



# COPAL COCOA *Info*

A Weekly Newsletter of Cocoa Producers' Alliance

Issue No. 187

10<sup>th</sup> – 14<sup>th</sup> July 2006

## ICCO Daily Cocoa Prices

	ICCO daily price (SDRs/tonne)	ICCO daily price (US\$/tonne)	London futures (£/tonne)	New York futures (US\$/tonne)
10 <sup>th</sup> July	1217.83	1807.03	1000.00	1764.00
11 <sup>th</sup> July	1215.48	1800.31	995.33	1758.00
12 <sup>th</sup> July	1201.60	1779.02	990.67	1732.33
13 <sup>th</sup> July	1197.37	1769.31	981.67	1724.00
14 <sup>th</sup> July	1220.17	1801.52	1005.00	1749.67
<b>Average</b>	<b>1,210.49</b>	<b>1,791.44</b>	<b>994.53</b>	<b>1,745.60</b>

## Up-coming Events

- 69<sup>th</sup> General Assembly and Council of Ministers meeting, 28<sup>th</sup> August – 2<sup>nd</sup> September 2006, Abidjan, Cote d'Ivoire.
- 15<sup>th</sup> International Cocoa Research Conference, 9<sup>th</sup> – 14<sup>th</sup> October 2006, San José, Costa Rica

### In the News:

- K7million needed to fight cocoa pest
- Market Spotlight: Cocoa
- Child labour and cocoa: Raw materials, raw issues and progress
- Cocoa drink to be part of Schools Feeding menu

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Cocoa Producers' Alliance

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

<b>Monday 10th July 2006</b>						
<b>Month</b>	<b>Opening Trans</b>	<b>Settle</b>	<b>Change</b>	<b>Daily High</b>	<b>Daily Low</b>	<b>Volume</b>
Jul 2006	1034	1065	24	1066S	1031S	1,508
Sep 2006	993	997	9	1002	980	5,959
Dec 2006	990	996	9	1000	980	2,787
Mar 2007	1000	1007	10	1011	993	1,355
May 2007	1006	1015	10	1018	1002	284
Jul 2007	1018	1024	10	1025	1018	1,703
Sep 2007	1017	1033	10	1033	1017	436
Dec. 2007	1034	1043	11	1045	1034	243
Mar-08	1043	1051	10	1043	1043	5
May-08		1063	8			0
<b>Totals</b>		<b>1029</b>				<b>14,280</b>

<b>Tuesday 11th July 2006</b>						
<b>Month</b>	<b>Opening Trans</b>	<b>Settle</b>	<b>Change</b>	<b>High</b>	<b>Low</b>	<b>Volume</b>
Jul 2006	1063	1079	14	1100	1063	19,105
Sep 2006	996	991	-6	1003	989	11,401
Dec 2006	993	992	-4	1000	988S	15,742
Mar 2007	1005	1003	-4	1011	999	1,378
May 2007	1018	1010	-5	1018	1006	321
Jul 2007	1014	1019	-5	1024	1014	61
Sep 2007	1027	1028	-5	1027	1027	9
Dec. 2007	1042	1040	-3	1042	1040	61
Mar-08		1045	-6			0
May-08		1053	-10			0
<b>Totals</b>		<b>1026</b>				<b>48,078</b>

<b>Wednesday 12th July 2006</b>						
<b>Month</b>	<b>Opening Trans</b>	<b>Settle</b>	<b>Change</b>	<b>High</b>	<b>Low</b>	<b>Volume</b>
Jul 2006	1065	1094	15	1095	1064S	1,919
Sep 2006	985	984	-7	986S	971	5,617
Dec 2006	987	988	-4	988	973	2,745
Mar 2007	998	1000	-3	1001	985	1,623
May 2007	999	1008	-2	1008	995	183
Jul 2007	1003	1017	-2	1003	1003	3
Sep 2007		1026	-2			0
Dec. 2007	1033	1035	-5	1033	1033	20
Mar-08		1043	-2			0
May-08		1051	-2			0
<b>Totals</b>		<b>1025</b>				<b>12,110</b>

**Thursday 13th July 2006**

Month	Opening Trans	Settle	Change	High	Low	Volume
<a href="#">Jul 2006</a>	1083	1097	3	1102	1075	3,541
<a href="#">Sep 2006</a>	983	977	-7	983	967	7,203
Dec 2006	986	978	-10	986	969	3,669
Mar 2007	995	990	-10	995	981	1,170
May 2007	992	998	-10	999	992S	190
Jul 2007		1008	-9			36
Sep 2007		1017	-9			0
Dec. 2007	1027	1027	-8	1029	1027	45
Mar-08		1035	-8			0
May-08		1045	-6			0
<b>Totals</b>		<b>1017</b>				<b>15,854</b>

**Friday 14th July 2006**

Month	Opening Trans	Settle	Change	High	Low	Volume
<a href="#">Jul 2006</a>	1098	1076	-21	1100	1058	5,374
<a href="#">Sep 2006</a>	978	1001	24	1003	974	11,193
Dec 2006	978	1002	24	1002	976	5,021
Mar 2007	990	1012	22	1012	986	3,986
May 2007	998	1020	22	1020	997	572
Jul 2007	1006	1030	22	1026	1006S	90
Sep 2007	1012	1040	23	1030	1012	181
Dec. 2007	1026	1050	23	1036	1026S	128
Mar-08	1037	1058	23	1048	1036	163
May-08		1068	23			0
<b>Totals</b>		<b>1036</b>				<b>26,708</b>

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

**Monday 10th July 2006**

Month	Opening Trans	Settle	Change	High	Low	Volume
Jul 2006	0 1725 <sup>A</sup>	1729	5	1731	1728	2
Sep 2006	1720 1737	1734	5	1737	1715	8639
Dec 2006	1755 0	1765	4	1767	1748	1934
Mar 2007	1782 1784	1792	1	1792	1776	591
May 2007	1801 0	1812	1	1810	1795	326
Jul 2007	1821 <sup>B</sup> 1822 <sup>A</sup>	1831	0	1826	1815	288
Sep 2007	1837 0	1849	0	1850	1837	214
Dec 2007	1860 <sup>B</sup> 1865 <sup>A</sup>	1871	0	1868	1852	330
Mar 2008	0 0	1896	0	1878	1878	5
May 2008	0 0	0	0	0	0	0
<b>Totals</b>		<b>1628</b>				<b>12,329</b>

**Tuesday 11th July 2006**

Month	Opening Trans	Settle	Change	High	Low	Volume
Jul 2006	1675 0	1705	-24	1685	1675	2
Sep 2006	1724 1731	1730	-4	1738	1720	9929
Dec 2006	1751 1753	1760	-5	1767	1751	3493
Mar 2007	1778 <sup>B</sup> 1782 <sup>A</sup>	1788	-4	1792	1782	970
May 2007	1795 <sup>B</sup> 1802 <sup>A</sup>	1808	-4	1812	1795	170
Jul 2007	1814 <sup>B</sup> 1820 <sup>A</sup>	1828	-3	1830	1827	156
Sep 2007	1832 <sup>B</sup> 1838 <sup>A</sup>	1845	-4	1849	1840	184
Dec 2007	0 0	1867	-4	0	0	0
Mar 2008	0 0	1892	-4	0	0	0
May 2008	0 0	0	0	0	0	0
<b>Totals</b>		<b>1622</b>				<b>14,904</b>

**Wednesday 12th July 2006**

Month	Opening Trans	Settle	Change	High	Low	Volume
Jul 2006	1680 <sup>B</sup> 1700 <sup>A</sup>	1692	-13	1705	1682	10
Sep 2006	1700 1704	1702	-28	1715	1696	9750
Dec 2006	1732 1733	1735	-25	1745	1731	2337
Mar 2007	1758 1760	1764	-24	1771	1758	625
May 2007	1778 <sup>B</sup> 1781 <sup>A</sup>	1785	-23	1789	1780	317
Jul 2007	1798 <sup>B</sup> 1802 <sup>A</sup>	1806	-22	0	0	0
Sep 2007	1815 <sup>B</sup> 1820 <sup>A</sup>	1825	-20	0	0	540
Dec 2007	0 0	1847	-20	0	0	0
Mar 2008	0 0	1871	-21	0	0	0
May 2008	0 0	0	0	0	0	0
<b>Totals</b>		<b>1603</b>				<b>13,579</b>

**Thursday 13th July 2006**

Month	Opening Trans	Settle	Change	High	Low	Volume
Jul 2006	1680 <sup>B</sup> 1700 <sup>A</sup>	1691	-1	1703	1687	40

Sep 2006	1692 1695	1696	-6	1704	1688	7646
<u>Dec 2006</u>	<u>1726 1728</u>	<u>1728</u>	<u>-7</u>	<u>1734</u>	1720	3641
<u>Mar 2007</u>	<u>1755<sup>b</sup> 1757<sup>a</sup></u>	<u>1758</u>	<u>-6</u>	<u>1762</u>	1747	834
May 2007	1775 <sup>b</sup> 1782 <sup>a</sup>	1778	-7	1780	1780	100
Jul 2007	1795 <sup>b</sup> 1801 <sup>a</sup>	1799	-7	0	0	0
Sep 2007	1812 <sup>b</sup> 1820 <sup>a</sup>	1818	-7	0	0	0
Dec 2007	0 0	1840	-7	1837	1837	9
Mar 2008	0 0	1865	-6	0	0	0
May 2008	0 0	0	0	0	0	0
<b>Totals</b>		<b>1597</b>				<b>12,270</b>

**Friday 14th July 2006**

Month	Opening Trans	Settle	Change	High	Low	Volume
Jul 2006	1670 <sup>b</sup> 1700 <sup>a</sup>	1703	12	0	0	3
Sep 2006	1700 1704	1718	22	1725	1698	8217
Dec 2006	1731 1732	1749	21	1753	1729	2920
<u>Mar 2007</u>	<u>1760<sup>b</sup> 1762<sup>a</sup></u>	<u>1779</u>	<u>21</u>	<u>1782</u>	1758	1327
<u>May 2007</u>	<u>1780<sup>b</sup> 1785<sup>a</sup></u>	<u>1800</u>	<u>22</u>	<u>1798</u>	1778	100
Jul 2007	1801 <sup>b</sup> 1803 <sup>a</sup>	1821	22	1820	1815	63
Sep 2007	1820 <sup>b</sup> 1825 <sup>a</sup>	1840	22	0	0	0
Dec 2007	0 0	1862	22	0	0	0
Mar 2008	0 0	1887	22	0	0	0
May 2008	0 0	0	0	0	0	0
<b>Totals</b>		<b>1616</b>				<b>12,630</b>

**Spot Prices (US \$ per tonne)**

	10 <sup>th</sup> July	11 <sup>th</sup> July	12 <sup>th</sup> July	13 <sup>th</sup> July	14 <sup>th</sup> July
Main Crop Ghana, Grade 1	2109	2105	2074	2054	2076
Main Crop Ivory Coast, Grade 1	2021	2017	1982	1953	1975
Main Crop Nigerian, 1	2006	2002	1967	1936	1958
Superior Arriba	2002	1998	1974	1965	1988
Sanchez f.a.q.	1961	1957	1929	1913	1935
Malaysian 110	1766	1762	1734	1709	1731
Sulawesi f.a.q.	1772	1768	1745	1719	1741
Ecuador Cocoa Liquor	2948	2941	2865	2759	2795
Pure Prime Press African Type Cocoa Butter	4647	4636	4567	4455	4513
10/12% Natural Cocoa Press Cake	838	836	800	825	836

Source: Cocoa Merchants' Association

# News

## **K7million needed to fight cocoa pest**

July 12, 2006 : The National

ABOUT K7 million would be needed to contain and eradicate the Asian cocoa pod borer recently identified in Aitape, Sandaun province. Kick starting efforts to contain the pest, the Aitape-Lumi budget planning committee has approved the immediate release of K50,000 from the Poro cocoa rehabilitation project to go into containment measures. The cocoa pod borer, scientifically known as *conopomorpha cramerella* was first detected on June 20, around the Poro resettlement area near Malol village, which covers an area of about 200ha of cocoa.

National Quarantine and Inspection Authority (Naqia) scientists last week confirmed its presence, warning that it was serious and threatening to move eastwards along the coast to East Sepik province. Upon arrival in Port Moresby yesterday afternoon after visiting the affected area, Aitape-Lumi MP and Forest Minister Patrick Pruaitch said he would hold talks with Agriculture Minister Sasa Zibe to seek urgent National Government funding to combat the disease. "We need about K7 million to contain the spread of the cocoa pod borer," Mr Pruaitch said. He said the threat of the pest spreading was real, not only into East Sepik but towards Vanimo and Jayapura as well. "We also get a lot of buyers from the other side of the border (Jayapura) coming to Aitape to buy dry beans so you can imagine what could happen if no immediate control was placed on the movement of cocoa beans and other forms of carriers," Mr Pruaitch said.

Cocoa production and development became one of Mr Pruaitch's priorities soon after he took up political office in 2002. The Poro cocoa rehabilitation project was one such initiative among many others that he had helped establish in Aitape and Lumi. "I also call on Naqia and relevant government agencies including the division of Primary Industry in Aitape, Cocoa Coconut Institute of PNG, Agriculture Department and the Sandaun provincial government to step up the necessary operations to ensure the cocoa pod borer does not spread beyond where it is now. "The authorities must also stop buyers from outside coming to Aitape to buy cocoa beans," Mr Pruaitch said. Meanwhile, a meeting is planned for Friday in Vanimo for all relevant government agencies to decide on a response plan, and the costs involved, for presentation to the Government for funding. The recent outbreak of the cocoa pod borer at the Lowland Agriculture Experiment Station in Kerevat, East New Britain province, in March was quickly contained with a K3 million funding from the Government.

## **Market Spotlight: Cocoa**

July 12, 2006, 1:48PM

By LAUREN VILLAGRAN AP Business Writer

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NEW YORK — The run-up in the market for oil, gold, copper and other commodities has a tastier component: cocoa. In recent months, cocoa has traded well above its previous ceiling around \$1,500 a metric ton, setting new, higher benchmarks along with other commodities. Cocoa — the dried seed of the cacao tree, from which chocolate is made — saw prices surge above \$1,700 in June. "It's been a pretty wild few months," said Kevin Kerr, a cocoa trader and editor of Resource Trader Alert newsletter. "There are not a lot of players in the market but those that are trading aggressively." As with oil and the Middle East, cocoa prices are in large part dictated by geopolitical concerns in the region where it's grown.

Ivory Coast is the world's largest producer of cocoa, harvesting about 40 percent of world supplies. The west African nation has been struggling to return to democracy and disarm warring factions since a coup attempt in 2002 ignited a civil war. Elections, already delayed once due to discord, are scheduled for Oct. 31 but could be postponed again. The September contract for cocoa spiked to an intraday high of \$1,738 on Tuesday, buoyed in part by worries over the political uncertainty in Ivory Coast, according to CPM Soft Commodities News.

Cocoa typically experiences a summer rally, as the peak harvest season of December through April comes to a close, said Luis Rangel, a futures broker for Fimat USA. However, "it's been a much more forceful seasonal rally" than usual, he said, due to speculative buying in June as prices climbed, as well as new money flowing into the market. Analysts say cocoa is beginning to attract some of the fund money that has poured into the commodities market over the past two years, albeit on a smaller scale.

The energy and metals markets have lured most of that money, but recent volatility has prompted some fund managers to turn to "soft" commodities, such as sugar, cotton, coffee and cocoa. The metals and energy markets saw sharp price appreciation through the first part of the year to peaks in May, then witnessed a rapid retreat.

"Can those markets sustain those kinds of gains? Probably not," said Rangel. "How do you then capture some hedge in commodities markets without putting all your exposure in metals and oil, markets that have already appreciated. You reallocate to cocoa, coffee, soybean oil, cotton. Those markets can smooth out that volatility."

Barclays Global Investors, for example, has two new products which track a basket of commodities – among them oil, metals, livestock, grains and sugar; one includes cocoa. Called "iPath exchange-traded notes," the notes are debt securities linked to the performance of a market index. One ETN tracks the Goldman Sachs Commodity Index; the other tracks the Dow Jones-AIG Commodity Index. "There's this new philosophy of owning commodities as an asset as you would own equities," said Anthony Compagnino, partner of East Coast Options Services Inc. On Wednesday, the nearby July contract for cocoa dipped \$13 to finish at \$1,692 per metric ton on the New York Board of Trade.

### **Child labour and cocoa: Raw materials, raw issues and progress**

EC Newsdesk

12 Jul 06

Deborah Leipziger considers a multi-stakeholder scheme – the International Cocoa Initiative – and its efforts to eliminate child labour from cocoa production. Corporate social responsibility is entering a new phase in which sector-specific initiatives are becoming more common and starting to deliver real results. Sector-based business responsibility poses both challenges and opportunities, with a great many lessons for the corporate responsibility field as a whole. Increasingly, partnerships are forming across the commodity spectrum, including mainstays, such as coffee, cocoa, soya beans, and sugar. The International Cocoa Initiative (ICI) is a leading example of this new breed of partnership: a collaboration that brings together companies and civil society in both the northern and southern hemispheres.

#### Advertisement

Its members include Mars, Hershey Foods, Nestlé and Cadbury-Schweppes, and represent a large portion of the cocoa-related industry. These companies partner with the International Union of Food, Agricultural, Hotel, Restaurant, Catering, Tobacco and Allied Workers' Associations (IUF), the International Confederation of Free Trade Unions and non-governmental organisations including Free the Slaves, Global March and the Consumer's League. Unlike many partnerships, the ICI has a very specific – yet extremely challenging – goal: the elimination of the worst forms of child labour and forced labour in the cocoa sector.

When the ICI was founded in 2002, it faced a strategic choice. It could have taken the easy way out by creating small projects, seeking localised impact and feeding public-relations demands. The risk was that this would have only a limited impact over the long term. Instead, ICI chose to address the causes of these practices through real engagement over the long term to make the changes in the sector sustainable. In many ways, this choice is the same one for companies deciding on a corporate social responsibility policy. By taking a long-term view to create structural change, the ICI is an innovator in both the corporate responsibility and development fields.

#### Unacceptable

The ICI takes as a starting point that the worst forms of child labour and forced labour as described in the relevant international conventions are "simply not acceptable". Customers are understandably horrified that chocolate can be associated with child labour, even indirectly. However, as in many extended supply chains, cocoa companies were not cognisant of the extent to which child labour existed in a sector where there are over 1.5 million smallholder farms supplying cocoa in West Africa alone.

With an issue such as this, consumers expect companies to do more than the legal minimum. Individually, companies have a limited capacity to drive change; hence the need for broader, partnership-based initiatives. The supply chain is the pressure point for the cocoa sector, as both suppliers and brands have a mutual self-interest to ensure a sustainable supply of raw materials that is reliable over the long term and untainted by bad practices. Companies are therefore willing to invest in their supply chain beyond the need for quality product. But how can companies engage with their suppliers to create positive social change?

To Peter McAllister, executive director of the ICI, governments of producer countries are key, being the primary guardians of their citizens' rights. He says: "There are two routes for industries operating in the developing world concerned with social impact.

The first is to create bubbles of good practice, for example mining companies have typically done this around their operations. With this option, you make a bit of the world better, but this rarely prompts larger societal change. "Another approach is to broaden the scope of their impact and to innovate in the social arena. This approach – the ICI approach – requires the creation of an enabling environment to be complemented with real action programmes." The ICI is working with various ministries and civil society in cocoa-producing countries to develop an approach that will change practices across the sector by addressing the root causes of child labour.

#### A framework for change

Working in partnership with governments the International Labour Organisation and Unicef, local trades unions and NGOs, the ICI asks: "What are the causes of child labour? What is being done? What is missing? Who is best placed to drive change?" A key barrier to change is that in many developing countries, while there may be strong legislation to prevent child labour, enforcement is weak. Another barrier is that child labour is confused with culturally acceptable practices.

Partnerships that include industry can help to focus attention on these issues and promote a willingness to create the relationships and dialogue that can drive change. An example is the provision of training to help police and local authorities to understand and utilise the existing laws. While it would be difficult for a company on its own to train police or to assist in the development of a legal system, a partnership is well positioned to build this capacity. In assisting in the development of meaningful frameworks for social change, the ICI serves as a crucible for innovation from which many lessons can be learned. Before identifying the nature of the lessons learned, it is useful to examine the ICI's work in Ghana and Ivory Coast.

#### A community-based approach

In order to drive social change, the ICI works at three levels: with local NGOs, with local government, and with national ministries. What makes these initiatives different from some corporate social responsibility partnerships is that they focus on action, not just dialogue. At the national level, the ICI works with international organisations. This includes the ILO, Unicef and the German Technical Co-operation Organisation. These partners, with members of the cocoa industry in Ghana and the Ivory Coast, have created the environment for change.

This has meant, for example, co-sponsoring efforts in both countries to develop national action plans for addressing child labour. At the community level, ICI established a pilot programme with 30 communities where cocoa is a main product. In these communities, a process of dialogue takes place resulting in community-owned plans to address child labour. The ICI approach recognises the concerns of cocoa-producing communities and supports them to take the lead in deciding on and managing change. The resulting activity means that communities own the changes in practices and improvements that they work towards rather than relying on an external force for change, as is the case in many approaches.

According to McAllister, "people change only when they decide to and can see real benefit set against the risks that change often entails. Sustainable change must therefore be in the hands of local people." In these pilot communities and working through local partners, the ICI has fostered the following changes.

- The worst forms of child labour were identified in all the pilot villages and measures have been taken to eliminate hazardous practices.
- Fifty-one teachers have been appointed and six classroom blocks have been built, with the major part of the resources coming from the communities themselves.
- More than 1,500 children have been enrolled in school.
- Support is being provided to centres that rehabilitate victims of trafficking.



- Practices have changed: children may still help on the family farm, respecting local culture, but with attention paid to health and safety. As an example, children are banned from the workplace when pesticides are being sprayed.

Through its work, the ICI is altering the labour mix, where parents pick up some of the tasks that were once performed by children so that children can attend school. As a result of these efforts, there has been a clear demonstration that practices can be changed, but there remains the challenge of scaling this effort up in Ivory Coast, Ghana and other cocoa-producing countries in the region.

According to Tony Dogbe, director of participatory development associates of Ghana, “The ICI approach is good because it places the responsibility in the hands of government, of districts, of communities and even partners. It allows for ownership.”

What does change look like?

When you ask McAllister if child labour has decreased as a result of the ICI’s work, his answer is: “A start has been made but the closer one gets to a problem like this, the more one uncovers its magnitude ... In the first few years, we created an enabling environment to support change with the local and national networks. “The small community-based pilots are demonstrating that change can happen and now we can scale up. “Only once there is an enabling environment and effective social infrastructure is it possible to see meaningful change across the scale that the cocoa sector demands.” One of the major changes resulting from the project is that companies no longer question the need to work on advocacy.

Industry did not realise the complexity of the child labour issue and that a regular business approach may not apply in the social arena. At the same time, business methods have made a positive contribution in addressing child labour. According to John Long, vice-president of Hershey: “It’s important that businesses understand the challenges of working to drive positive social change in their supply chains. Problems can be complex, solutions take time, and effective partnerships are indispensable. “For cocoa, the ICI provides both a very effective framework for working with local governments and NGOs, and solid capacity to deliver on-the-ground change. “Industry support of programmes aimed at improving farmer incomes and access to education helps extend this work, improving the broader context in which West African children and their families live.”

McAllister has a message for companies: “Take action before the media get hold of the social problems inherent in complex supply chains, but do it thoughtfully. “If you wait until the issue is in the political arena, it will be more expensive and much more difficult to create the partnerships needed for real change. “Conduct due diligence before the cameras put their spotlight on the activities of your company. No-one will thank you if your company or sector is the next cocoa.”

The road ahead

The ICI has ambitious plans. Having demonstrated an effective approach in Ivory Coast and Ghana, the ICI will expand its work to include other countries in the West Africa region and undertake investigative work in the cocoa-producing regions of Asia in 2007 and then of Latin America. The ICI has changed the debate in the industry from problem-management to effective engagement.

Two years ago, companies did not understand that they could have a role to play in developing the capacity of countries such as Ghana and Ivory Coast to address child labour. They now understand that the role they can play is not just philanthropic but good business sense. Initiatives such as the ICI are paving the way for major changes within the development community. Most development projects are child-labour-blind.

In order to scale up the work of the ICI, bilateral and multilateral initiatives must be more aware of their impact on children. While the long-term goal is to eliminate all child labour, addressing the worst forms of child labour will require the involvement of all key stakeholders and significant commitment from the international community. By pioneering new approaches and engaging industry, the ICI can continue to provide useful lessons for other sector initiatives and for companies and governments seeking to address the complex issue of child labour.

Deborah Leipziger is managing director of the Anders & Winst Company and director of Stichting Social Accountability International, Netherlands. She is also a consultant to the ICI

#### Lessons learned from the ICI experience

Setting expectations and creating an environment that leads to change

- Create an enabling environment, with legislation that supports the goals for change.
- Empower local communities to understand the concerns and make their own decisions.
- Don't raise expectations; real social change takes time.
- Consider how to foster larger social changes that will reinforce your programme goals.
- Understand the gaps in training and other programmes.
- Recognise that social change often requires cultural changes and heightened awareness.

#### Communications

- Analyse the need for change at several levels within the supply chain: at the community level, local level and national level.
- Engage with a broad range of actors within national governments in developing countries. Government needs to drive the process, but companies need to inform and encourage the process.
- Identify leaders who will inform their constituencies about the initiative.
- Use local media, such as radio, dance, theatre and other vehicles to address social norms.
- Remember that as they are better understood, problems may get worse before they get better.
- Avoid development jargon, and present things in a way that creates effective dialogue.

#### Internal challenges for partnerships

- Be strategic about which countries you will operate in. At the start, pick those countries in which your product/commodity is an integral part of the economy.
- Local presence on the ground is vital.
- Focus on productivity and combine the social imperative with business goals.

#### The ICI approach

The ICI operates at three levels: community level, local government and national government.

#### Communities are the authors of their future

At the community level, there is a need to build skills and to create a process. With NGOs, discuss what will help to trigger social change. For example, the ICI works with Hope for Humanity, a group that focuses on water in Ghana.

#### Local government plays a key role in providing services

At the district level, ICI works to brief and train local actors on the needs of children. The local authorities together with civil society need to ensure social service provision is in place.

National ministries set the context and goals

Assist national ministries in developing goals and targets in a national action plan. If necessary, assist in drafting adequate legislation. Government is often in denial that there is a problem despite having made commitments through international conventions.

### **Cocoa drink to be part of Schools Feeding menu**

Accra, July 13, GNA

The cocoa drink is to be added to the National School Feeding Programme menu to encourage the consumption of the product among the youth, Mr Robert K Poku Kyei, Special Adviser to the Minister of Finance and Economic Planning announced on Thursday. Speaking at a lecture on: "Health benefits of cocoa", organised by the Walker Health Foundation (WHF) in Accra, Mr Poku Kyei said the government had put in place a National Committee to promote and brand the country's cocoa both at home and abroad.

Delivering the main lecture on the subject, Professor Fred K Addai, Lecturer at the Ghana Medical School, encouraged Ghanaians to regularly take well processed cocoa products since it was best for reducing high blood pressure and other chronic diseases. He cautioned persons with low blood pressure not to take cocoa since they stood the risk of worsening their health conditions because their blood pressure would continue to fall. The lecture, aimed at raising awareness about the positive attributes of cocoa and its other health benefits, was on the theme: "Cocoa and you". He said numerous studies worldwide had established that appropriately processed cocoa beans contain a great variety of powerful natural antioxidants, which promote nitric oxide in the body to overcome erectal dysfunction and sexual weakness. He said cocoa was the highest natural source of dietary magnesium, which facilitates the treatment of many chronic diseases including diabetes, stroke, heart diseases, asthma and arthritis.

Prof Addai also said cocoa prevents many age and lifestyle related ailments by mopping up harmful free radicals that cause many health problems including cancers, Parkinson's disease, Alzheimer's disease, skin wrinkling and grey hair. He said cocoa promotes superlative health by strengthening the immune system via its aroma and antioxidant content and added that cocoa enabled the body to ward off many disease particularly viral ailments such as colds and flu.

## Tit Bits

(Source: *Business Recorder* – [www.brecorder.com](http://www.brecorder.com))

### **New York cocoa ends at new 16-month top**

NEW YORK (July 12, 2006): US cocoa futures inched up to a new 16-month high on Monday, with trade selling unable to match active speculative and fund buying for the 11th consecutive trading session, traders said.

### **Ivory Coast cocoa prices mixed**

ABIDJAN (July 12, 2006): Farmgate prices in Ivory Coast's cocoa growing regions were mixed from July 1 to 9, Coffee and cocoa Bourse (BCC) data showed on Tuesday, as demand for beans varied by region and as prices rose at the ports.

### **New York cocoa futures down**

NEW YORK (July 13, 2006): US cocoa futures finished in negative territory on Tuesday, with trade selling snapping 11 consecutive sessions of rising prices to a 16-month peak, market sources said.

### **Cameroon cocoa exports down**

YAOUNDE (July 13, 2006): Cameroon's cocoa exports in the 11 months to end-June were down on the previous year despite a jump in shipments during June itself, the National Office of cocoa and Coffee (NOCC) industry regulator said on Wednesday.

### **Brazilian cocoa arrivals fall**

SAO PAULO (July 13, 2006): Brazilian 2006-07 (May-April) cocoa arrivals from Bahia and other states totalled 924,706 60-kg bags by July 9, down 24 percent from 1.21 million bags a year ago, Bahia Commercial Association said Wednesday.

### **Nigerian June cocoa arrivals rise**

LAGOS (July 14, 2006): cocoa arrivals in the Nigerian port of Lagos totalled 9,000 tonnes in June, rising 12.5 percent on the same month of last year, according to estimates by major exporters on Thursday.

### **New York benchmark cocoa dips**

NEW YORK (July 14, 2006): US cocoa futures slipped nearly 2 percent on Wednesday, pressured by trade and producer selling for the second consecutive day, market sources said. The New York Board of Trade's cocoa contract for September delivery fell \$28 to settle at \$1,702 per tonne, having dealt from \$1,696 to \$1,715.