



COPAL COCOA Info

A Weekly Newsletter of Cocoa Producers' Alliance

Issue No. 183

12th – 16th June 2006

Cocoa Producers' Alliance

ICCO Daily Cocoa Prices

	ICCO daily price (SDRs/tonne)	ICCO daily price (US\$/tonne)	London futures (£/tonne)	New York futures (US\$/tonne)
12th June	1,058.46	1,562.32	877.67	1,501.00
13th June	1,059.14	1,561.90	879.33	1,500.33
14th June	1,074.30	1,583.25	888.00	1,518.33
15th June	1,094.72	1,616.09	897.33	1,567.67
16th June	1,094.06	1,617.41	901.67	1,562.00
Average	1,076.14	1,588.19	888.80	1,529.87

Up-coming Events

- 15th International Cocoa Research Conference, 9th – 14th October 2006, San José, Costa Rica

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

Monday 12th June 2006

Month	Opening Trans	Settle	Change	Daily High	Daily Low	Volume
Jul 2006	879	881	6	890	875	4,658
Sep 2006	873	869	0	882	864	3,681
Dec 2006	888	883	-1	890	878	1,311
Mar 2007	901	896	-1	903S	891S	1,183
May 2007	905	907	0	905	903	175
Jul 2007	919	916	0	919S	912	321
Sep 2007		924	-1			0
Dec. 2007	939	932	-1	939S	939S	250
Mar 2008		942	-2			0
May 2008		952	-2			0
Totals		910				11579

Tuesday 13th June 2006

Month	Opening Trans	Settle	Change	High	Low	Volume
Jul 2006	883	884	3	890	869	5,456
Sep 2006	870	871	2	876	863	5,254
Dec 2006	884	883	0	886	877	1,870
Mar 2007	900	896	0	900S	891	749
May 2007	910	907	0	910	903S	52
Jul 2007	915	916	0	916S	912S	41
Sep 2007		925	1			0
Dec. 2007		932	0			0
Mar 2008		942	0			0
May 2008		952	0			0
Totals		906				13,422

Wednesday 14th June 2006

Month	Opening Trans	Settle	Change	High	Low	Volume
Jul 2006	882	902	18	903	880	6,521
Sep 2006	870	876	5	876	865	5,014
Dec 2006	881	886	3	887S	878	1,591
Mar 2007	895	897	1	898S	891	1,405
May 2007	910	907	0	910	903	72
Jul 2007	916	916	0	917	910	32
Sep 2007	923	924	-1	924S	916S	339
Dec. 2007	933	933	1	933S	927S	507
Mar 2008	941	942	0	941S	940S	130
May 2008		954	2			0
Totals		914				15,611

Thursday 15th June 2006

Month	Opening Trans	Settle	Change	High	Low	Volume
Jul 2006	904	923	21	925	903	9,704
Sep 2006	883	888	12	890	877S	11,844
Dec 2006	889	896	10	898	887S	2,588
Mar 2007	900	908	11	910	900S	1,382
May 2007	905	917	10	913S	905	6
Jul 2007		926	10			0
Sep 2007	932	934	10	934S	932S	4
Dec. 2007	945	943	10	945	942	177
Mar 2008	955	953	11	955	955	3
May 2008		966	12			0
Totals		925				25,708

Friday 16th June 2006

Month	Opening Trans	Settle	Change	High	Low	Volume
Jul 2006	929	930	7	946	911	7,702
Sep 2006	890	895	7	899	881	8,802
Dec 2006	897	899	3	901S	887	3,512
Mar 2007	910	911	3	913S	900S	1,592
May 2007	922	919	2	922S	915S	12
Jul 2007	930	928	2	930S	930S	100
Sep 2007	929	936	2	932S	929S	10
Dec. 2007	946	946	3	946	942S	310
Mar 2008	952	956	3	952	947S	510
May 2008		969	3			0
Totals		929				22,550

Average for the week		917				17774
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New York Board of Trade
(New York Futures Market – Summary of Trading Activities)
(US\$ per tonne)

Monday 12th June 2006

Month	Open	Price	Change	High	Low	Volume
Jul 2006	1468 1470	1478	7	1482	1468	8578
Sep 2006	1486 1488	1491	1	1502	1486	8670
Dec 2006	1525 0	1527	0	1535	1525	1013
Mar 2007	1557 0	1559	0	1560	1556	185
May 2007	1575 ^B 1578 ^A	1579	0	0	0	51
Jul 2007	1593 ^B 1600 ^A	1598	0	0	0	200
Sep 2007	1612 ^B 1617 ^A	1617	0	0	0	5
Dec. 2007	0 0	1639	-1	0	0	2
Mar 2008	0 0	1666	0	0	0	0
May 2008						0
Totals		1573				18704

Tuesday 13th June 2006

Month	Open	Price	Change	High	Low	Volume
Jul 2006	1468 1470	1478	7	1482	1468	10102
Sep 2006	1486 1488	1491	1	1502	1486	9869
Dec 2006	1525 0	1527	0	1535	1525	538
Mar 2007	1557 0	1559	0	1560	1556	253
May 2007	1575 ^B 1578 ^A	1579	0	0	0	60
Jul 2007	1593 ^B 1600 ^A	1598	0	0	0	15
Sep 2007	1612 ^B 1617 ^A	1617	0	0	0	50
Dec. 2007	0 0	1639	-1	0	0	53
Mar 2008	0 0	1666	0	0	0	0
May 2008						0
Totals		1573				20940

Wednesday 14th June 2006

Month	Open	Price	Change	High	Low	Volume
Jul 2006	1476 1480	1498	20	1500	1471	7053
Sep 2006	1488 1490	1509	18	1515	1486	8010
Dec 2006	1528 0	1543	16	1541	1524	1710
Mar 2007	1562 0	1576	17	1578	1556	293
May 2007	1578 ^B 1583 ^A	1596	17	1589	1589	250
Jul 2007	1597 ^B 1599 ^A	1615	17	1596	1595	221
Sep 2007	1613 ^B 1620 ^A	1634	17	0	0	16
Dec. 2007	0 0	1655	16	0	0	0
Mar 2008	0 0	1683	17	0	0	0
May 2008						0
Totals		1590				17553

Thursday 15th June 2006

Month	Open	Price	Change	High	Low	Volume
Jul 2006	1510 1520	1527	29	1530	1510	6414
Sep 2006	1521 1525	1537	28	1539	1521	11115
Dec 2006	1560 0	1569	26	1572	1558	1419
Mar 2007	1586 ^B 1590 ^A	1600	24	1600	1589	734
May 2007	1600 ^B 1613 ^A	1620	24	0	0	84
Jul 2007	0 1633 ^A	1640	25	0	0	0
Sep 2007	0 0	1659	25	0	0	0
Dec. 2007	0 0	1679	24	0	0	0
Mar 2008	0 0	1707	24	0	0	0
May 2008	0 0			0	0	0
Totals		1615				19766

Friday 16th June 2006

Month	Open	Price	Change	High	Low	Volume
Jul 2006	1540 1545	1525	-2	1545	1500	7111
Sep 2006	1553 1555	1539	2	1555	1516	12537
Dec 2006	1580 1584	1569	0	1585	1548	5864
Mar 2007	1612 1613	1599	-1	1613	1583	487
May 2007	1628 ^B 1635 ^A	1619	-1	0	0	69
Jul 2007	0 0	1639	-1	0	0	0
Sep 2007	0 0	1658	-1	0	0	0
Dec. 2007	0 0	1677	-2	0	0	0
Mar 2008	0 0	1705	-2	0	0	0
May 2008	0 0			0	0	0
Totals		1614				26068

Average for the week		1593				25758
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Spot Prices (US \$ per tonne)

	12th June	13th June	14th June	15th June	16th June	Average for the Week
Main Crop Ghana, Grade 1		1841	1861	1899	1901	1876
Main Crop Ivory Coast, Grade 1		1753	1773	1810	1812	1787
Main Crop Nigerian, 1		1736	1756	1795	1797	1771
Superior Arriba		1703	1723	1760	1762	1737
Sanchez f.a.q		1700	1720	1757	1759	1734
Malaysian 110		1506	1526	1564	1566	1541
Sulawesi f.a.q		1518	1538	1575	1577	1552
Ecuador Cocoa Liquor		2552	2587	2649	2652	2610
Pure Prime Press African Type Cocoa Butter		3897	3950	4047	4053	3987
10/12% Natural Cocoa Press Cake		778	789	804	805	794

Source: Cocoa Merchant Association

News

China, India, Iran seek to buy Ghana cocoa direct

June 19, 2006, By Kwaku Sakyi-Addo

ACCRA, (Reuters) - China, India and Iran have approached the Ghanaian government to buy cocoa directly from the world's second-biggest producer, Ghana's finance minister said on Sunday during a visit by Chinese Premier Wen Jiabao. "China wants to buy cocoa directly from us --- both raw beans and semi-processed. Iran and India also want to do the same. They've all spoken to us about it, but we have to consider our international cocoa agreements and commitments," Kwadwo Baah-Wiredu told reporters. "We have to consider that's in our national interest," Baah-Wiredu said.

He was answering questions from journalists at the Osu Castle, the West African country's seat of government, after Wen met Ghanaian President John Kufuor and signed loan deals including an overhaul of Ghana's unreliable phone networks. "Anything we agree to must be for the long term, say 20 years. But we're very interested in processing. We want to process more cocoa here," Baah-Wiredu said. Ghana has a semi-liberalised cocoa marketing system in which private companies are involved in buying cocoa from farmers, but exports are centralised by the state-controlled COCOBOD cocoa regulator.

Wen arrived in the Ghanaian capital on Sunday for an overnight stop on a tour of seven nations in Africa, which China's government has prioritised as a source of oil, minerals and other resources to fuel its rapid economic expansion. During an earlier visit in Egypt, Wen said China's wooing of African and Latin American countries to expand trade and energy cooperation posed no threat to U.S. interests, and reiterated China would not interfere in countries' internal affairs such as human rights.

Western commentators and rights groups worry that China may obtain African resources with little regard for the environment or the human rights records of leaders it deals with.

Wen's delegation, which included ministers for agriculture and commerce, signed largely concessionary loan agreements worth \$108 million with Ghana. Of that, \$70 million, provided through the Export-Import Bank of China, would be used to expand of Ghana Telecom's mobile and fixed networks, including \$30 million for a national telecommunications backbone, Baah-Wiredu said. On Monday, Wen opens a \$28 million stretch of highway leading out of the Ghanaian capital Accra which was built with a Chinese grant. He is also scheduled to visit Congo Republic, South Africa, Angola, Uganda and Tanzania.

INDONESIAN GOVERNMENT URGED TO JOIN WORLD COCOA BODY

JAKARTA, Jun 12, 2006 (AsiaPulse via COMTEX) -- The Indonesian Cocoa Association (Askindo) has asked the government to join the London-based International Cocoa Organization (ICCO), so the country can compete fairly on the European market. Askindo chairman Halim Abdul Razak said that Indonesia, one of the world's largest producers of cocoa, could increase of exports of that commodity to the European Union (EU) if it joined the body.

Indonesia needs to pay Rp2.5 billion (\$US266,284) a year in membership contributions, but it will enjoy an increase in exports to that region of at least 50% a year, Halim said. Currently, Indonesia exports up to 40,000 tons of cocoa beans and processed products to the EU a year, which is less than 10% of the country's annual production of around 500,000 tons, he said.

Indonesian cacao, imposed with an import duty of 8%-12%, is less competitive in the EU market, facing supplies which are exempted from import duty from African producing countries such as the Ivory Coast and Ghana. Halim said that Indonesian cocoa had not only been slapped with import duties, but was also not yet known well in Europe.

Effort to repeal unfair cocoa tax in the Dominican Republic

Monday, June 19, 2006, The Dominican Today

WEST BRIDGEWATER, Massachusetts.-

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 that 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, Economic Affairs, or x2505, Political Affairs), 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.

MINISTRY SENSITIZES AK ON COCOA BIZ

<http://www.akwaibomstategov.com/news2-2.asp?ID=2497>

The Ministry of Agriculture has launched a massive mobilization campaign to sensitize Akwa Ibom people to participate in commercial cocoa farming for economic benefits. The assistant director of agriculture and schedule officer in charge of cocoa in the ministry, Mr. Joseph Archibong, who announced this during an interview newsmen in his office said that part of the strategies adopted for the campaign include seminars, workshops and symposia. Mr. Archibong stated that seven local government areas in Akwa Ibom were already in the cocoa map of the country as cocoa producing areas. He listed them as Ini, Ikono, Obot Akara, Uruan, Ibiono, Essien Udim and Nsit Ubium, adding that the introduction of Community Plantation Development Scheme, CPDS, by government recently has helped the government to raise seedlings of improved cocoa variety for free distribution to farmers, communities and groups to plant.

Meanwhile, Mr. Archibong stated that the ministry has been distributing seedlings for the 2006 planting session, stressing that cocoa remains a global produce with ready market, which was the mainstay of Nigeria's economy before the advent of crude oil. The agriculturist recalled that Akwa Ibom inherited the Small Holder Cocoa Development Scheme on its creation from Cross River, adding that the Federal Government had in 1999 set up the National Cocoa Development Committee, and also helped to give inputs such as chemicals and others at subsidized rate to encourage many Nigerians to embrace the business. With these incentives, 14 states of the Federation are now in the race of cocoa producing states, but Mr. Archibong had expressed dissatisfaction that, upon the effort made, Akwa Ibom was graded only one per cent. According to him, a monitoring team from National Cocoa Development Committee visited the State last year, adding that another surveying team was due in the State this year to really assess its cocoa production capacity

BRIEFING - ASIA AGRIBUSINESS - JUNE 7, 2006

Jun 07, 2006 (AsiaPulse via COMTEX) -- An executive briefing on agribusiness for June 7, 2006, prepared by Asia Pulse (<http://www.asiapulse.com>), the real-time, Asia-based wire with exclusive news, commercial intelligence and business opportunities.

INDONESIA HOPES TO PRODUCE 900,000 TONS OF COCOA BEANS BY 2010

JAKARTA - The Indonesian cocoa association (Askindo) aims to double the country's annual production of cocoa beans to 900,000 tons in the next five years through the program of Cocoa Sustainability Partnership (CSP). Under the CSP program which will involve the government, private companies, foreign cocoa institution and financiers, the production is expected to rise to 1,000 tons per 1,000 hectares of plantation, Askindo chairman Halim Abdul Razak said.

U.S. Private Investment Vital to African Trade

Jun 06, 2006 (STATE DEPARTMENT RELEASE/ContentWorks via COMTEX) -- Washington ' Creating and sustaining private-sector partnerships is essential for African economies to thrive, said a panel of American economists and business leaders June 5 at the African Growth and Opportunity Act (AGOA) Forum in Washington.

The panel discussion addressed economic opportunities and challenges under AGOA, especially with regard to products such as cotton and cocoa and infrastructure. "People come to AGOA forums to obtain information to make their lives better at home," said Karen Coachman, president of the African-American Alliance Group. AGOA provides duty-free access to more than 6,400 items -- including textile products -- into the U.S. market for African nations willing to reform their economies along free-market lines. The landmark trade legislation -- the first of its kind with Africa -- was first passed by Congress in 2000 and since has been amended and reauthorized.

Agriculture is one of the largest sources of revenue in African economies. "Approximately 60 percent of the African labor force is involved in agriculture," said Bill Guyton, president of the World Cocoa Foundation. "Since we're dealing with nature and economics, gaps are always closing and opening," said Bruce McEvoy, director of global affairs at Sealed Sweet in the UNIVEG Group of Companies.

McEvoy said that since the market opened in South Africa, citrus exports have produced \$30 million annually and are continuing to grow. He added that citrus farming in South Africa has doubled in the past five years. "Sustaining market access," McEvoy emphasized, "is the biggest challenge for African companies. Losing access to the United States, for example, would be devastating to African economics. Any restrictions should be science-based." "The best way for AGOA to help African trade is by providing improved access to American markets," said Lloyd Le Page, manager of sustained agriculture and development at DuPont's Pioneer Hi-Bred. Le Page said that Africa's hope for the future rests on "renewal of global commitment to agriculture as a platform for economic growth" and renewal of "Africa's commitment to solving its own problems."

To achieve economic success, African companies "have to work in partnerships with groups interested in sustainable agriculture," Guyton said. The World Cocoa Foundation, he added, has started farmer field schools in several West African nations that have proved to increase productivity and income 20 percent to 55 percent and marketing efficiency 5 percent to 18 percent. The program has graduated 13,000 farmers so far, but Guyton added that they still have a long way to go. "We're not in this for the 'feel good.' We're in this to have results," he said.

One product not currently included in commodities subject to AGOA is sugar. However, "the U.S. has expressed willingness to consider duty-free access to sugar through AGOA," said Donald Mitchell, lead economist in Economic Policy and Prospects Group of the World Bank. "Global reform in sugar is needed, as current protections are high with an average of 27 percent tariff on sugar imports, encouraging domestic consumption and limiting trade opportunities," he said, adding, "Global policy reform would provide new export opportunities to developing countries and help reduce rural poverty."

SUCCESS THROUGH PARTNERSHIPS

Partnerships were also a key theme at another panel discussion that focused on looking at how U.S. private-sector investment in Africa can be increased. "The climate for African investment is becoming better and better," said Mandisi Mpahlwa, minister of trade and industry in South Africa. "The African and U.S. private sectors increasingly share the same values and the same interests," said Holly Vineyard, deputy assistant secretary for Africa, Middle East and South Asia. "Poor infrastructure," she added, "is a global concern and leads to high costs. Governments need to look at providing the right structure, the right information," Vineyard said. "It takes constant communication."

"You need to find partnerships you can trust," said Ken Ofori-Atta, chairman of Databank in Ghana. "[Africa] is moving and it is continuing to move." For more information on AGOA and U.S. trade policy, see Trade and Economics.

(The Washington File is a product of the Bureau of International Information Programs, U.S. Department of State.)

Negotiations begin to eliminate tax on cacao production

Dominican Today

Santo Domingo.- The National Cacao Commission, a dependency of the Agriculture Ministry, declared itself in permanent consultation, with a view to seek a solution to the demand that the \$200 pesos per cacao quintal. The entity's sessions are chaired by Amilcar Romero, Agriculture minister.

The National Confederation of Dominican Cacao Producers (CONACADO) also claims return to producers of RD\$350 million that have been collected in taxes in the two years during which this measure has been in place.

Samoan MP wants Asian workers to re-develop agriculture

Posted at 5:55am on 19 Jun 2006, Radio New Zealand International

A first time Member of Parliament and businessman has urged the government to re-open doors for Chinese workers to enter Samoa and re-develop agriculture. Vaeolenofoafia Tapasu Leung Wai said years ago Chinese workers and Solomon islanders were brought in to work in the German cocoa and coconut plantations. He said China also had strong skills in fish farming. But the Finance Minister, Niko Lee Hang, has rejected the suggestion saying it would be seen as a criticism of the country.

Chocolate as Sunscreen

Janet Raloff Week of June 17, 2006; Vol. 169, No. 24

As if you needed another reason to eat chocolate, German researchers have shown that ingesting types rich in cocoa solids and flavonoids—dark chocolate—can fight skin cancer. Their findings are preliminary because they come from a trial of just 24 women who were recruited to add cocoa to their breakfasts every day for about 3 months.

UV-SHIELDING DRINK? Dermatologists recommend sunscreen to prevent skin cancer. However, regular consumption of cocoa and certain other foods might offer an added line of skin defense, new data suggest.
iStockphoto

Half the women drank hot cocoa containing a hefty dose of flavonoids, natural plant-based antioxidants that research has suggested prevent heart attacks. The remaining volunteers got cocoa that looked and tasted the same but that had relatively little of the flavonoids. At the beginning and end of the trial, Wilhelm Stahl of Heinrich-Heine University in Düsseldorf and his colleagues conducted a host of tests on each volunteer. One assessment involved irradiating each woman's skin with slightly more ultraviolet (UV) light than had turned her skin red before the trial began.

The skin of the women who had received the flavonoid-rich cocoa did not redden nearly as much as did the skin of recruits who had drunk the flavonoid-poor beverage. Women getting the abundant flavonoids also had skin that was smoother and moister than that of the other women. Overexposure to UV light can foster the development of skin cancer. A dietary source of skin protection might offer some innate defense for sunny days when an individual doesn't use sunscreen, Stahl's team says.

Why chocolate?

Chocolate, these scientists note, is just the latest in a range of antioxidant-rich foods holding the potential to shield skin from sun damage. For nearly a decade, Stahl's group has conducted studies with cooked tomato products showing that their ingestion, too, can limit UV-induced skin reddening. Pigmented molecules called carotenoids—especially the one known as lycopene—appeared responsible for tomato's skin-protection benefit (see Dietary protection against sunburn (with recipe)).

Many of the carotenoids in tomatoes are powerful antioxidants that can quash free radicals. These are the molecular fragments that can cause biological havoc when they rip electrons from other molecules. Because many flavonoids also

function as potent antioxidants, Stahl's team decided to investigate whether substances in chocolate might offer skin protection.

The researchers recruited women between the ages of 18 and 65. Each volunteer received packets of a dry powder to mix each day with 100 milliliters of hot water—roughly a half cup. Half of the women received powder containing 329 milligrams of flavanols, a type of flavonoid, per serving. The rest got powder delivering a mere 27 mg of flavanols per serving. The primary flavanols were epicatechin and catechin.

Mars Inc., the candy company that has been experimenting with dark-chocolate products rich in flavonoids, supplied the cocoa powder and partially funded the experiment. Harold H. Schmitz, the company's chief science officer, claims that the proprietary recipe for the product retains nearly all of the natural-cocoa flavonoids that most chocolate processing cooks and washes out. In the June *Journal of Nutrition*, Stahl's team reports that the women drinking the high-flavonoid cocoa had 15 percent less skin reddening from UV light after 6 weeks of cocoa consumption and 25 percent less after 12 weeks of the trial. Both figures are comparisons with the same women's response to UV light before the study started. The women drinking the cocoa with low flavonoids showed no change during the trial.

Most flavonoids absorb UV light, and this probably played a role in the skin effect, the researchers say. However, they add, skin reddening is also an inflammatory response, and other researchers have linked consumption of flavonoids to ratcheting down the body's synthesis of inflammatory agents. For the women getting larger doses of flavonoids, blood flow in the skin doubled over the course of the trial in tissue 1 millimeter below the surface, and increased by 37.5 percent in tissue 7 to 8 mm deep. Similar improvements in blood flow through big blood vessels have been witnessed after people have eaten dark chocolate (see *Cardiovascular Showdown—Chocolate vs. Coffee*). Moreover, after 12 weeks of consuming the flavanol-rich cocoa, the women's skin was 16 percent denser, 11 percent thicker, 13 percent moister, 30 percent less rough, and 42 percent less scaly than it was at the beginning of the experiment. Although the mechanism for most of these benefits remains unclear, the Düsseldorf researchers suspect that improved blood flow was a contributor.

Mars' Schmitz agrees. "People don't think about it, but in reality your skin, just like every other tissue, depends on healthy blood flow. And in our previous work ... we showed that blood flow in the extremities—the finger tip—was improved" in people receiving cocoa flavonoids. So, he argues, "it wasn't a shot in the dark" to hypothesize that cocoa ingestion might improve overall skin condition and health. Yet, he adds, "I was still surprised to see this." If follow-up studies confirm these skin-health data, he says, "you're talking about being able to make people look better." He adds, "We did not go into this study with the intention to create a skin-health product, but it now looks like maybe we've got one."

Not just any chocolate

Could a person realistically add enough flavonoids to his or her diet to produce the benefits suggested by the study? Flavonoid quantities in the richer cocoa were "similar to those found in 100 grams [a little over 3 ounces] of dark chocolate," Stahl's group reports. The cocoa drink provided its flavonoids in a serving that delivered only about 50 calories—far below the 400 to 500 calories ordinarily encountered in candy providing a walloping dose of flavanols. Schmitz concludes that people can, in theory, get this efficacious dose without blimping out.

The rub is that the cocoa used in this study and in others by Mars isn't commercially available. If enough people pester the company for the cocoa, Schmitz says, "eventually we might have to offer such a product." In the meantime, he notes, the company offers a candy, CocoaVia, in flavanol-rich portions that deliver fewer than 100 calories per serving.

Targeting free radicals and more

The new skin-protection data are more than a curiosity, says Hasan Mukhtar, director of dermatology research at the University of Wisconsin–Madison. The results suggest, he says, that dietary flavonoids reach the upper layers of skin and "have the ability to counteract the oxygen free radicals generated as a consequence of exposure to UV radiation." UV exposure leads not only to impaired immunity and accelerated aging in skin, but also to cancer, especially in light-skinned people, Mukhtar points out. Work by his group and others has shown that UV light triggers many reactions in the body that can lead to tissue damage.

In several papers, Mukhtar and his colleagues have found evidence that natural botanical antioxidants—such as those just tested in cocoa—can inhibit harmful, UV-triggered chemical pathways in the body. In a study at the Case Western Reserve University School of Medicine, Mukhtar's group applied epicatechin-rich green-tea flavonoids to the skin of volunteers before irradiating the area with UV light. The researchers found that compared with the response of unprotected skin, the tea cut by 60 to 80 percent DNA changes known to play a role in immune suppression and skin cancer. The team noted that the treatment also prevented sunburn.

In the March-April Photochemistry and Photobiology, Mukhtar's team reports the results of treating cultured skin cells with pomegranate fruit extract, a substance rich in flavonoids. When irradiated with UV-light in a test tube, human cells in such an experiment usually undergo stress-induced inflammatory changes that can lead to cancer. However, the pomegranate extract dramatically inhibited those pre-carcinogenic changes.

Mukhtar points out that such data show that "not all of these agents affect the same signaling pathways." This suggests, he says, that eating a mix of flavonoid-rich foods may reinforce the UV protection by simultaneously acting on several potentially damaging processes. Some flavonoid treatments may even prove additive in their skin-protecting role, he says.

Chocolate's agents might offer important backup protection to some of the substances his group has been testing, says Mukhtar. However, diet isn't the only means of getting these protective agents to the tissues that need them, Mukhtar suspects. He says it may make sense to add them to skin-care products. That said, I'd prefer to get my protection from eating dark chocolate. Indeed, I look for any excuse to label as therapeutic my bittersweet indulgence.

Sources:

Hasan Mukhtar	Harold H. Schmitz
Department of Dermatology	Analytical and Applied Sciences
University of Wisconsin, Madison	Mars Inc
Medical Sciences Center, Room B-25800 High Street	
1300 University Avenue	Hackettstown, NJ 07840
Madison, WI 53706	

Wilhelm Stahl
Heinrich-Heine-Universität Düsseldorf
Institute for Biochemistry and Molecular Biology
Universitätsstrasse 1
40225 Düsseldorf
Germany

Chocolate production under threat

Created: Monday, June 12, 2006, Decision News Media

A fifth of the cacao beans used to make chocolate are lost to plant diseases every year – and things could get worse, according to scientists. Randy Ploetz, plant pathology professor at the University of Florida, says that losses would be even greater if some of the diseases were spread. "Plant diseases are the most important constraints to cacao production and the continued viability of the world's confectionery trades," he said. Currently, 4 million metric tons of beans worth more than \$4 billion (R26.8 billion) are produced each year. The global chocolate market is worth \$75 billion (R502.5 billion) annually.

Three culprit diseases

According to Ploetz, the three most important and damaging cacao diseases are black pod, frosty pod, and witches' broom. Black pod occurs worldwide and has the largest impact, while frosty pod and witches' broom are restricted to tropical America.

"Frosty pod and witches' broom would devastate cacao production in West Africa, where almost 70 percent of all production occurs," said Ploetz. "In this region, either disease could reduce yields by an additional one million more metric tons per year." Advances have been made in protecting the cacao crop against disease. Scientists from the Agricultural Research Service (ARS) for example recently claimed to have located the genetic markers that help cocoa resist disease. The scientists found the markers for resistance to witches' broom, a disease caused by the fungus *Moniliophthora perniciosa*, the main killer of *Theobroma cacao* trees. The findings, which were presented earlier this year at the biennial symposium on cocoa, could help cocoa farmers tackle the list of diseases that endanger supplies.

Two diseases may be linked

This development follows news in the second half of 2005 that the fungal pathogens causing witches' broom and frosty pod may be linked. The discovery was made by molecular biologist Cathie Aime who analysed the plant's DNA.

New insights and current research on cacao diseases, as well as resistance to and management of the diseases, will be addressed during the Cacao Diseases: Important Threats to Chocolate Production Worldwide symposium held 30 July, during the joint annual meeting of The American Phytopathological Society, Canadian Phytopathological Society, and the Mycological Society of America.

The joint meeting will be held 29 July to 2 August 2006, at the Centre des Congrès de Québec, Canada.

AGRICULTURE: GOLDEN CROP

By PHIL GUNSON

Special to the Miami Herald

Posted on Sat, Jun. 10, 2006, Miami Herald

Cacao is set to make a comeback and boost the Venezuelan economy, but many barriers, such as lack of investment, impede the crop's return. CHUAO, Venezuela - Cacao struggles to make a comeback and boost Venezuela's economy. The only practical way in or out of this remote village on the Caribbean coast is by motorboat. Its 3,000 inhabitants are isolated and poor, many the descendants of African slaves brought during colonial times. As visitors splash ashore, they are greeted with an immense billboard, courtesy of the local government: "Welcome to the land of the world's best cacao."

Cacao, or cocoa -- the raw ingredient of chocolate -- ought to be a money maker. It was the source of great Venezuelan fortunes before oil, the country's current economic engine. Even today, the phrase *un gran cacao* is Venezuelan slang for a fat cat. Still recognized as the best in the world, Venezuelan cacao has nonetheless fallen on hard times. And although both private growers and the leftist government of President Hugo Chávez have announced plans for a revival, the industry remains in the doldrums.

Disagreements over strategy, lack of investment -- even land squatters and organized gangs that steal the crop -- have hindered efforts to boost productivity. "In the 16th and 17th centuries, cacao was king," says Kai Rosenberg, a German-born cacao grower with a plantation in nearby Choroni. "Then coffee displaced it." In the 20th century came oil -- and cacao was relegated to marginal status.

Chuaos are just a couple of streets wide, and their centers are marked by a modest church and a patio where the cacao beans are sun-dried. Across the street is an ancient processing machine, made in Paris, from the days when the area's cacao plantation was in private hands. Since the fall of Gen. Marcos Pérez Jiménez, the country's last military dictator, in 1958, it has been run by its workers, who have seldom made enough to live on, let alone buy new machinery. "Plantation work is tough," says Alcides Herrera, who heads the peasant company whose 127 members cultivate the 500 acres of cacao bushes that stand among tall shade trees between the village and the palm-lined beach.

"First the pods are harvested and piled up. The next day, they're chopped up and taken to the fermentation tanks for about a week," Herrera explains. After that, the beans are laid out to dry on the patio, which has three different surfaces for different stages of the drying process. Finally, after about a week in the sun, the beans are shelled and ground. "The production and fermentation part they perform impeccably," says Rosenberg, who is in partnership with the French gourmet chocolate firm Valrhona, which until 2002 had a supply contract with the peasant company. "They have conserved their traditions."

WORLD CLASS

But while the experts agree that the beans from Chuao -- now exclusively bought by the Italian Amedei company -- are very fine, the "best in the world" tag is more controversial. Cacao comes in two basic kinds, known as *criollo*, or native, and *forastero*, or foreign. The former is rich in flavor but much less productive and more vulnerable to disease. Less than 5 percent of the 3.3 million tons or so produced each year worldwide is *criollo*, of which the Venezuelan varieties are highly prized.

Venezuelan cacao is, "more citrusy, more fruity -- there's more acidity to the flavor," says Michael Antonorsi, one of two Venezuelan brothers who run the California firm Chuao Chocolatier, which relies exclusively on Venezuelan chocolate.

But despite the name of his company, Antonorsi says the best cacao is the *porcelana*, or porcelain, variety, so-called on account of its pure white beans, that comes from the region south of Lake Maracaibo in western Venezuela. Once the world's biggest cacao producer, Venezuela accounts for much less than .5 percent of total world production. And the widespread planting of *forastero* cacao, together with the neglect of many plantations, have hurt its reputation as a producer of fine and aromatic cacaos. "The Venezuelan revolution," said Chávez last year, "is committed to rebuilding the economy from our own roots. That's why Venezuela will once again be a world power in cacao."

PRODUCTION SLIP

Despite the rhetoric, cacao production has continued to decline since he came to power in 1999. "In seven years, we've had no one [in the government] to talk to," says Jorge Redmond of Chocolates El Rey, Venezuela's premier chocolate producer. The private sector came up with a 15-year, \$500 million plan to boost annual production to 60,000 tons, with money from the World Bank and the Inter-American Development Bank.

"All it needs is for the Venezuelan government to say it's public policy," Redmond says. He made an appointment with the deputy agriculture minister. He's still waiting for the call. The Chávez government's approach is based on the creation of peasant cooperatives and communal farms. But in Chuao it has run into resistance from the growers themselves. Many complain that everything they have put into the company would pass into communal -- in practice, government -- hands. Somehow, both Chuao and the cacao industry must find a route to modernity that preserves the past. "Unless we organize ourselves," warns Antonorsi of Chuao Chocolatier, "we're going to lose out again."

Central Highlands poised for economic growth

(15-06-2006) Viet Nam News, Vietnam News Agency

The protected pine forest at Tuyen Lam Lake in the city of Da Lat. — VNA/VNS Photo Dinh Na

Tay Nguyen — Covering more than 6.6 million ha, boasting an abundance of natural resources and low population density, Tay Nguyen (the Central Highlands) holds great potential for sustainable development. Surveys have indicated that the soil there is suitable for growing many species of perennial trees that produce high-value crops much sought after both at home and abroad.

Reports from the General Statistics Office show that by late 2005, Tay Nguyen had 437,758ha under coffee trees, accounting for 86.9 per cent of the country's total coffee acreage. The local Ban Me Thuot coffee trademark has already secured a foothold in the world market. With its almost 1.4 million ha of basaltic soil, Tay Nguyen is known for its rubber cultivation. Rubber plantations cover 120,000ha of the four provinces of Kon Tum, Gia Lai, Dac Lac and Dac Nong. Of this, 500ha belong to individual households, 200,000ha are held by the army and the rest by State farms. On many State farms, one ha of rubber trees yields between 1.6 tonnes and 1.7 tonnes of dried latex. In recent years, in addition to the revenue from latex, revenue from rubber wood has made a sizable addition to the incomes of rubber workers. By late 2004, the Tay Nguyen (Central Highlands) had over 45,000ha planted with cashew trees. In 2005 alone, Brigade 16 of the Viet Nam People's Army successfully cultivated 13,000ha of cashews along the Viet Nam-Cambodia border areas in Dac Lac and Dac Nong provinces.

Central Highlanders to use forests to improve lives

HA NOI — An ambitious new forestry development program aiming to fight poverty and protect the environment in the Tay Nguyen (Central Highland) region has recently received a government go-ahead. The eight-year project, starting this year, is estimated to cost US\$83.98 million. The Asian Development Bank supplied a \$40 million preferential loan. The beneficiaries are people in 60 communes in 22 districts of six provinces, including Kon Tum, Gia Lai, Dac Lac, Dac Nong, Lam Dong and Phu Yen. The project aims to reduce the number of poor households, particularly among ethnic minorities, and to enhance community management capacity and forest production skills. While improving earnings, the project also aims to protect the environment.

The project is also expected to provide local residents with better access to transport, clean water, health care, small irrigation works and community cultural houses. Under the auspices of the project, State bodies, private enterprise and the community will join together to grow over 44,550ha of forest and protect another 99,000ha. People are encouraged to develop types of business, like household economies, to develop the forest in a sustainable manner. The project will also support the management of three nature reserves, including Ngoc Linh in Kon Tum, Krong Trai in Phu Yen and Bidoup-Nui Ba National Park in Lam Dong. — VNS

The beneficiaries of these cashew crops are the local residents. The trees are expected to yield about 3 tonnes – 3.5 tonnes per ha.

Cocoa is another perennial tree of great value for the Tay Nguyen highlanders. Each ha of cacao trees can produce between 2 tonnes and 3 tonnes of seeds. The global price of cacao has never dropped to below US\$1,500 per tonne. When talking about high-value trees in the Tay Nguyen central highlands, it is impossible not to mention tea. At present, tea plantations cover 22,000ha in Lam Dong Province while in Gia Lai Province, the acreage under tea trees totals 3,000ha. Tea from Lam Dong, such as green tea and O Long tea, are selling well in Japan and Taiwan. The total acreage under tea in Tay Nguyen is second in size only to the plantations of the northern mountainous regions. Good soil conditions have enabled the highlanders to grow a number of short-term cash crops like maize, cotton, mulberries and various fruit trees. It has been reported that some 210,000ha have been planted with maize in the five Central Highlands provinces. In the province of Dac Lac alone the maize acreage is expected to reach 120,000ha. Dac Lac and Gia Lai provinces have allocated 20,000ha to the cultivation of cotton, the largest acreage in the country devoted to this crop.

Experiencing many ups and downs in recent years, mulberry trees have made a come-back in the Central Highlands. In Lam Dong Province, 700ha have been planted with mulberry trees and 500ha in Dac Nong Province. Several joint ventures have been established in the past 10 years between Vietnamese and foreign partners, including Singapore, South Korea and China, in the areas of silk production and textile weaving.

In addition to industrial trees, Tay Nguyen boasts a total of 22,134ha of orchards, of which 9,120ha are in Lam Dong and 5,828ha in Dac Lac Province. The Ministry of Agriculture and Rural Development in 2005 decided to include rubber trees, cashew nuts and cacao in the national program aiming at growing 5 million ha of new forests. Forests in Viet Nam are divided into three types: specialised forests, protected forests and productive forests. With a harmonious combination of short term and long term industrial trees, the Tay Nguyen highlands' economy will develop sustainably. — VNS

Self-reliance built from marshy plain

EFSA sets intake limit for ochratoxin A toxin

By staff reporter

15/06/2006 - The EU's food safety agency has set a weekly intake limit for ochratoxin A, calling on processors to make further efforts to reduce the fungal toxin in foods.

The setting of a limit by the European Food Safety Authority (EFSA) could mean further measures will have to be taken by processors to minimise the levels of the toxin in their food products. The main sources of human ingestion of Ochratoxin A (OTA) are cereals and cereal products, pulses, coffee, beer, grape juice, dry vine fruits and wine, cacao products, nuts and spices.

Ochratoxin A (OTA) is a mycotoxin naturally produced by certain fungi such as the *Penicillium* and *Aspergillus* species. Mycotoxins such as OTA are formed as crops grow or more commonly develop later during storage and have been reported as contaminants in food commodities. Human exposure to OTA has been confirmed through the detection of the mycotoxin in the blood, urine and milk samples of healthy subjects.

OTA is also found in animal feed from across the world but OTA in meat, milk and eggs was considered to be a negligible source for human exposure, an EFSA scientific panel stated in its evaluation of the mycotoxin. However, higher concentrations of OTA may occur in certain local specialties such as blood puddings and sausages prepared with pig blood serum, the report stated.

The EFSA scientific panel concluded that, when consumed, OTA accumulates in the kidney and is particularly toxic the organ. Taking into account all data currently available the panel derived a Tolerable Weekly Intake (TWI) of 120 ng per kg body weight for OTA. Currently, the weekly exposure of the general population to OTA varies between 15 and 60 ng per kg bodyweight and is therefore well below this value.

"The experts recommended that all efforts be made to continue to reduce OTA levels in food and that a monitoring programme be established to gather more specific exposure data for certain vulnerable groups," the report concluded.

Prince Sultan Bin Abdulaziz honors Master Foods during corporate social responsibility forum

Saudi Arabia: Saturday, June 10 - 2006 at 17:54 GMT+4 AME Info FZ LLC

HRH Crown Prince Sultan bin Abdulaziz honored Master Foods for their initiative in sponsoring the Corporate Social Responsibility Forum, which was held under the theme "Mandatory or Voluntary" on May 28th 2006 at Al Faisaliah Hotel in Riyadh.

The event was attended by a large number of officials from various Government agencies, businessmen and representatives of major Saudi companies, and selected speakers presented their experiences and case studies in the field of social responsibility and community services.

Speaking at the Forum, Mr. Abdulhakim Hakim, Master Foods Middle East External Affairs Manager, said, "It is well known that HRH Prince Sultan bin Abdulaziz is keenly interested in humanitarian works and social programs that help individuals and communities, and that His Royal Highness spares no effort in supporting initiatives that benefit society. We highly appreciate Prince Sultan's patronage of this event and his support gives all of us added incentive to renew and strengthen our commitment to corporate social responsibility."

In the forum, Mr. Peter Van Greens Van from Master Foods presented a paper titled "Protecting Cacao Natural Resources - A Commitment Towards the Future". His presentation described Master Foods' efforts to protect and sustain natural resources of cacao and outlined the role the company plays in educating and training workers in this field. He went on to explain the importance of cacao as part of the world economy and environment, and emphasized the benefits to farmers in the producing countries where cacao is considered a major source of national income.

During the Forum Mr. Hakim stated: "Master Foods Middle East is seeking to introduce and develop educational programs in Saudi Arabia that promote the development of individuals and society as a whole, especially by enhancing the skills of young people in order to help them with their future careers. Master Foods' initiatives included the Academic Excellence Awards, a program for university students which offers them the opportunity to make practical use of what they have learned."

As part of its social programs, Master Foods has launched the Alharaka Barakh initiative in cooperation with the Ministry of Education in the Makkah area. Starting at the beginning of the new academic year, the initiative will be generalized to include the maximum number of schools. Alharaka Baraka is an educational program designed to

encourage children in the 9-11 years age group to practice sports as part of their everyday life. These activities can be practiced in the school yard and the classroom under the direction of their physical education teachers, or even at home under the supervision of their parents. The program includes a set of guidelines for the students, another set for the family, and a third set of guidelines for teachers which includes scientific data. The program is also available on the website www.alharakabaraka.com for the benefit of all those who are interested.

As an integral part of the society in which it operates, Master Foods Middle East firmly believes in the importance of social responsibility and is fully committed to the economic, social and environmental aspects of its duties towards its employees, clients and society in general. The work environment of Master Foods Middle East is based on five essential principles: quality, responsibly, exchange, efficiency and freedom. By adhering to these five principles, the company successfully maintains a freedom-based creative environment which enables Master Foods to overcome every challenge, sustain prosperity and achieve progress.

Slave Chocolate?

Deborah Orr 04.24.06, Forbes.com

Anticorporate protesters went after Nestlé for its infant formula. Now they're at it again--this time accusing the company of using cocoa harvested by forced labor.

With their bright pink wigs, colorful placards and painted smiles, the crowd in front of San Francisco's Metreon movie theater last July looked like extreme fans come to celebrate the opening of the latest Willie Wonka film. But these merrymakers had a downbeat message for Nestlé (other-otc: NSRGF.PK - news - people), maker of Wonka chocolate candy. A typical sign read, "Make my Wonka bar slave-free."

This protest was organized by Global Exchange, a California pressure group that has organized letter-writing campaigns, appealed to lovers to make Valentine's Day "slave-free" and told parents to mail their children's Halloween treats back to Nestlé and other chocolate makers who buy cocoa from plantations in West Africa. The International Labour Organization, part of the UN, estimates 284,000 child laborers work on cocoa farms, most of them in one tiny country, Ivory Coast, source of almost half the world's cocoa. "These are either involved in hazardous work, unprotected or unfree, or have been trafficked," says the ILO.

Global Exchange and another nonprofit, the International Labor Rights Fund, founded by a Methodist minister and funded in part by George Soros' Open Society Institute, are taking their case to court. They are suing Nestlé's U.S. subsidiary, together with commodity traders Archer Daniels Midland (nyse: ADM - news - people) and Cargill, in California. The action was brought under two federal statutes, the Torture Victim Protection Act and the Alien Tort Claims Act, which allow victims of human rights abuses who live outside America to sue U.S. companies for violations of international law. The suit also charges Nestlé, Cargill and ADM with violating the expansive California Business & Professions Code by making false claims to the public that the problem of child slave labor on cocoa farms was being resolved.

"Nestlé is not the owner of any plantation," says Peter Brabeck-Letmathe, chief executive, exasperated after seven years of protests connecting the Swiss multinational with forced child labor in Ivory Coast. In what he calls "basically a civil war situation," he says, "there might be a lot of other human rights abuses than just the ones that have been picked up." He says it would be even worse for Ivory Coast if Nestlé bought nothing. This is a country where an estimated 215,000 children live on the streets, where teachers give children good grades in return for sexual favors and where there is no law against human trafficking, according to U.S. State Department reports.

A chocolate trade group in Washington blames putting kids to work on farmer attitudes in West Africa. The Western protest groups have videotaped conditions on some of the slave farms, with wrenching narratives from children who were as young as 12 when they were enticed by traffickers with promises of good wages and easy work. One plaintiff, a young boy from neighboring Mali who says he was lured to a cocoa farm in Ivory Coast, describes his plight on tape: "I tried to run away but I was caught ... as punishment they cut my feet and I had to work for weeks while my wounds healed. I stayed in a large room with other Malian children from a neighboring plantation." He was finally freed when another boy enslaved on the farm found his way to the Malian embassy, according to several boys' testimony. A Malian diplomat intervened to help return the boys to their families, according to plaintiff transcripts.

Five years ago Senator Thomas Harkin (D--Iowa) led an investigation into allegations of child slavery in the African cocoa trade. The senator introduced legislation that would have required chocolate sold in the U.S. to be labeled "slave-free." The bill was not enacted, but Nestlé got the message. The company, other big chocolate producers, the ILO and several nonprofit groups signed an agreement promising that by July 2005 they would find a way to certify chocolate as not having been produced by any underage, indentured, trafficked or coerced labor.

The deadline passed with little accomplished. Chocolate makers started a foundation to work with nonprofits that rehabilitate and educate child laborers. But the industry's own assessment of its "progress to eliminate the worst forms of child labor and forced labor from the cocoa fields" was "discouraging," reads a statement from Harkin's office.

Nestlé and others say they need more time--three years to certify half the cocoa-growing areas of Ivory Coast and Ghana.

"They say they can't do anything--the civil war is escalating," says Terrence Collingsworth, executive director of the International Labor Rights Fund. "But we can send our researchers in. And they don't seem to have any trouble sending their buyers in." Other nonprofits have also broken through, including the Fair Trade Labeling Organization. That's a group from Bonn, Germany that certifies, among other things, that farms are free from labor abuses. In the last two years Fair Trade has organized two cooperatives in Ivory Coast, covering 1.3% of chocolate exports, that are ostensibly free from child or slave labor.

Why pick on Nestlé when Mars and Hershey (nyse: HSY - news - people) buy even more chocolate from Africa? "We have evidence against Nestlé," says Collingsworth, referring to a former Nestlé buyer who claims that at least one farm that supplied Nestlé used forced child labor. "If we find evidence that Mars or Hershey were complicit, we will add them to the suit." All three buy chocolate from middlemen, such as co-defendants ADM and Cargill. (Nestlé says it has no direct cocoa procurement in Ivory Coast.) The three targets of the California suit seek a dismissal, arguing a lack of legal basis and, "If any purchaser of a good ... is liable for any wrongful act allegedly committed in the production of the good ... such a theory would have breathtaking implications for the global economy."

One reason that Nestlé makes a great target for Western do-gooders is that it's big. With revenue of \$76 billion a year it's the world's biggest food producer (brands include Perrier, Nescafé and Purina). A campaign to boycott it for selling infant formula in the Third World went on for seven years. Protesters said the formula was being bought by impoverished mothers whose children would have been better off breast-fed. "Nestlé kills babies!" screamed one report by the Berne Third World Action Group.

Nestlé sued the Berne group. "We said, 'Show us one documented case of a baby who has died because of Nestlé,'" says François-Xavier Perroud, head of media relations, who was hired to help deal with the crisis. "No one could come up with anything." Nestlé won the lawsuit in 1976 but lost the p.r. war. Protesters got even more publicity.

The company ultimately reached out to foes and changed some marketing: No more ads were run and no more samples given to hospitals in poor areas. In any case, says Perroud, "Most of our infant formula sales in the developing world are in the big cities, to working women and families who can afford it." The boycott didn't hurt long-term, he insists, though many longtime employees were shocked by the vitriol.

The company plays defense with do-goodism of its own. It helps one- and two-cow dairy farmers in Latin America improve their milk yields, has made changes to reduce waste from all its factories and passes out HIV medication to employees in Africa who need it. "We try to have a constructive dialogue with everybody who has an interest in Nestlé, including NGOS. I have a full staff that is dedicated only to this question," says Brabeck-Letmathe.

Now Nestlé, facing the cocoa-farm reformers, must decide again whether to fight. For now, the answer is yes. If U.S. District Court Judge Stephen Wilson of California's Central District denies the defense motion --he may rule as early as this month--the ILRF intends to ask for class certification in which they would represent the interests of all West African child laborers. The unpredictable nature of American law could make such a class action into a bottomless pit of potential damages.

"We gave them more than five years," says Collingsworth, who is making a career of such foreign rights cases. "Nestlé crossed a very bright line and proceeded in bad faith. It's clear the only way they are going to change is if they get smacked."

Tit Bits

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

US MIDDAY: cocoa mixed

NEW YORK (June 17, 2006): cocoa futures settled mixed on Friday, unable to find direction after non-commercial players rolled their remaining positions from the front-month contract before its first delivery notice next week, traders said.

Mid-June rains good for Ivory Coast cocoa crop

ABIDJAN (June 17, 2006): Abundant rains during the second week of June in Ivory Coast's main cocoa growing regions provided good growing conditions for the next October-March main crop, analysts and farmers said on Friday.

New York cocoa ends at one-month high

NEW YORK (June 17, 2006): cocoa futures rallied nearly 2 percent to a one-month high on Thursday, boosted by speculators buying back their short positions and extending new longs amid positive technical signals on the price charts, traders said.

Ivory Coast cocoa arrivals rise

ABIDJAN (June 17, 2006): cocoa arrivals at ports in Ivory Coast reached 1,208,501 tonnes between October 1 and June 11, an estimate by major exporters said on Friday. That compared with 1,183,821 tonnes delivered to ports at the same period in the 2004/05 season, industry data showed. The figures showed that 23,722 tonnes arrived at ports between June 6-11.

US MIDDAY: cocoa rallies

NEW YORK (June 16, 2006): cocoa futures rallied nearly 2 percent to a one-month high Thursday, boosted by speculators buying back their short positions and extending new longs amid positive technical signals on the price charts, traders said.

New York cocoa settles at three-week peak

NEW YORK (June 16, 2006): Benchmark cocoa futures rallied 1.2 percent to a three-week peak on Wednesday, bolstered by speculative buying and short covering amid surging cocoa prices in London and a flagging dollar, market sources said.

US MIDDAY: cocoa rallies

NEW YORK (June 15, 2006): Benchmark cocoa futures rallied 1.2 percent to a three-week peak Wednesday, bolstered by speculative buying and short covering amid surging cocoa prices in London and a flagging dollar, market sources said.

New York cocoa futures end firmer

NEW YORK (June 15, 2006): Nearby cocoa futures eked out modest gains Tuesday, underpinned by light industry buying in line with trade support in London, market sources said. The New York Board of Trade's active cocoa contract for September delivery finished up just \$1 at \$1,491 a tonne, after trading from \$1,486 to \$1,502.

Brazilian cocoa arrivals fall

SAO PAULO (June 15, 2006): Brazilian 2006/07 (May/April) cocoa arrivals from Bahia and other states totalled 435,424 60-kg bags by June 11, down 47 percent from 816,230 bags a year ago, Bahia Commercial Association said Wednesday.

US MIDDAY: cocoa firmer

NEW YORK (June 14, 2006): Nearby cocoa futures eked out modest gains Tuesday, underpinned by light industry buying in line with trade support in London, market sources said.

New York cocoa futures slip

NEW YORK (June 14, 2006): cocoa futures finished mixed on Monday, with the front-end of the curve wilting on light speculative selling amid rising bean supply in top cocoa producer Ivory Coast, market sources said.

Ivory Coast cocoa prices mainly down

ABIDJAN (June 14, 2006): Farmgate prices in Ivory Coast's cocoa growing regions mainly fell from June 5 to 11, Coffee and cocoa Bourse (BCC) data showed on Tuesday, as buyers offered less for small and wet beans in some regions.

Ivorian cocoa arrivals seen rising

ABIDJAN (June 13, 2006): cocoa arrivals at ports in Ivory Coast reached 1.207 million tonnes between October 1 and June 11, up from 1.182 million tonnes last year, according to a rough estimate by major exporters on Monday.

REGISTRATION FORM

**15TH INTERNATIONAL COCOA RESEARCH CONFERENCE
9TH – 14TH OCTOBER 2006
SAN JOSÉ, COSTA RICA**

Organised by the Cocoa Producers' Alliance

Please duly fill and send by fax or email to:

The Secretary General

Cocoa producers' Alliance
National Assembly Complex
Tafawa Balewa Square
P.O. Box 1718
Lagos, Nigeria
Tel: +234-1-263-5571 Fax: +234-1-263-5681
Email: 15icrc@copla-cpa.org / agro@copal-cpa.org
Website : <http://www.copal-cpa.org>

The Chairman

National Organizing Committee
15th International Cocoa Research Conference
CATIE
San Jose, Costa Rica
Tel: +506-556-1176
Fax: +506-556-1533
Email: ICRC@catie.ac.cr
Website : <http://www.catie.ac.cr>

Name: _____

Organization: _____

Address: _____

Telephone: _____ Fax: _____

Email: _____

- I wish to participate at the conference
- Bank Draft or cheque (No. _____) made payable to Cocoa Producers' Alliance for the amount of USD _____ is enclosed.
- Payment will be made at registration desk.

Signature: _____ Date: _____

The Registration Fee does not include a copy of the Conference Proceedings, and is payable at the Conference venue as follows:

Participants who are nationals of Member Countries of the Alliance.....	US\$250.00
Participants from Non-Member Countries.....	US\$350.00

This fee covers the cost of lunch over the 5 days of Conference period.

A late fee of additional US\$50.00 will be charged after the deadline for registration.

Institutions are urgently requested to send their list of participants to COPAL (15icrc@copal-cpa.org) and CATIE (ICRC@catie.ac.cr).

All interested participants are advised to register **on or before 1st September, 2003** to facilitate the smooth organization of the conference.