable producers add value to cocoa and ensure that at least 50 per cent of it is produced and consumed in Nigeria. "Obasanjo is very much willing that cocoa producers take their destiny in their hands," Bello said yesterday.

The meeting in the State House is coming a day before a three-day African summit on cocoa, which begins tomorrow at Transcorp Hilton Hotel, Abuja. Eight heads of state and government from cocoa-producing countries in Africa are also expected in Nigeria on Saturday, to bring political will to the resolutions of the summit. They are the leaders of Cameroun, Cote d'Ivoire, Gabon, Ghana, Sao Tome and Principe, Togo and Uganda who have been personally contacted by Obasanjo.

Cocoa has been domesticated in Africa since it was introduced in the late 19th century. The summit is to address the imbalance in cocoa economy in the world, Bello added. According to the minister, the world cocoa business is polarised between producers in Africa and consumers in the rich countries of the West. He said consumers determine the price of the commodity in the international market instead of the producers. Almost 80 per cent of international cocoa export comes from Africa, although the continent consumes only two percent of it.

Source: Thisday

Anyone having problems moving cocoa beans?

May 4 2006

By John Revill, Manufacturing Editor

A cost effective way to prevent the breakage of cocoa beans and a heads up display for cars were on display at the Engineering Education Scheme (EES) Celebration and Assessment Day at the NEC yesterday. The project, which celebrates its 21st anniversary this year, gives talented Year 12 maths and science students hands-on experience of engineering by working with local companies.

Among the innovations were a new safety device for rail workers developed by students from Aldersley High School, Wolverhampton and Carillion. The important temporary access system allows personnel to walk safely across the track when moving equipment is on site. Meanwhile Cadburys Trebor Bassett challenged a group of girls from King Edward VI High School, Birmingham to investigate the causes of cocoa bean breakage in transport. The group developed a low-cost system, for use in Ghana as the beans are loaded into the ship container, which reduces bean breakage and saves money.

Akufo-Addo leads delegation to Abuja cocoa talks

Accra, May 5, 2006

GNA - President J.A. Kufuor has directed Nana Akufo-Addo, Minister of Foreign Affairs to represent him at the African Cocoa Summit to be held May 4-6, this year in Abuja, Nigeria. A statement from the Ministry of foreign Affairs said the meeting was being convened at the instance of Nigerian President Olusegun Obasanjo to discuss critical aspects of the African Cocoa Economy with the ultimate goal of ensuring that Cocoa Producing Countries in Africa, which collectively produce more than 70 percent of the global cocoa beans, have a definite say in all matters concerning the commodity, particularly the payment of remunerative price to cocoa farmers. Nana Akufo-Addo was accompanied by Mr Isaac Osei, Chief Executive Officer of Ghana Cocoa Board.

Cocobod treats diseased cocoa trees

Accra, May 5, 2006

GNA - The Cocoa Swollen Shoot Virus Disease Control (CSSVD) unit of Cocobod has in the last decade treated a total of 25,000 hectares of cocoa farms afflicted by the disease nationwide. Mr Fracis T. Nsiah, Deputy Director of CSSVD said on Friday that the swollen shoot disease had afflicted at least 26 million trees across the cocoa belt. He told the GNA in an interview that the Eastern Region was the hardest hit and that CSSVD paid compensation to the affected farmers after cutting down diseased trees on their farms. Cocobod currently pays about four million cedis for a hectare of cocoa farm destroyed. Swollen shoot is a virus that affects cocoa trees and manifests its symptoms in the leaves, shoots and roots. It is capable of killing a mature tree within two years and the only cure is to cut the infected trees and their contacts.

African cocoa giants eye chocolate as a weapon

Fri May 5, 2006 2:58 PM GMT

By Tom Ashby

LAGOS (Reuters) - Africa's cocoa superpowers gathered in Nigeria this week to discuss ways of lifting prices, but said it would be difficult to convert their dominance of the global crop into a weapon of international trade. West Africa produces about 80 percent of the world's cocoa and those governments are keen to reverse a long-term decline in prices in real terms with some form of global supply management. But the last such attempt in 1996, under the aegis of the Cocoa Producers' Alliance at a conference in Libreville, Gabon, failed because producers broke their quotas. Prospects for another similar deal are now slim, authorities said. "Supply management is difficult in the short term. We need the facilities and it costs money," Nigerian Agriculture Minister Adamu Bello told Reuters. "We are also looking at creating new markets. That is our main aim now." Unlike oil, which is a finite resource and keeps its value underground, cocoa can be planted across the tropics, deteriorates after picking and costs money to store.

Sona Ebai, head of the Cocoa Producers' Alliance, said supply management was not impossible, as agricultural producers routinely restrict output in the West, but it would require careful planning and financing. "We had the Libreville Declaration on production management and we missed that opportunity. When we fixed indicative tonnages for major producers, a lot of them did not apply, and a lot of producers were outside the agreement," he said. Heads of state or senior representatives from Ivory Coast, Ghana, Cameroon, Gabon, Togo and Sao Tome and Principe are expected to attend the conference on Saturday.

STOCKS OVERHANG

Ebai said current global supply of cocoa was slightly below demand, but prices remained weak because of a massive overhang of beans in consumer-country warehouses. "Structurally the market is in deficit. The impact cannot be felt because of the stocks overhanging the market. We really need to do something about the stocks," he said. The Libreville Declaration determined that global stocks of beans should not be allowed to rise above 34 percent of annual demand from bean grinders to keep prices at \$2,000 per tonne. Current stocks of 1.2 million tonnes are about 44 percent of annual demand, and cocoa futures stand at \$1,516 a tonne in New York. While toying with the idea of production curbs, cocoa growers also expressed a desire to increase output to encourage economic growth. Global cocoa production last year was about 3.5 million tonnes.

Experts said improvements in spraying, husbandry and other techniques could yield big gains in crop sizes without planting any more trees. About 2.8 million tonnes of cocoa is lost every year to pests and disease, and Ebai said an improvement of the genetic material used by farmers could add another 1.5 million tonnes to global production relatively quickly. "I think we can produce the same amount of cocoa today with half as many cocoa trees," Ebai said. To create new markets for the extra production, delegates said Africa had some of the lowest chocolate consumption levels in the world, and the world's top growers could do a lot to help themselves in this regard.

Japan makes money from Ghana's cocoa, as Ghana sleeps

(May 5th, 2006) : Author: Frederick Asiamah

Ghana is arguably the most popular African country in Japan, for one thing- a chocolate brand called "Milk Chocolate Ghana" that is fast selling in the Asian economic giant. This is perhaps the untold story of Japanese Prime Minister, Junichiro Koizumi's three-day visit to Ghana earlier this week. The visit brought to the fore the immense benefit Japan has gained from using Ghana's cocoa and her name to make one of the most successful chocolate products in the world, "Milk Chocolate Ghana."

Ironically, Japan's leading chocolate product comes from Ghana's leading export product, cocoa. Japan imports about 75% of its cocoa beans from Ghana and produces a comparatively better brand of chocolate product which has great reputation on the international market, while Ghana's chocolate is making very little impact on the world market. The "Milk Chocolate Ghana" brand was shared among pen journalists last Tuesday when a Japanese Foreign Ministry official briefed them on the bilateral talk that took place between the Prime Minister and President John Agyekum Kufuor. When asked whether Ghana's chocolate stands any chance of making it on the Japanese market, the official said the "Milk Chocolate Ghana" brand is "designed to suit the taste of the Japanese people, therefore, any brand which does not meet that standard cannot sell there."

The Official said Japan's total import from Ghana, including cocoa amounted to US\$ 2.8 billion in 2004, while it exported US\$ 4.3 billion worth of goods to Ghana in the same year. He said on the average, Japan's aid to Ghana amounts to US\$ 25 million annually, while Technical Assistance total US\$ 15 million annually. Touching on some of the issues discussed by the two leaders, the Foreign Ministry Official disclosed that the Japanese Prime Minister pledged his commitment to promote the implementation of the "one village one product" scheme in Ghana. The scheme, which has been successful in Japan, offers each village or town the opportunity to produce a single product. The village, in this regard concentrates on the production of a product for which it has abundant raw materials. The official mentioned for instance that, the 'Ashanti chair' is cherished very much in Japan and would have a ready market there anytime since it has some peculiar features no one could reproduce. Currently, the Ashanti chair sells at US\$ 690 in Japan. Speaking on why the Prime Minister chose to visit Ghana, the official observed that, Ghana is not only popular among the Japanese people because of the chocolate product but also because "Japan sees Ghana as a model country in Africa."

He made particular mention of Dr. Hideyo Noguchi, a Bacteriologist and Pathologist who died in Ghana in 1928 of yellow fever, a disease he was researching into. He stated that in recognition of Dr. Hideyo Noguchi's efforts, Japan would institute the Noguchi Award for medical experts in Africa who are contributing to the eradication of deadly diseases from the continent. The first of such awards would be presented in Tokyo in 2008 when Japan marks the 80th anniversary of the renowned doctor's death. Already, Dr. Hideyo Noguchi has been immortalised in Ghana with the naming of a research institute of the University of Ghana after him. The official also used the opportunity to speak on Japan's revision of its country assistance policy on Ghana in order to bring it into line

with Ghana's new development plan called the Growth and Poverty Reduction Strategy (GPRS) II. The new programme would see Japan offer development assistance to Ghana in two major areas: accelerating rural development and promoting industrial development.

The reform when completed is expected to promote agricultural production and rural infrastructure development, which Japan reckons would reactivate the rural economy, particularly in improving income of smallholder farmers in Ghana. Japan also hopes to identify potential areas where she can promote a linkage between agriculture and locally grown agro-based industries, and adopt a multi-sectoral approach that will improve the rural population's access to basic social services. Additionally, Japan intends to provide support for human resource development by improving the quality of technical, vocational, science, technology and mathematics education.

Nigeria earns \$200m from export of cocoa

By Umoru Henry

Vanguard Media Limited

ABUJA—MINISTER of Agriculture and Rural Development, Mallam Adamu Bello, disclosed Tuesday that the exportation of Cocoa has in the last three years earned the nation a total of \$200 million. He said "Over 400, 000 metric tonnes of the agricultural produce was exported within the stipulated period". Addressing a world press Conference in Abuja, on the forthcoming summit on African Cocoa producing countries slated for today, May 4th to Saturday 6th, 2006, Bello said "With the cocoa rebirth that is being pursued by the government, there is a projected increase of \$360 million in the next two years representing a total of 80 per cent increase in earnings", even as he said almost 80 per cent of world cocoa exports come from Africa.

The Minister who noted that eight African Heads of State and Government of Cameroon, Cote d'Ivoire, Gabon, Ghana, Sao Tome and Principe, Togo, Uganda are expected to join their Nigerian counterpart at the summit, said cocoa provides employment for over 2 million farming households directly in Africa and another 5 million indirect beneficiaries in the form of input provision, marketing, warehousing and quality control with over 20 million Africans relying on the cocoa economy as a source of livelihood in the major producing countries.

Bello, however expressed his dismay at the level of consumption of cocoa in Africa where the bulk of African cocoa is exported as beans and secondary products such as butter, cake and powder to Europe and the United States with a total consumption rate of 2 per cent coming from the continent, stressing that the scenario has led to the emergence of two poles of producing countries on one side and consuming Nations on the other within the world cocoa economy. The bulk of African Cocoa is exported as beans and secondary products {butter, cake and powder} to Europe and the United States while she consumes only about 2%. Ironically, those who grow cocoa do not consume it while those who consume it cannot grow it. Also, whereas in a normal economic setting producers dictate prices for produce, for cocoa is the case, he said. According to him, the summit which has as its theme, 'Sustainable Cocoa Economy for Africa', is expected to articulate strategies for ensuring equilibrium between world supply and demand for cocoa aimed at putting in place a production Management Plan through the storage and stock control of cocoa, even as he said at the end of the summit, means of ensuring that cocoa farmers are paid remunerative prices would be identified which will take into account their cost of production.

The Minister who was quite optimistic that the summit will specifically bring out strategies that would increase the consumption of cocoa and cocoa products, said there will be specific strategies to add value to cocoa. "We believe strongly that the Africa Cocoa summit will address the challenges of African Cocoa producers and other active players in the cocoa production chain. Some cocoa producing countries such as Brazil and Malaysia have moved beyond merely exporting their cocoa beans, they consume all the beans they produce and also import beans. We should do less. We have the population. All we need is the political will and determination to move from being traditional exporters of raw materials. We need to move forward," he stressed.

African cocoa producers' summit seeks fair prices

Business // Weekend, May 6, 2006

A farmer holds cocoa beans in the Ivory Coast. Nigerian President Olusegun Obasanjo says it is unacceptable that markets in Europe and the United States "unduly" influenced international cocoa prices without considering production costs. Nigerian President Olusegun Obasanjo says it is unacceptable that markets in Europe and the United States "unduly" influenced international cocoa prices without considering production costs.

Speaking at the opening of a summit of Africa's cocoa producing countries to discuss ways of boosting farmers' incomes and getting fair prices from global markets, he said: "A situation where the commodity exchange

markets in Europe and America unduly influence the international cocoa price without consideration to the cost of production is not acceptable.

"It is natural that consuming countries would want to protect their interests. This is why we as producers have to agree here at this summit on how to guarantee fair prices for our products," the president added Saturday. The summit's main objective was to discuss "all the critical aspects of the cocoa economy with the ultimate goal of ensuring that African cocoa-producing countries that collectively account for about 80 percent of global cocoa-based exports have remunerative prices," said Obasanjo.

Africa is the foremost continent in world cocoa production, accounting for almost 80 percent of the world cocoa exports, the bulk of which are exported as beans and secondary products to Europe and the United States. Cocoa producers in Africa are Nigeria, Cameroon, Ivory Coast, Gabon, Ghana, Sao Tome and Principe, Togo and Uganda. In addition to Obasanjo, those attending were President Fradiqu De Menezes Sao Tome, Togo's Prime Minister Edem Kodjo and Ghana's Foreign Minister Nana Akufo Addo. Ivory Coast and Uganda also sent representatives.

The Ghanaian foreign minister supported Obasanjo, saying, "It is indeed a matter of regrets that Africa which produces an overwhelming proportion of the world's cocoa beans has so little influence on the determination of the price of cocoa in the world commodity markets." He said Africa should work towards reversing the situation. "This summit should signal to our trading partners our desire and resolve to become more effective players in the cocoa industry". — AFP

'Cocoa consumption in Africa not encouraging'

Tuesday, May 2, 2006

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The Minister of Agriculture and Rural Development, Adamu Bello, has said that though the production of cocoa in Africa was better by 10 per cent in 2004 than 2003, the level of consumption of cocoa products in African countries was abysmally low, as they consumed only two per cent of total world consumption. This he said, calls for vigorous programmes to boost the consumption of cocoa in African producing countries. The minister disclosed this while inaugurating the National Steering Committee for the upcoming summit of Cocoa Producing Countries to hold in Abuja.

A summit of Heads of State of Cocoa producing African countries is billed to hold in Abuja on Saturday June 6, 2006. The summit is expected to be preceded by a technical session from 2nd and 3rd May and a meeting of ministers on the 4th. A cocoa exhibition will also be in session throughout the period of the meeting. Bello revealed that President Obasanjo was convening the summit as an avenue to discuss critical aspects of the cocoa economy with a view to ensuring that African cocoa producing states collectively produce about 77 per cent of global cocoa booms and therefore have a definite say in all matters that concerns the commodity especially remunerative prices for cocoa formers.

Cocoa, the minister said, was a major foreign exchange earner in the eight African countries of Cote D'voire, Ghana, Nigeria, Cameroun, Togo, Gabon, Sao Tome and Principe and Uganda. He revealed that world cocoa production in 2003/2004 was 10 per cent above the 2002/2003 levels, from 3,147,000 tonnes to 3,470,000 tonnes and the countries that accounted for this increase included Cote D'Ivoire, Cameroun, Nigeria, Uganda and Ecuador. This according to the minister, was a strong indication that most Cocoa producing countries had put in place various strategies to increase their production in order to generate foreign exchange earnings.

African cocoa producers to meet in Nigeria

Posted Wed, 03 May 2006

Abuja - Leaders from Africa's eight cocoa producing countries will meet in Abuja on Saturday to discuss methods of boosting farmers' incomes, Nigerian Agriculture Minister Adamu Bello said. The cocoa producers in Africa are Nigeria, Cameroon, Ivory Coast, Gabon, Ghana, Sao Tome and Principe, Togo and Uganda. Bello said that presidents from more than half these countries had already confirmed they will attend. "The essence of the summit is to ensure that these countries meet to discuss the various aspects of the African cocoa economy with the ultimate goal that African cocoa producers earn remunerative prices," said Bello. We believe very strongly that the African cocoa summit will address the challenges of African cocoa producers and other active players in the cocoa production chain," he added. Bello said the summit would come up with strategies to target the emerging markets particularly in China, India and other Asian countries. Africa is the foremost continent in

world cocoa production, accounting for almost 80 percent of the world cocoa exports, the bulk of which are exported as beans and secondary products to Europe and the United States.

In Africa, cocoa provides employment for over two million farming households directly and another five million indirect beneficiaries in the form of input provision, marketing, warehousing and quality control, Bello said.
-AFP

Child labor on decline globally; improvements since 2000, agency reports

By Stephen Franklin, *Chicago Tribune*

CHICAGO Not so long ago thousands of Pakistani children spent their days hunched over, hand-stitching high-priced leather soccer balls that were sold globally. They earned pennies per hour and faced the risk of injuries.

But then child labor advocates and consumer groups took up the cause, enlisting soccer ball manufacturers, sports industry groups, trade unions, human rights groups, officials from Pakistan and other countries. Today, the Pakistani soccer ball workshops are largely child free, the International Labor Organization said Thursday as it offered an upbeat update on the progress in fighting the abuses of global child labor. "There's been a big difference, but we still haven't gone far enough," said Lee Swepston, a human rights official for the 87-year-old Geneva-based organization.

Child labor, like sweatshops, is an issue that has caught on with consumers and forced global companies to take notice. The ILO's report predicted that the worst forms of child labor could be wiped away in 10 years if the current progress continues. Unlike a pessimistic report four years ago, the ILO pinpointed an increase in cooperation and awareness of child labor as making a substantive difference in the lives of children.

The number of laborers under 18 across the globe dropped 11 percent between 2000 to 2004, to 218 million from 246 million, the ILO said. And the number of youths from 5 to 17 years old trapped in hazardous jobs declined 26 percent to 126 million in 2004, according to the ILO.

The greatest declines took place in Latin America and the Caribbean, led by Brazil and Mexico, where the number of child laborers plummeted 66 percent. A booming economy in many countries has been a powerful tool in driving children out of the workforce, the report said. But the commitment of governments and businesses to protect child workers was key, the report added. In contrast, sub-Saharan Africa had the highest rate of child laborers more than one out of four youngsters five to 14 years old, according to the ILO. The prevalence of HIV/AIDS, wars and family upheaval helped limit the continent's ability to protect its children, the ILO said. "Many parents are dying, forcing their children into the streets," Swepston said.

A staggering number of youths are still victims of abuse, outlined by the report: More than 1 million children annually are forced into prostitution, trafficked and sold for sex or child pornography. More than 300,000 children have been drafted into rebel armies, which often leads them into forced labor or sexual slavery for the fighters. There are nearly 5.8 million children in some form of forced or bonded labor, working in homes, farms and factories as virtual slaves. The report also cites a growing number of children used in the production and sale of drugs. It also said it is not clear whether globalization creates child labor. "The report makes no bones about the difficult challenges that lie ahead, especially in agriculture, where seven out of 10 child laborers work," said a statement issued by U.S. Sen. Tom Harkin, D-Iowa.

Harkin, who has pushed for U.S. legislation on the issue, and helped broker an agreement with the cocoa industry several years to reduce its use of child laborers, pointed to the "real progress" made so far with cocoa growers. Diane Mull, director of the Washington-based International Initiative to End Child Labor, said it is much easier to go after child trafficking and prostitution than to try to end poor countries' reliance on children working on farms. Moreover, such work prevents children from receiving educations.

Alison Boak of the International Organization for Adolescents, a New York-based advocacy group that focuses on youth trafficking, said child trafficking remains a problem in Eastern Europe. After a major push in the 1990s, much of the funding and the work halted, she claimed. "People pulled out too early. They left before there was systematic change," she said. Swepston offered the case of the soccer ball industry in Sialkot, Pakistan, as an example of long-term attention that paid off.

A campaign waged by educators and child labor advocates like Save the Children, and helped by world famous athletes, publicized the issue. One of those educators was Bill Bigelow, who was teaching global studies a decade ago at a Portland, Oregon high school. After discovering that his high school's soccer balls came from Pakistan, he focused on issue in his classroom. "I wanted the students to see the humanity that is imbedded in

everything they touch," recalled Bigelow, who later co-authored a book on globalization aimed at teachers and students. "And I asked them to reconsider the soccer ball."

With help from the ILO and the government of Pakistan, the children were re-directed away from workshops to schools and to receiving health care for their work-related problems, according to the ILO report. Now Swepston says the child workshops have gone underground. "We are finding that is popping up again, out of sight," he said.

Bulgaria chocolate sales up 10% in '05

The Bulgarian chocolate market expanded by 10% with domestic production reaching 35,000 tons in 2005, shows data of Kraft Foods Bulgaria. The main competition for the Kraft Foods flagship chocolate brands in Bulgaria - Milka and Svoqe, comes from Nestle Bulgaria which controls 12% of chocolate sales. Milka sales outstripped Svoqe in 2005 and now it holds 40% of the market versus 35% for Svoqe, said Doroteya Aleksieva, the Milka brand manager at Kraft Foods Bulgaria. The Milka range, some of which is manufactured locally, is benefiting from a consumer shift towards mid-priced and premium chocolates. While Kraft Foods dominates the chocolate segment, Nestle leads the sales of chocolate bars and wafer snacks with a 45% market share.(Dnevnik)

Working at self-regulation

<http://www.foodproductiondaily.com>

By Ahmed ElAmin

02/05/2006 - Self-regulation has become the mantra of food groups who argue that laws are not always necessary – but can industry be trusted when it has failed so spectacularly in the past? The biggest growth area in the food industry is regulation, which is multiplying at the national level -- and globally. Many of the laws are driven by consumers' concerns over food safety and health. Some are attempts to harmonise law across the EU or the US, and even through international agreements such as the UN's Codex Alimentarius.

Other current or proposed regulations deal with subjects common to all industry, the environment, waste, export and import conditions and the like. The food business, which is facing low margins at home and tougher competition overseas, is justifiably concerned that the legal fences being constructed around them will stifle their business. The "stifle" scenario is especially true in the case of many of the smaller businesses, which do not have a phalanx of personnel to keep companies in line with the changing regulatory environment.

Self-regulation is increasingly being seen as the answer. But why trust industry when its bottom line is the buck rather than consumer welfare? Witness the current furor over benzene in soft drinks. The gamble by US authorities to let the industry deal with benzene residues in soft drinks on the quiet turned out to be a failure.

Fifteen years later benzene is still appearing in soft drinks and now the industry is in the doghouse with consumers and regulators. Restrictions and limits are bound to follow. However, there are signs that limited self-regulation over specific issues, properly audited, could work, especially if an overall body can keep individual businesses in line with the agreed upon rules.

Health claims, nutritional issues, concerns about obesity and even consumer privacy concerns over the use of radio frequency identification are some of the areas primed for industry consensus. The Confederation of the food and drink industries of the European Union (CIAA) is one organisation trying to bring the big and the small, the national and the multinational into just such a consensus.

One such move is in the area of political and public pressure on obesity. In October 2005 the CIAA adopted the new CIAA Food and Beverage Product Marketing Communications Principles, complementing the ones adopted in February 2004 relating to advertising. The new advertising and marketing practices follow clearly defined principles, along with campaigns promoting healthier lifestyles. The industry is quite right that tackling the issue will require multiple strategies and the sustained efforts of many sectors, not just the one that feeds the public's growing appetite.

More self regulatory proposals are due to come out of the association in relation to the EU's decision to take action on a common programme promoting diet, physical activity and health throughout the bloc. The industry promises that it will do its part to "make products and choices available to consumers corresponding to demands for taste, nutrition and convenience while encouraging a healthy lifestyle." It's a question of public and regulatory trust.

When the CIAA goes to the European Commission with its progress report on the new advertising and marketing commitments, it will have to prove, through an independent audit, that this initial trial at self-regulation is working. Such voluntary behaviour, part of a grander concept known as corporate social responsibility, is a task industry will have to bear collectively and individually or face the heavy hand of the law once again.

Only then can it expect more leeway on other issues.

Tit Bits

(Source: *Business Recorder* – www.brecorder.com)

US MIDDAY: cocoa higher

NEW YORK (May 02, 2006): US cocoa futures ended slightly higher Monday as players took profits on a wave of speculative buying spurred by a weak dollar during a session that was a holiday in London, dealers said.

New York cocoa rebounds

NEW YORK (May 02, 2006): US cocoa futures rose on Friday as a weaker dollar helped the market recover part of the previous day's losses amid lethargic trade. The New York Board of Trade's active July cocoa contract rose \$13, or 0.9 percent, to close at \$1,521 a tonne, after trading between \$1,514 and \$1,530. It fell \$19 Thursday.

US MIDDAY: cocoa down

NEW YORK (May 03, 2006): US cocoa futures finished in negative territory Tuesday, depressed by a round of speculative selling as officials in top cocoa producer Ivory Coast made an upward revision in the main crop, traders said.

Ivorian cocoa beans, product exports up

ABIDJAN (May 03, 2006): Ivory Coast's exports of cocoa beans and semi-finished products for the October-March main crop rose sharply to 933,485 tonnes from 856,038 the previous year, according to official data on Tuesday.

New York cocoa up after hectic dollar-related trade

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Ivory Coast main crop cocoa exports sharply up

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US MIDDAY: cocoa flat

NEW YORK (May 04, 2006): US cocoa futures settled steady Wednesday, with trade selling dampening the spirits of bullish speculators buying amid a weak dollar, traders said.

New York cocoa down on speculative trading

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US MIDDAY: cocoa futures slide

NEW YORK (May 05, 2006): US cocoa futures faltered amid light speculative selling Thursday, though a dearth of new directional signals kept the benchmark price leashed to this week's trading range, market sources said.

New York cocoa futures end flat

NEW YORK (May 05, 2006): US cocoa futures settled steady on Wednesday, with trade selling dampening the spirits of bullish speculators buying amid a weak dollar, traders said.

US MIDDAY: cocoa soars

NEW YORK (May 06, 2006): US cocoa futures ended on positive ground Friday, with industry buying and speculative short covering prompting the benchmark contract to rebound from a 10-day low hit earlier in the session, traders said.

New York cocoa futures slide amid speculative selling

NEW YORK (May 06, 2006): US cocoa futures faltered amid light speculative selling on Thursday, though a dearth of new directional signals kept the benchmark price leashed to this week's trading range, market sources said.