



COPAL COCOA *Info*

A Weekly Newsletter of Cocoa Producers' Alliance

Issue No. 180

22nd – 26th May 2006

ICCO Daily Cocoa Prices

	ICCO daily price (SDRs/tonne)	ICCO daily price (US\$/tonne)	London futures (£/tonne)	New York futures (US\$/tonne)
22 nd May	1068.35	1590.49	867.33	1540.33
23 rd May	1055.12	1576.09	859.67	1530.33
24 th May	1042.87	1558.54	859.00	1508.00
25 th May	1042.69	1551.86	853.00	1501.67
26 th May	1036.21	1544.67	858.00	1491.67
Average	1,049.05	1,564.33	859.40	1,514.40

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

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Cocoa Producers' Alliance

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

Monday 22nd May 2006

Month	Opening Trans	Settle	Change	Daily High	Daily Low	Volume
May-06	860	854	-11	863	850	5,585
Jul 2006	874	865	-10	874	862	2,400
Sep 2006	894	883	-11	894S	880	3,582
Dec 2006	900	895	-9	904	892	1,551
Mar 2007	912	907	-9	912	904	351
May 2007	915	915	-9	915	915	23
Jul 2007		923	-10			0
Sep 2007		931	-10			0
Dec. 2007		938	-12			0
Mar-08		949	-12			0
Totals		912				7,907

Tuesday 23rd May 2006

Month	Opening Trans	Settle	Change	High	Low	Volume
Jul 2006	855	846	-8	856	845	4,336
Sep 2006	865	857	-8	868	856	2,775
Dec 2006	882	876	-7	884	875S	1,304
Mar 2007	895	888	-7	896	887	2,961
May 2007	906	900	-7	906	899	775
Jul 2007	912	908	-7	914S	908	240
Sep 2007	920	916	-7	921S	920	12
Dec. 2007	933	924	-7	934S	932S	800
Mar-08		931	-7			0
May-08		942	-7			0
Totals		899				13,203

Wednesday 24th May 2006

Month	Opening Trans	Settle	Change	High	Low	Volume
Jul 2006	846	846	0	850	841	6,200
Sep 2006	857	856	-1	860	851	1,911
Dec 2006	876	875	-1	879	871	1,516
Mar 2007	888	887	-1	891	883	1,534
May 2007	899	899	-1	903	895	518
Jul 2007	906	908	0	906	904	33
Sep 2007		917	1			0
Dec. 2007		925	1			0
Mar-08		932	1			0
May-08		943	1			0
Totals		899				11,712

Thursday 25th May 2006

Month	Opening Trans	Settle	Change	High	Low	Volume
Jul 2006	845	840	-6	849	839	3,738
Sep 2006	857	850	-6	859	850	1,098
Dec 2006	872	869	-6	878	869	672
Mar 2007	888	881	-6	889	881	424
May 2007	897	894	-5	897	894	446
Jul 2007	904	902	-6	904	902	71
Sep 2007		911	-6			0
Dec. 2007		919	-6			0
Mar-08		926	-6			0
May-08		937	-6			0
Totals		893				6,449

Friday 26th May 2006

Month	Opening Trans	Settle	Change	High	Low	Volume
Jul 2006	842	845	5	847	838	4,015
Sep 2006	852	855	5	857	849	1,878
Dec 2006	869	874	5	876	868	649
Mar 2007	884	886	5	889	881	638
May 2007	898	898	4	900	898	30
Jul 2007	902	906	4	904S	902	16
Sep 2007	913	915	4	915S	912	157
Dec. 2007	926	923	4	926S	926S	250
Mar-08		930	4			0
May-08		941	4			0
Totals		897				7,633

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

Monday 22nd May 2006

Month	Opening Trans	Settle	Change	High	Low	Volume
Jul 2006	1514 1517	1515	-14	1520	1506	5858
Sep 2006	1536 1538	1538	-13	1542	1528	1610
Dec 2006	1566 0	1570	-13	1571	1560	469
Mar 2007	1600 0	1600	-13	1601	1595	674
May 2007	1621 0	1620	-12	1621	1615	70
Jul 2007	0 0	1640	-12	0	0	150
Sep 2007	0 0	1657	-12	0	0	98
Dec. 2007	0 0	1680	-13	0	0	0
Mar-08	0 0	0	0	0	0	0
Totals		1424				8,929

Tuesday 23rd May 2006

Month	Opening Trans	Settle	Change	High	Low	Volume
Jul 2006	1515 1521	1501	-14	1522	1498	6905
Sep 2006	1542 1544	1526	-12	1544	1522	2091
Dec 2006	1574 ^B 1576 ^A	1558	-12	1570	1555	1324
Mar 2007	1602 ^B 1610 ^A	1588	-12	1598	1587	797
May 2007	0 1627 ^A	1608	-12	0	0	3
Jul 2007	0 0	1629	-11	0	0	0
Sep 2007	0 0	1646	-11	1656	1649	865
Dec. 2007	0 0	1669	-11	1678	1678	585
Mar-08	0 0	0	0	0	0	0
Totals		1414				12,570

Wednesday 24th May 2006

Month	Opening Trans	Settle	Change	High	Low	Volume
Jul 2006	1500 1503	1479	-22	1503	1476	10906
Sep 2006	1524 1526	1505	-21	1526	1502	2342
Dec 2006	1559 0	1538	-20	1559	1538	1368
Mar 2007	1587 0	1568	-20	1587	1566	1284
May 2007	1606 ^B 1610 ^A	1588	-20	1600	1600	300
Jul 2007	1625 ^B 1630 ^A	1609	-20	0	0	5
Sep 2007	1643 ^B 1650 ^A	1625	-21	0	0	289
Dec. 2007	1665 ^B 1674 ^A	1649	-20	0	0	0
Mar-08	0 0	0	0	0	0	0
Totals		1396				16,494

Thursday 25th May 2006

Month	Opening Trans	Settle	Change	High	Low	Volume
Jul 2006	1480 1481	1472	-7	1488	1471	6453

Sep 2006	1507 1509	1499	-6	1511	1498	2287
Dec 2006	1543 0	1532	-6	1543	1532	828
Mar 2007	1572 0	1562	-6	1574	1565	483
May 2007	1590 ^B 1594 ^A	1582	-6	1588	1588	722
Jul 2007	1610 ^B 1615 ^A	1602	-7	1605	1605	50
Sep 2007	1625 ^B 1630 ^A	1620	-5	0	0	518
Dec. 2007	1650 ^B 1655 ^A	1643	-6	0	0	0
Mar-08	0 0	0	0	0	0	0
Totals		1390				11,341

Friday 26th May 2006

Month	Opening Trans	Settle	Change	High	Low	Volume
Jul 2006	1472 1475	1461	-11	1475	1457	8367
Sep 2006	1500 1501	1489	-10	1501	1485	3840
Dec 2006	1532 ^B 1534 ^A	1523	-9	1533	1521	1004
Mar 2007	1564 0	1553	-9	1564	1551	371
May 2007	1582 ^B 1590 ^A	1574	-8	1582	1570	456
Jul 2007	0 0	1594	-8	0	0	0
Sep 2007	0 0	1611	-9	1617	1613	85
Dec. 2007	0 0	1634	-9	0	0	0
Mar-08	0 0	0	0	0	0	0
Totals		1382				14,123

Spot Prices (US \$ per tonne)

	22 nd May	23 rd May	24 th May	25 th May	26 th May
Main Crop Ghana, Grade 1	1903	1889	1867	1814	1803
Main Crop Ivory Coast, Grade 1	1805	1791	1769	1754	1743
Main Crop Nigerian, 1	1775	1761	1739	1732	1721
Superior Arriba	1741	1727	1705	1695	1864
Sanchez f.a.q.	1737	1723	1701	1687	1676
Malaysian 110	1548	1534	1512	1500	1489
Sulawesi f.a.q.	1573	1559	1537	1525	1514
Ecuador Cocoa Liquor	2565	2542	2504	2473	2454
Pure Prime Press African Type Cocoa Butter	4166	4128	4067	3960	3930
10/12% Natural Cocoa Press Cake	712	705	695	702	696

Source: Cocoa Merchants' Association

News

Destination Cocoa Town

Shanti Gunaratnam

Chocolate everything, eco tourism and underwater wonders. Tawau offers all these and more, writes SHANTI GUNARATNAM. TAWAU'S claim to fame is cocoa. The town is dotted with many cocoa plantations that have opened their doors to tourists who are keen to learn more about cocoa. If you are a cocoa lover, this is the place for you. One can indulge in anything made out of cocoa here – from sweets and drinks to chocolates and biscuits. Not only that but you can have seafood cooked with cocoa too!

Take your pick of fish steamed in cocoa, deepfried prawn and cocoa fritters, savoury rice porridge with cocoa, stirfried vegetables with, what else but cocoa? The list goes on and on. If you are a dessert lover, try Tawau's famous sweet cocoa porridge that's served with hard boiled eggs. A destination that's becoming very popular is the Teck Guan Cocoa Village. It's actually a 1,000-acre cocoa plantation. Here, visitors are taken on a two-hour guided tour to see how cocoa is cultivated, harvested, fermented and dried before it is sent to the factory.

From there, tourists are taken to the magnificent waterfalls (also known as Cocoa Culture Spring), at the village for a picnic or afternoon lunch. Nature lovers will feel very much at home at the Cocoa Culture Spring which is surrounded by lush greenery. The village has two main waterfalls and four mini cascades. Teck Guan Holdings Sdn Bhd senior administrator Ivy Yap says the village is one of the earliest plantations to cultivate cocoa in Tawau where the volcanic soil is most suitable for this crop.

Tawau is one of the top cocoa producers in the world along with the Ivory Coast, Ghana and Indonesia. "Many visitors think cocoa is produced from coffee beans and are often surprised when we show them the cocoa tree and fruit," says Yap. "Even Malaysians don't know this and a visit to the village has turned out to be an educational trip for many. We are still in the midst of working out the nitty-gritty details of tour packages we intend to offer. That is why we have yet to launch the village as a big tourism product," she adds with a laugh. Then, for more on cocoa, head straight for the Teck Guan Cocoa Museum, where you can learn all about cocoa processing and end-product manufacturing. Learn how cocoa butter is produced and exported to world famous chocolatiers including the company that produces Godiva chocolates. "When you take a bite of expensive chocolates, don't forget that the cocoa butter actually comes from Tawau. Cocoa doesn't contain caffeine and is actually good for you."

In ancient times, it was only the well-heeled high society that consumed products made from cocoa but today, chocolate is for everyone. At the museum, visitors will also be shown how to prepare snacks using cocoa products. They can also purchase the products on sale. For more details and organised tours of both the village and museum, call 089-772 277 ext 2254. Balung River Eco Resort. Next to the cocoa village is the Balung River Eco Resort, owned and run by Sabah's former Chief Minister Datuk Harris Salleh. The resort about 15 to 20 minutes away along a gravel path from the main road. But the bumpy ride is worth it as the views are truly magnificent. In short, it is a different world out there. Surrounded by so much greenery – both forest and plantation – the resort offers 73 chalet-type rooms for those seeking solitude and peace. Here, the sun sets about 6.30pm and rises at about 5.30am. Mobile phone coverage is poor and you can only find one television set in the reception area. Electricity is available only from dusk till dawn. Nobody minds should you walk in for dinner or breakfast in scruffy shorts and tee-shirts.

If you need company, seek out the extremely knowledgeable resort and plantation general manager K. Arunagiri Nathan and his efficient staff who will take you on tours to the plantation and fruit farms. Arunagiri will painstakingly explain every plant, fruit and herb that grows here. The eight-year-old resort is nestled in a large plantation that grows coffee, oil palm, cocoa, teak, misai kuching (said to be a blood purifier and good for treating diabetes and gout) cardamom, cinnamon, lemon grass and dukong. Arunagiri says tourists usually spend their time jungle trekking, swimming or walking around the resort. The resort also produces palm sugar and syrup which are exported to Japan. "The syrup, similar to maple syrup, can be eaten with pancakes, pudding and bread. Tourists who come here simply love the syrup which we sell for RM10 a bottle," says Arunagiri.

Roach Reefs Resort

While Tawau is well-known for its eco-tourism products, it is also becoming popular for diving activities, especially at Roach Reefs Resort, just an hour away by speed boat from the yacht club marine. The resort is on a

man-made island surrounded by emerald green waters where one can go scuba diving and snorkelling from sunrise till sunset. It's popular with foreigners, especially Germans, who spend up to three weeks here.

Marine life is thriving. You can see dolphins, whales and sharks, which are a common sight for two months beginning September. On a good day – in fact, almost every day here is a good day – the resort offers three boat dives and two shore dives, all under the watchful eyes and guidance of master divers and dive instructors. Managed by Japanese Kenichi Obata, the resort has only 11 chalets, all twin-sharing and a water cottage. "Some of our guests come here for fishing and we take them to a popular spot about two kilometres away. The waters surrounding the resort is off limits for fishing," says Kenichi.

Where to Stay

Hotel Emas, a member of the Teck Guan Group of Companies, offers rooms from RM200 nett for deluxe queen/twin to RM380 for the executive suites. Rooms on the premier floor start at RM280 nett and goes up to RM1,600 nett. Hotel Emas is located in the central business district. Call 089-762 000/fax 089-763 569 or 089-774 626. Standard and deluxe rooms at the Balung River Eco Resort are priced at RM110 and RM130 per room per night with the VIP suites going for RM170. The economy standard room for four persons per room is RM120 and for eight persons per room, it is RM180. The chalets, which have four rooms and can accommodate 20 persons, are available for RM450 to RM550. For reservations, call 089-761 339/fax: 089-763 637. Rooms at Roach Reefs Resort are inclusive of food and diving activities. Prices start at RM1,200 ex-Tawau. Call 089-779 332 or fax 089-757 135.

Where to Eat

The Hotel Emas Cacao Palace restaurant serves "cocoa dishes", steamboat buffet, Malaysian, Chinese and Western cuisine. The Balung River Eco Resort prepares healthy meals with vegetables and herbs grown on its premises, fish, chicken and seafood. Food can be prepared to order. Otherwise, Tawau town has its fair share of eateries serving fresh seafood.

Getting There

From Kota Kinabalu, Tawau is accessible by road via the East-West and East Coast highways. The journey should take about eight hours. For a speedier alternative, regular flights from Kota Kinabalu to Tawau take only 45 minutes. From Kuala Lumpur, tourists can hop on AirAsia flights which flies to Tawau twice a day. The familiarisation trip to Tawau was organised by AirAsia and Sabah Tourism.

Nigeria: FG: Farmers Ignorant of N50bn Agric Fund

This Day (Lagos)

May 22, 2006

Etim Imisim

Abuja

Commerce Minister, Ambassador Idris Waziri, has disclosed that farmers have not been applying for N50 billion financing arrangement put in place by the Federal Government to fund the development of the agricultural sector. The minister spoke during the inauguration of a new committee to oversee the planned scheme by Nigeria to enhance national and global cocoa consumption.

The fund would be disbursed through the Agricultural and Rural Development Bank to micro-businesses, while the Nigerian Export and Import Bank and some commercial banks would manage for medium-scale enterprises although formalities for the participation of NEXIM was yet to be formalized. A member of both agriculture implementation finance committee and cocoa marketing committee, Dr. Victor Iyama, told THISDAY that commercial banks are insisting on charging 14 per cent rate but that the government was paying eight per cent of the interest and farmers six per cent. "The problem is that farmers are not accessing this fund," the minister said.

Waziri launched the Presidential Committee for the Aggressive Marketing of Cocoa and Cocoa Products on behalf of President Olusegun Obasanjo in Abuja saying that he would look into the tariff problems that have hindered the export of cocoa into Europe. He regreted a situation where African countries have been exporting cocoa beans to Europe and America at low prices and importing finished cocoa products into the continent at far higher prices. "We have to add value to cocoa (and other produce that we have)", the minister said. "But it has to

be private-sector driven." The committee is a follow up to the African Cocoa Summit of a two weeks ago where seven cocoa producing countries in Africa agreed to stimulate the consumption of cocoa at home and abroad. The countries are Uganda, Nigeria, Cote d'Ivoire, Ghana, Sao Tome Principe and Cameroun.

It is to sensitise Nigerians on the health and nutritional benefits of cocoa, the minister said, citing Brazil as a country that embarked on local production and consumption of cocoa and succeeded in reducing or altogether stopping export of cocoa beans. Nigeria is embarking of feeding 25 million school pupils with cocoa drinks, the minister added. Meanwhile, Amb. Waziri also met with members of the Export Commodity Coordinating Committee (ECCC) on the way to move export trade forward in Nigeria. ECCC was created after commodity boards was scrapped for the purpose of regulating trade in the country. According to the minister, the key issue in trade is adding value to products for export and the private sector must be involved in the trade process for maximum benefits to be realized. The government was working hard to remove obstacles to trade and investment such as multiple levies, the minister added.

New study reveals components of cocoa may enhance the appearance of the skin Consumption of high-flavanol cocoa improves skin structure and function

22-May-2006

Cocoa butter has long been used topically in many skin creams and cosmetics because it is thought to be good for the skin. Now, new research just published in the Journal of Nutrition reveals the potential benefits of consuming flavanol-rich cocoa and how it might actually benefit skin from the inside out. Researchers found that certain components in cocoa may actually help improve the appearance of women's skin – increasing hydration, decreasing skin roughness and scaling, and helping to support the skin's defense against UV damage. The German scientists attributed the observed benefits to cocoa flavanols – a group of compounds that can be particularly rich in cocoa and that have been previously reported to improve blood flow and vessel function.

In this new study, 24 healthy women (aged 18 to 65) were randomly assigned to two groups. One group drank a high-flavanol Cocompro® cocoa beverage (329 mg) once a day, while the other group consumed a matched cocoa beverage low in flavanols (27 mg). At three different periods during the 12-week study, various tests were conducted to evaluate skin properties: sensitivity to UV irradiation, skin blood flow, skin structure and texture, and skin hydration.

The women who regularly consumed the high-flavanol cocoa beverage showed significant improvements in these indicators of skin quality, while those who consumed the flavanol-poor cocoa did not have an improvement in any of the measures. "We are excited by the extent of improvements to the skin," said Catherine Kwik-Uribe, PhD, senior research scientist at Mars, Incorporated, which has supported and conducted much of the research on cocoa flavanol health, including this new study. "Much of the interest in skin health has focused on what you put on the skin. From our extensive research on cocoa flavanols over the last several years demonstrating their potential positive benefits on circulation, it is rewarding to see that these benefits may extend to skin quality as well."

In addition to the improvements in skin quality in study participants, this study is the first to suggest that the regular consumption of cocoa flavanols may support human skin's defense against UV light. Study participants exhibited a reduction in the redness of skin following exposure to artificial sunlight. The authors of the study believe the skin benefits of cocoa flavanols may be due in part to an improvement in blood flow to the skin. Consistent with previous studies that demonstrated significant improvements in vessel function, in this study, the regular consumption of flavanol-rich cocoa resulted in a significant increase in blood flow to the skin's surface, effects that were sustained with the regular consumption of cocoa flavanols.

This is the latest study supported by Mars to demonstrate potential health benefits of cocoa flavanols. The Journal of the American College of Cardiology named another recent study of cocoa flavanols and blood vessel function by a collaborative group of researchers in Germany, the University of California, Davis and Mars to be one of the major advancements in cardiovascular research in 2005. (DeMaria AN et al. Highlights of the Year in JACC 2005. Journal of the American College of Cardiology. 2006; 47(1):184-202.) Working in collaboration with top research institutions throughout the world, the company continues to lead the way in exploring the full nutritional and medical potential of cocoa's naturally occurring flavanols. For more than 15 years, Mars' commitment to research is evidenced by the 85 peer-reviewed research publications on cocoa and the more than 30 patents held by Mars scientists.

Scientists at Mars, Incorporated developed a patented process called **Cocoapro®** that helps retain consistent level of flavanols that occur naturally in cocoa beans. The flavanol-rich beverage in this study was prepared using the **Cocoapro** process to enable the elevated levels of cocoa flavanols. Mars products that are made with the **Cocoapro** process include **Dove® Dark Chocolate** and **CocoaVia®**, a new line of heart healthy snacks that are guaranteed to contain at least 100 mg of cocoa flavanols per serving. For more information on the many research studies on cocoa flavanols, visit www.cocoapro.com.

Mars, Incorporated is one of the world's top producers of chocolate, and has a strong commitment to health research. With well over 15 years of research into the health benefits of cocoa flavanols, and decades of research invested into improving the cocoa plant and farming techniques, Mars, Incorporated has become the global leader in cocoa science. Mars uses patented and proprietary methods of processing cocoa beans to retain much of the naturally occurring flavanols, marking these products with the **Cocoapro®** seal, a hand holding a cocoa bean to signify the careful handling.

Heinrich U, Neukam K, Tronnier H, Sies H, Wilhelm S. Long-term ingestion of high flavanol cocoa provides photoprotection against UV-induced erythema and improves skin condition in women. Journal of Nutrition. 2006;136:1-5.

Nigeria: FG Inaugurates C'ttee On Cocoa

Daily Trust (Abuja)

May 22, 2006

Idris Ahmed

Determined to restore the cocoa industry to its glorious past as one of the highest revenue earners for the country, a presidential committee on marketing of cocoa and cocoa products was inaugurated Friday in Abuja. The 13-member committee which has among other mandates; "to develop means to substantially increase the production of cocoa for export as well as improve their quality to conform to international standards in order to sustain Nigeria as a major player in the non-oil export" is headed by the Minister of Commerce, Ambassador A.D. Idris Waziri.

Ambassador Idris who called for the collective responsibility of the members of the committee towards achieving the objective for which it was set up said; "While cocoa as commodity had succeeded in eliminating poverty and moving the economy of our consumer friends forward, the same cannot be said on the economies of the producer nations or the farmers who toil tirelessly to produce the commodity". The committee he said, will embark on a fact finding mission to identify all the cocoa processing plants in the country to know those that are presently in operation and those that are not. The aim he said is to find out what can be done to revive those that are not in operation and finished products that could be obtained from them for the domestic consumption and exports markets.

It would be recalled that during the 2003/2004 cocoa season, the estimate of total world production of cocoa beans was put at 3, 209, 700 tonnes and Africa accounts for 80% of this estimate with Nigeria having 250,000 tonnes. While Africa produces about 80% of the world cocoa beans, we consume a mere 2%, a situation described as not favourable because " cocoa has a bright prospect for sustaining the economies of African producing countries, provided the problem of supply/demand imbalance, which has resulted in declining trend in real prices can be effectively addressed."

Equal Exchange, Fair Trade Chocolate Company Condemns Unfair Tax on Small Cocoa Farmers in the Dominican Republic

05/23/2006: Press Release from Equal Exchange

(CSRwire) West Bridgewater, MA- Responding to a plea for support from small-scale cocoa farmers in the Dominican Republic, the pioneering fair trade business Equal Exchange is urging that country's president to repeal a tax that it claims is illegal, discriminatory, and has been imposed at the behest of a small group of families and cocoa trading firms who have traditionally dominated the Dominican cocoa industry.

Until very recently almost all Dominican cocoa exports were controlled by a few wealthy families, who could count on buying cocoa from poor small scale farmers at low prices and without competition from other buyers. However this began to change in the 1990's when farmers started to work with one another to create their own cocoa marketing enterprise. That effort built CONACADO, a cooperative owned by 15,000 small scale Dominican farmers, and now the world's largest exporter of certified organic cocoa. For the traditionally dominant cocoa exporters CONACADO's grass-roots success has meant more competition, less business, and lower profits as CONACADO now exports 20% of the country's cocoa, often to high-end buyers who had

traditionally shunned Dominican cocoa. But instead of supporting this home-grown success that is bringing economic development and safe, sustainable agriculture to the nation's countryside, the government has agreed to a recommendation from CONACADO's competitors to impose a punitive tax on CONACADO members, and other small-scale cocoa producers.

Two years ago the traditional cocoa exporters asked the National Cocoa Commission, a tri-partite body comprised primarily of themselves and members of the Agricultural Department, to impose this steep, and ironically named "Solidarity", export tax of \$124 per metric ton. This is a considerable commercial burden as the export price of cocoa is typically only \$1400 per ton, or less, and the profit margin very low. Further, the proceeds of the tax are used to pay off debts incurred by the traditional exporters themselves. In just the two years since the tax went into effect (May 25th, 2004) small farmers have already paid \$9.86 million in "solidarity" taxes. In their fight to repeal the tax CONACADO has pointed out the National Cocoa Commission does not have the authority to impose taxes, let alone to do so in an arbitrary manner that benefits one sector of the cocoa industry at the expense of another. Further, the tax was not created by a law, as required by the Dominican constitution. Since 2004 CONACADO and other producers' organizations have pursued other avenues to repeal the tax, but without success. For this reason they are now asking the President, Leonel Fernández Reyna, to intervene and are asking allies of small-scale Dominican farmers, both in and outside of the Dominican Republic, to speak out on this issue.

Equal Exchange is responding to this request for assistance, and is encouraging its partners and peers in the natural foods industry and Fair Trade movement to ask President Fernandez to repeal this illegal, and regressive tax. Equal Exchange also encourages individuals to lend their voices to this effort. Messages to the Embassy of the Dominican Republic may be sent by telephone (202-332-6280 x2523), fax (202-265-8057) or email: embdomreputa@msn.com. "For twenty years we have sought to bring more equity to a global trading system that normally keeps small farmers impoverished," said Equal Exchange president Rob Everts. "Low commodity prices have always been problematic but in this case, the government and large cocoa traders are not only not helping to improve the lot of small farmers, they are actively abusing their leverage to make matters worse" he added.

CONACADO is a democratically organized farmer cooperative founded in 1988. It represents more than 15 thousand small and medium-sized farmer members, organized into 136 community associations, which work together within eight regional "bloques". Equal Exchange, a market leader in Fair Trade coffee and other foods since 1986, is a full service provider of high quality, organic coffee, tea, cocoa, chocolate and sugar to retailers and food service establishments. Major customers include Shaw's, Stop & Shop, Hannaford supermarkets, natural food stores, consumer food cooperatives, cafés, and thousands of places of worship nationwide. 100% of Equal Exchange products are fairly traded, benefiting over 30 small farmer cooperatives in 16 countries around the world. In keeping with its Fair Trade mission Equal Exchange is a worker cooperative, owned and democratically controlled by its employees.

Cocoa Protects, Improves Skin

Posted on: 05/23/2006

DÜSSELDORF, Germany--Consumption of flavanol-rich cocoa may benefit female skin, according to new German research (J Nutr, 136, 6:1565-69, 2006).

For 12 weeks, two groups of women consumed either a high-flavanol (326 mg/d; 61 mg/d epicatechin, 20 mg/d catechin) or low-flavanol (27 mg/d; 6.6 mg/d epicatechin, 1.6 mg/d catechin) cocoa powder dissolved in 100 mL water. Photoprotection and indicators of skin condition were assayed at baseline and during the intervention. Following exposure of selected skin areas to 1.25 x minimal erythral dose (MED) of radiation from a solar simulator, ultraviolet (UV)-induced erythema was significantly decreased in the high-flavanol group by 25 percent after 12 weeks of treatment, whereas no change occurred in the low-flavanol group. In addition, ingestion of high-flavanol cocoa led to increases in blood flow of cutaneous and subcutaneous tissues, decreases in roughness and scaling, and increases in skin density, thickness and skin hydration, whereas none of these variables was affected in the low-flavanol cocoa group. The researchers concluded dietary flavanols from cocoa contribute to endogenous photoprotection, improve dermal blood circulation, and affect cosmetically relevant skin surface and hydration variables

President For UK..... He'll be in Germany for World Cup

By AND West Africa

2006-05-24

President J. A. Kufuor is scheduled to attend this year's international cocoa conference to be held in London on June 1, 2006. The presidential spokesman and press secretary to the President, Mr Andrew Awuni, told journalists at a press briefing at the Castle, Osu, yesterday that the President had also accepted an invitation to be the guest speaker at the opening ceremony for the Wilberforce Institute for the Study of Slavery and Emancipation at the University of Hull in the United Kingdom on July 6, 2006.

The President is also likely to go to Germany to witness Ghana's opening match against Italy in the World Cup tournament on June 12. Mr Awuni said the President would address the international cocoa conference on the "Cocoa Industry as a platform for achieving the Millennium Development Goals" on June 2, 2006.

INTERVIEW - Shoot Disease Seen as Big Threat to Ghana's Cocoa

REUTERS NEWS SERVICE

Story by Orla Ryan

May 25, 2006

ACCRA - Swollen-shoot disease poses a serious threat to Ghana's cocoa output but the world's second-largest cocoa producer lacks funds to curb its spread, the head of a state research institute said. Dr Yaw Adu-Ampomah, executive director of the Cocoa Research Institute of Ghana (CRIG), told Reuters that between five and 10 percent of the country's cocoa trees were affected by the virus. It is spread by insects, reduces yields and kills the worst-affected trees within two years. "It is a very serious threat, it can reduce drastically the crop," he said in an interview late on Tuesday. CRIG is the research arm of Ghana's cocoa industry regulator Cocobod. "In the past five years, it has been increasing in intensity every year ... in the past two years we have been removing (diseased trees) but not at the intensity which is required due to the lack of funding," Adu-Ampomah said.

Tackling swollen shoot disease could help Ghana increase its cocoa output from current annual season production of about 600,000 tonnes, he added. The disease was present in all of Ghana's cocoa-growing areas, including the heavy-yielding Western Region, where incidence was previously low. CRIG was applying for European Union funding to help cover the cost of removing affected trees, compensating farmers and distributing disease-resistant cocoa varieties. But extension services needed to be intensified to help farmers identify the presence of the disease, Adu-Ampomah said.

LOSS TO FARMERS

Some farmers were reluctant to destroy trees because they are almost entirely dependent on the crop for their livelihood. Even when compensated for the loss, many farmers are financially devastated by the removal of trees which have taken years to mature. "It is a big loss to the farmer, after planting and taking very good care of the tree," Adu-Ampomah said. He cited the case of Ghana's Eastern Region as evidence of the extent of damage that swollen shoot disease can cause. "The Eastern region was producing the bulk of Ghana's cocoa, about 200,000 tonnes in the 1960s. Now it is producing 30,000 tonnes. Old age was part of it, but a substantial part of it could be attributed to disease," he said.

Traditionally, Ghanaian cocoa farmers have struggled with black pod disease as well as swollen-shoot disease. But a nationwide spraying campaign in recent years has reduced the incidence of black pod and helped lift national production to a peak of 736,000 tonnes in 2003/04. The spraying to counter black pod disease was continuing but on a limited scale, covering about 50 to 60 percent of Ghana's cocoa farms, Adu-Ampomah said.

Cocoa-covered Drogba helps plug Ivorian chocolate

By Loucoumane Coulibaly

Thu May 25,

ABIDJAN (Reuters) - Bare-chested and glistening with cocoa butter, Didier Drogba taps the ball back and forth between his feet, a droplet of chocolate dripping down his left temple. Booting the ball away, he looks at the camera and declares proudly: "Ivory Coast -- my land of cocoa". The film clip starring the Chelsea striker, who leads Ivory Coast's Elephants to their first soccer World Cup next month, is to be beamed across Europe as part of a public relations drive by his war-divided country to coincide with the tournament.

Capitalising on the World Cup's international exposure, Drogba is promoting Ivorian chocolate for connoisseurs, offering a range of cocoa aromas from different parts of the country, the world's No. 1 cocoa producer. "Le

Chocolat du Planteur" -- Planter's Chocolate -- is made from at least 72 percent cocoa and targets chocolate connoisseurs, said Tano Kassi Kadio, director of Ivory Coast's Coffee and Cocoa Bourse (BCC) marketing body. "The Elephants have become the vehicle for promoting Ivory Coast's cocoa. At the farmers' request, they have agreed to be ambassadors for Ivorian cocoa and in particular 'Le Chocolat du Planteur' everywhere they play their football," Kassi said.

Like Drogba, almost all Ivory Coast's squad play for clubs around Europe, where the BCC hopes to pick up sales for Ivorian chocolate and cocoa both in France, home to the biggest Ivorian community overseas, and World Cup host Germany. The chocolate is aimed at consumers who like chocolate with high cocoa content, rather than the vegetable oil or other substitutes used in many types of chocolate. "There is a demand today for authentic chocolate, quality chocolate made with pure cocoa butter. We want to satisfy that demand," Kassi said at a launch ceremony on Wednesday.

Marketing brochures describe the different soil and climatic characteristics of each of the chosen growing regions which contribute to the taste of the chocolates, which will be packed in foil and discrete plain brown wrapping. Kassi said the project would boost farmers' income by paying a premium for the high quality cocoa used. "Le Chocolat du Planteur" is manufactured by Swiss manufacturer Barry Callebaut using cocoa beans from around 100 farmers in six regions of Ivory Coast. A seventh variant is made of a blend of cocoa from all these regions. The products will go on sale in a small number of outlets in France, Germany and Ivory Coast with a recommended retail price of 1.80 euros (\$2.30) per 100g bar.

M'sia & Indonesia Sign MoU On Commodity Development Cooperation

May 25, 2006 20:58 PM

PUTRAJAYA, May 25 (Bernama) -- Malaysia and Indonesia Thursday signed a memorandum of understanding (MoU) to launch a new series of joint efforts to develop their commodity sectors with the aim of further strengthening their positions as the world's biggest commodity suppliers. Plantation Industries and Commodities Minister Datuk Dr Peter Chin Fah Kui said the scope of cooperation under the MoU covered the supply and demand of commodities, mainly palm oil, cocoa and pepper. He said the cooperation would also cover the promotion of joint ventures and trading of commodities overseas.

Under the MoU, a mechanism would be established to facilitate a smooth and effective exchange of scientific, technical and marketing information on the commodities and by-products, Chin said. He said the joint committee would also have to plan and subsequently undertake joint technical cooperation and assistance programmes for capacity building and to collaborate in organising workshops, seminars and exhibitions. "With regard to the methodology of the cooperation and how we are going to work together in the execution or implementation of the MoU, we have decided that there would be a joint committee led by Indonesia's Agriculture Minister Dr Anton Apriyantono and myself," he told reporters after signing the MoU.

At the signing, Indonesia was represented by Apriyantono. The coordination of the joint committee had been agreed by both countries at the senior officials meeting held today. According to Chin, both countries have agreed to the joint committee meeting once a year with the first meeting to be held next month in Indonesia. He said it was decided that sub-working groups be formed to initiate plans as agreed in the MoU. From the Malaysian side, on the palm oil area, it will be headed by Malaysian Palm Oil Board (MPOB) director-general Tan Sri Dr Yusof Basiron, while on the cocoa side, it will be headed by Malaysian Cocoa Board director-general Datuk Dr Azhar Ismail.

Plantation Industries and Commodities Ministry secretary-general, Datuk Dr Michael Dosim Lunju, and director-general of agricultural product, marketing and processing in Indonesia's Agriculture Ministry, Dr Djoko Said Damarjati, have been designated as the liaison secretaries to facilitate their ministers' duties as joint committee heads. Chin said the Malaysian-Indonesian partnership on commodity development should not be viewed as a cartel but rather a government-to-government initiative to develop further their commodity industries. Apriyantono said with the joint committee, Malaysia and Indonesia could monitor and have a check and balance on the pricing of commodities. He said while Malaysia and Indonesia jointly produced over 80 percent of the palm oil for the international market, they have little say on the prices. He added that the MoU would act as a catalyst for both countries to further explore opportunities to cooperate in the commodities' upstream and downstream sectors.

Sao Tome and Principe sells US\$3 million in cocoa in 2005

(Macauhub)

25 May 2006

Sao Tome, - Sao Tome and Principe sold US\$3.02 million's worth of cocoa, which accounted for 95.6 percent of the archipelago's exports last year, official figures showed. According to the Sao Tome National Statistics Institute, there was a 1 percent improvement in cocoa exports between January and December 2005 when considered in terms of the nominal value of the local currency. According to the document to which Macauhub had access, the slight growth in cocoa exports in terms of value (95.6 percent in 2005 against 96.5 percent in 2004) was due to improved cocoa prices on the international market. In terms of quantity, the amount of cocoa exported fell by 3.8 percent, or 3,293 tons in 2005 from 3,427 tones in 2004.

Cocoa accounted for US\$3.02 million of exports, and was followed by coconuts (US\$950,000) and coconut oil (US\$230,000). In 2005, the country's balance of trade deficit totaled US\$46.29 million, resulting from estimated imports of US\$49.69 million, against US\$3.4 million in exports. The Sao Tome economy, which relies on international aid to cover over 50 percent of budget expenditure, is mainly based on exporting agricultural products, particularly cocoa, which supplies some 27 percent of the country's gross domestic product (GDP).

Contacted by Maucuhub, Sao Tome and Principe's director-general of Agriculture, Tomás Cardoso, said that cocoa production had been falling over the past few decades due to a lack of usable land because of unfavorable climate conditions, a lack of financing, as well as a total lack of rigor in treatment of this agricultural product. Cocoa was introduced to the archipelago in the second half of the 19th century by Portuguese colonists and plantations currently cover a 26,076 hectare area of the total 44,759.99 hectares the archipelago covers, followed by coconut plantations, which take up 7,676 hectares and coffee with 984 hectares, according to government figures. (macauhub)

Dryness, disease dent Ivorian cocoa

May 26 2006

DALOA: Lack of rain in the key centre-west cocoa region of Ivory Coast coupled with the spread of swollen shoot disease is denting bean output, farmers and exporters said on Thursday. While farmers and buyers further south-west struggle with very wet weather that has made some roads impassable for cocoa trucks, precipitation some 100-200 km (60-120 miles) away in the centre-west region has been too light to boost crop development. "There are only a small number of pods on the trees at the moment and it's not raining here the way it is towards Duekoue and San Pedro (further south and west) to help the harvest," Sinfra-based buyer Sylvain Nounko told Reuters.

The centre-west region accounts for around half of Ivory Coast's annual cocoa output, which averages 1.3 million tonnes. Analysts are generally upbeat about prospects for the April-September mid-crop now under way and expect a big harvest of 350-375,000 tonnes. Flowers and small buds on cocoa trees that later develop into pods containing the cocoa beans are sensitive to rain and sunshine, requiring sufficient quantities of both to ensure they survive the early stages of development. Lack of rain can cause flowers to dry out and be blown off the branches before they can turn into small pods, or cherelles. The rolling production of cocoa on the trees means they often bear flowers and cherelles as well as mature pods at the same time.

Chocololics rejoice; study shows that the flavanols in cocoa can reduce the risk of heart disease and cancer

(Permalink)

May 26, 2006 by Jessica Fraser

The news the world has awaited with bated breath is finally here: Cocoa prevents cancer and heart disease. Candy producer Mars Inc., along with Harvard University, released the results of a 10-year study on Feb. 9 revealing that cocoa – rather, the flavanols in cocoa – can substantially reduce the risk of heart disease and cancer. The study compared the death certificates of 1,250 Kuna Indians in Panama and in the San Blas Islands just off Panama's coast. The Panama Kunas did not consume cocoa regularly, while the San Blas Kunas drank four to five cups of cocoa water per day. The study revealed that the San Blas Kunas, who drank the cocoa water, had a 1,280 percent lower risk of death from heart disease than the Panama Kunas, and a 630 percent lower risk of death from cancer.

In the United States, where heart disease and cancer are the top two causes of death, according to the Centers for Disease Control and Prevention, this is fantastic news. Cocoa, which chocolate is made from, can significantly help in the prevention of cancer and heart disease. But don't leap to the wrong conclusions and think that

chocolate candy is good medicine. Most chocolate in the United States packs a sizeable dose of sugar and milk fat to make it sweet and delicious, and thereby desired by most consumers. Eating milk chocolate bars, for example, will not help you prevent cancer or heart disease nearly as well as eating darker chocolate, because adding dairy products to chocolate effectively cancels out the healthy antioxidants in the cocoa itself. It may taste good, but it's largely useless as far as preventing cancer and heart disease. In fact, even eating some popular brands of dark chocolate will not help you prevent these diseases, since they, too, are often loaded with sugar and milk fats.

Related book:

The Real Safety Guide to Disease Prevention

More than 80% of all chronic disease is preventable, but only if you know how. Learn the proven, yet simple prevention strategies for cancer, heart disease, diabetes, depression, Alzheimer's and many other degenerative health conditions.

Can heart disease really be reversed in eight weeks?

Let the Weiss Method show you what conventional medicine won't: That heart disease is preventable, and even reversible, for most patients. Based on thousands of hours of successful clinical experience treating real patients in conventional medical facilities, the Weiss Method reveals:

- Why cholesterol-lowering medications may be useless
- The best supplements and nutritional ideas for targeting your risk factors
- Why prescription drugs, bypass surgery and angioplasty don't solve heart problems
- Non-invasive ways to reduce and eliminate coronary artery disease
- Underhanded techniques used by drug companies to get doctors to prescribe heart medications
- Why eliminating toxins is imperative for heart health
- How to spend more time working on your health and less time figuring out how to suppress your disease
- Which cell salts will help you heal faster

A good rule of thumb is to consume chocolate containing a minimum of 70 percent pure cocoa. Avoid added sugars, artificial sweeteners and milk fat to truly gain the natural anti-cancer benefits of cocoa. The best form in which you can consume cocoa is its most pure form: Raw cacao. Cacao is the actual bean that cocoa comes from, and it is one of the richest food sources of flavanols available. It's completely raw, so it hasn't been processed, and it lacks the sugars, food additives and milk fats that are so common in processed chocolate. In addition, the flavanols in raw cacao are highly absorbable by the body, since there is no sugar or milk fat interfering with their benefits. Just remember the details of the Mars study: The Kuna Indians of the San Blas islands experienced their amazing health benefits from drinking a cocoa-water beverage. They weren't eating milk chocolate bars or sugar-laden dark chocolate. They certainly weren't eating white chocolate, which contains no cocoa and therefore doesn't help prevent cancer or heart disease in the least. They were consuming a bitter, natural source of cocoa.

We've seen now that pure cocoa or cacao does indeed prevent cancer and heart disease. The study results are in, and they strongly indicate the healthy benefits of cocoa. However, consumers may misinterpret this news in two ways. First, they may go out and eat as much sweet, sugary, fatty milk chocolate as they want, and be surprised when their eventual obesity actually leads them to have an increased risk of cancer and heart disease. Secondly, they may think that cocoa -- even in its truest, purest form -- is the only food available that offers these benefits.

In addition to dark chocolate and cacao, a wide variety of foods and beverages contain flavanols: Green and black tea, acai, pomegranate, cherries, apples, apricots, blackberries and raspberries, purple grapes, kale and many others. While consuming cacao or high-cocoa dark chocolate on a regular basis will indeed help you significantly reduce the risk of cancer and heart disease, remember that it is not your only option. However, for cocoa lovers around the world, the word is out: Your favorite food has finally been proven to help prevent cancer and heart disease, the top two causes of death in the United States.

Tit Bits

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

cocoa falls

NEW YORK (May 21, 2006): US cocoa futures settled in negative territory in active turnover on Friday, depressed by broad-based selling in commodities amid a rebounding dollar, traders said.

US MIDDAY: cocoa slumps

NEW YORK (May 24, 2006): cocoa futures fell for the third consecutive session Tuesday to a one-month low, depressed by speculative selling and spread trading in line with softer bean values in London, market sources said.

Ivory Coast cocoa prices down, beans damp

ABIDJAN (May 24, 2006): Farmgate prices in Ivory Coast's main cocoa growing regions were mainly down from May 15 to 21, Coffee and cocoa Bourse (BCC) data showed on Tuesday, as buyers offered less for beans which could not be dried amid heavy rain.

New York cocoa slides to four-week low on speculative sales

NEW YORK (May 24, 2006): US benchmark cocoa futures slumped just under 1 percent to a 4-week low on Monday, extending last week's loss on follow-through speculative selling amid flagging bean values in London's cocoa market, traders said.

US MIDDAY: cocoa extends losses

NEW YORK (May 25, 2006): cocoa futures moved south Wednesday for the fourth consecutive session, as follow-through speculative liquidation amid a commodity sector sell-off nudged the benchmark contract to its lowest price in a month, market sources said.

New York cocoa slumps to one-month low

NEW YORK (May 25, 2006): cocoa futures fell for the third consecutive session on Tuesday to a one-month low, depressed by speculative selling and spread trading in line with softer bean values in London, market sources said.

Malaysia and Indonesia to coordinate palm oil supplies

PUTRAJAYA (May 26, 2006): Malaysia and Indonesia agreed on Thursday to try to co-ordinate palm oil supplies but promised it would not lead to a cartel. The two states, producing 80 percent of the world's palm oil, signed a preliminary pact in Malaysia's administrative capital paving the way for co-operation on palm oil supply and demand.

US MIDDAY: cocoa slides

NEW YORK (May 26, 2006): cocoa futures sagged Thursday to a new 1-month low, extending losses for a fifth consecutive session amid continued speculative selling, market sources said.

Dryness, disease dent Ivorian cocoa

DALOA (May 26, 2006): Lack of rain in the key centre-west cocoa region of Ivory Coast coupled with the spread of swollen shoot disease is denting bean output, farmers and exporters said on Thursday.

New York cocoa futures extend loss to new one-month low

NEW YORK (May 26, 2006): cocoa futures moved south on Wednesday for the fourth consecutive session, as follow-through speculative liquidation amid a commodity sector sell-off nudged the benchmark contract to its lowest price in a month, market sources said.

US MIDDAY: cocoa falls

NEW YORK (May 27, 2006): cocoa futures closed in negative territory for the sixth straight session Friday, with a rising dollar sparking a sell-off which pushed the benchmark contract to a 5-week low, traders said.

New York cocoa slides for fifth day

NEW YORK (May 27, 2006): cocoa futures sagged on Thursday to a new one-month low, extending losses for a fifth consecutive session amid continued speculative selling, market sources said.

Ivorian cocoa arrivals seen up

ABIDJAN (May 27, 2006): cocoa arrivals at ports in Ivory Coast reached 1,130,114 tonnes between October 1 and May 21, according to an estimate by major exporters on Friday.