



COPAL COCOA Info

A Weekly Newsletter of Cocoa Producers' Alliance

Issue No. 246

27th – 31st August 2007

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)
27th August	1214.7	1860.61	958.67	1801
28th August	1204.77	1847.24	953.67	1792
29th August	1226.01	1878.99	964	1823.33
30th August	1223.2	1872.34	964	1811.33
31st August	1243.58	1905.95	980.33	1843
Average	1,222.45	1,873.03	964.13	1,814.13

Up-coming Events

- 2nd Africa Cocoa Summit
3rd - 5th September 2007, Accra, Ghana
- Round Table of a Sustainable Cocoa Economy
3rd – 6th October 2007, Accra, Ghana
- ICCO Council
10th – 14th September 2007, London, UK
- General Assembly and Council of Ministers Meetings
8th - 12th 2007, Accra, Ghana

PROMOTION OF THE CONSUMPTION OF COCOA AND COCOA PRODUCTS BY COPAL DURING THE AFRICA CUP OF NATIONS 2008 (page 19)

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- ✓ Natraceutical to continue US polyphenol sales, despite Mars dispute
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**International Financial Futures and Options
Exchange (LIFFE)
London Futures Market – Summary of Trading Activities
(£ per tonne)**

Monday 27th August 2007

Month	Opening Trans	Settle	Change	Daily High	Daily Low	Volume
7-Sep-07		921				
7-Dec-07		948				
8-Mar-07		966				
8-May-07		977				
8-Jul-07		987				
8-Sep-07		997				
8-Dec-07		1005				
9-Mar-07		1015				
9-May-07		1027				
9-Jul-07		1040				
Totals		988				

Tuesday 28th August 2007

Month	Opening Trans	Settle	Change	High	Low	Volume
7-Sep-07	916	915	-6	920	908	1,075
7-Dec-07	945	938	-10	947	931	3,829
8-Mar-07	963	956	-10	964	948	2,092
8-May-07	975	967	-10	975	960	1,108
8-Jul-07	974	978	-9	982	971	325
8-Sep-07	984	990	-7	984	983	12
8-Dec-07		999	-6			0
9-Mar-07		1008	-7			0
9-May-07		1020	-7			0
9-Jul-07		1033	-7			0
Totals		975				8,441

Wednesday 29th August 2007

Month	Opening Trans	Settle	Change	High	Low	Volume
7-Sep-07	923	931	16	940	923	2,343
7-Dec-07	950	949	11	958	946	4,109
8-Mar-07	970	966	10	974	964	528
8-May-07	976	977	10	986	975	337
8-Jul-07	992	989	11	992S	991S	18
8-Sep-07	1003	999	9	1003S	1003S	2
8-Dec-07	1010	1008	9	1010S	1010S	5
9-Mar-07		1017	9			0
9-May-07		1029	9			0
9-Jul-07		1042	9			0
Totals		991				7,342

Thursday 30th August 2007

Month	Opening Trans	Settle	Change	High	Low	Volume
7-Sep-07	931	931	0	936	918	358
7-Dec-07	950	949	0	956	935	3,268
8-Mar-07	968	966	0	973	953	1,077
8-May-07	980	977	0	982	965	496
8-Jul-07	987	989	0	990S	980	450
8-Sep-07	988	999	0	989S	988	18
8-Dec-07	1005	1007	-1	1005	995	267
9-Mar-07	1005	1017	0	1005	1005	5
9-May-07		1029	0			0
9-Jul-07		1042	0			0
Totals		991				5,939

Friday 31st August 2007

Month	Opening Trans	Settle	Change	High	Low	Volume
7-Sep-07	938	947	16	947	933	756
7-Dec-07	950	966	17	967	950	3,377
8-Mar-07	968	982	16	983	968	2,445
8-May-07	986	993	16	993S	979S	473
8-Jul-07	990	1004	15	1005S	990S	81
8-Sep-07	1011	1014	15	1013	1011S	27
8-Dec-07		1024	17			0
9-Mar-07		1033	16			0
9-May-07		1045	16			0
9-Jul-07		1058	16			0
Totals		1007				7,159

Average for the week		1061				5776
Total for the week						28,881

News

Health and Nutrition

Lower blood pressure through chocolate?

Chicago Daily Herald, IL - Aug 27, 2007,

There's more good news for chocolate fiends. A new study published in the Journal of the American Medical Association adds to mounting evidence that some of the chemicals called flavanols concentrated in cocoa products may help your heart.

The study, by researchers at the University Hospital of Cologne in Germany, randomly assigned 44 older adults with early, untreated hypertension or warning signs of it to eat a small amount of dark chocolate or an equal amount of white chocolate -- which, lacking cocoa, has no flavanols -- every day for 18 weeks.

The white-chocolate group experienced no changes, but the dark-chocolate eaters saw their average systolic blood pressure (the top number in a blood pressure reading) drop by almost 3 points, and their diastolic pressure (the bottom number) drop by almost 2 points. That may not sound like much, but because hypertension is so common, those kinds of changes across a population are estimated to cut the risk of stroke mortality by 8 percent and of all-cause mortality by 4 percent. (Other, less rigorous studies have found even greater effects.)

The change in the dark-chocolate group, says study author Dirk Taubert, a pharmacologist, is about the same as the change seen by people adhering to the anti-hypertension DASH diet, which restricts fat and cholesterol (and is therefore considerably more difficult to follow than advice to eat chocolate).

But the study focused on such a small amount of chocolate for a reason. "If you eat too much of it, you gain weight, which can produce hypertension," says Taubert. So anyone looking for an excuse to eat a Hershey's Special Dark bar would have to make that bar last almost a week to get the benefits shown in this study without also risking the unfavorable effects of fat and sugar. "The low and regular dose is important," says Taubert. So is the darkness: The sweeter and milkier your chocolate is, the less cocoa it has -- and the fewer beneficial chemicals.

It's also unclear from this small study whether the same benefits will show up in different populations, like people with established hypertension or younger folks. And no one really understands precisely which of these flavanols is responsible for the benefits.

So you won't find the government recommending you eat chocolate anytime soon. But in the meantime, if you're already a chocolate fiend and don't have a weight problem, you can continue to enjoy it in moderation.

Can Dark Chocolate Halt Heart Trouble?

PakTribune.com, Pakistan - Aug 27, 2007

ISLAMABAD: Legend has it that chocolate, eaten in copious amounts after a break-up, can mend a broken heart. But can that same delicacy actually prevent the breakage in the first place, at least physiologically speaking?

Two research letters in the Aug. 27 issue of the Journal of the American Medical Association found dark chocolate and drinkable cocoa had beneficial effects on certain measures of heart function. Both were small studies, however, and experts warn it's not yet time to substitute Nestle's dark for tried-and-true fruits and veggies. "Letters to the editors are not the place to change nutrition policy," says Dr. Robert H. Eckel, chairman of the American Heart Association's Council on Nutrition, Physical Activity and Metabolism. "Not only is chocolate high in calories, but one-third of it is fat that can be converted to a monounsaturated fatty acid. This doesn't give us enough information to just open the green light to chocolate consumption."

The first study tried to ascertain the beneficial properties of polyphenols, compounds that are found in various plants including cocoa plants. Thirteen people aged 55 to 64, who had recently diagnosed and untreated hypertension, were randomly assigned to receive either dark chocolate bars with 500 milligrams of polyphenols and 480 calories or white chocolate, also with 480 calories but no polyphenols. After 14 days, the participants abstained from chocolate for seven days, then switched groups.

Individuals who had been taking the polyphenol-rich chocolate saw a reduction in their blood pressure within 10 days. Those in the white chocolate group had no reduction. "The idea that there could be differences between dark and white chocolate that could be related to blood pressure needs to be fleshed out," Eckel says.

There's also the issue of quantity. "The way we process chocolate tends to reduce the concentration of healthful compounds," says Samantha Heller, senior clinical nutritionist at the Joan and Joel Smilow Center for Cardiac Rehabilitation and Prevention at New York University Medical Center. At the same time, Heller points out, "Polyphenols are found in fruits and vegetables with the same if not more health-promoting qualities."

The second study involved 26 participants who were asked to drink cocoa high in flavonoids called flavan-3-ols. In this study, just one drink had a beneficial effect on endothelial function. The endothelium is the inner lining of the blood vessels. Again, though, the study was a small one and also had some methodological problems. "Seventy-seven percent of these people smoked and are probably damaging their endothelium left and right," Eckel says.

Also, the particular endpoint the authors were looking at, flow-mediated dilation, may or may not be a good indication of a person's prognosis. "Keep in mind flow-mediated dilation is not a heart attack," Eckel warns. "It is a very weak surrogate predictor of an unhealthy endothelium."

"Chocolate is still chocolate in terms of fat composition," Eckel adds. "Even though there could be some properties of cocoa that are beneficial, we have lots of downsides of caloric consumption that may cut across the grain of benefit."

Look for fruits and vegetables for their natural cardioprotective qualities, but don't despair. "If you want a chocolate treat once in a while, the bitterer the better and don't feel badly about it," Heller says.

Production & Quality

Jul chocolate output down 5.6%, to 15,900 MT

27.08.2007 11:34 "Agro Perspektiva" (Kyiv) — Within Jul output of chocolate and other cocoa containing food products has declined to 15,900 MT, down 900 MT (- 5.6%) as of Jun, reported State Statistic Committee. As to report, this year Jul chocolate/other cocoa containing food products output is up 1,800 MT (+ 12.5%) against last year Jul; this year Jan-Jul production totaled 161,000 MT, up 10.3% against last year similar. As to Agro Perspective earlier report, 2006 chocolate/other cocoa containing food products total output had risen to 300,700 MT, up 6.7% against 2005.

Business news in brief

Arkansas Democrat Gazette, AR - Aug 28, 2007

Fungus strikes Ivory Coast cocoa farms

Cocoa plantations in Ivory Coast, the world's biggest producer of the chocolate component, have been infected by a fungus that may reduce the size of the country's main crop. Black pod rot, a fungus which causes cocoa pods to turn black and rot, is widespread on farms in the east near the border with Ghana, Abel Mounou of Cycle et Vie, an Abidjan based non-governmental cocoa research organization, said in an interview Monday. Ivory Coast's eastern Abengourou region produces about 130, 000 metric tons of cocoa beans a year, or 10 percent of annual output.

"The problem is that farmers don't know how to prevent it or treat it," Mounou said, adding that the disease doesn't appear to have spread to other cocoa-growing regions. "I don't think there is reason for alarm on a national level."

Ivory Coast's main crop, harvested between October and March, is expected to exceed last year's harvest of 1.06 million metric tons by 11 percent, according to Fortis Bank SA / NV and VM Group. The West African nation accounts for 40 percent of global cocoa production.

Black pod rot may trim the size of the main crop, Daniel Abo, vice-president of the state-run Bourse du Caf  et du Cacao, said Aug. 9. The fungus spreads rapidly in periods of abundant rainfall and insufficient sunshine, according to the Web site of the Food and Agriculture Organization.

Cameroon Tightens Cocoa Rules as Season Starts

Source: Reuters,

Yaounde, Aug 1 - Cameroon tightened its cocoa industry regulations as the 2007/2008 season got under way on Wednesday in an effort to boost the quality of its exports and improve profits for its struggling farmers. Among a series of measures announced by the government, buyers and exporters were banned from imposing a fixed price for cocoa on farmers, from buying door-to-door from undeclared middlemen and from mixing different qualities of beans. "Cocoa is bought from producers according to a price based on quality, negotiated and fixed by the parties on the basis of publicly available reference prices," Trade Minister Luc Magloire Atangana Mbarga said in a statement.

"Agreements between buyers or their organisations with the aim of fixing a set price imposed on producers and the practice of mixing qualities in warehouses are banned," he said. Anyone violating the directives could be suspended or dismissed from operating in the sector and face fines.

In recent years Cameroon has been the world's fourth-biggest cocoa grower. Output is expected to have reached some 180,000 tonnes in the 2006/07 season, up from 164,301 tonnes the previous year.

The central African country has been on a drive to enforce quality rules and revive its stagnant cocoa industry. The latest directives were basically a resume of legislation adopted over more than a decade to ban buyers from forming cartels. They also detailed quality control criteria from maximum levels of moisture and mould to guidelines on how to transport and store beans to prevent them becoming damp or contaminated.

Under quality rules grade 1 cocoa may have up to 3 percent mouldy beans, 3 percent slaty beans and 3 percent of beans otherwise defective, while grade 2 may have up to 4 percent mouldy, 8 percent slaty and 6 percent otherwise defective. Humidity levels for exports are set at 8 percent maximum.

Cameroon's cocoa output has risen in recent years as higher world prices fed through to local farmgate prices, luring farmers back to a crop many had abandoned. But previous plans to raise quality and output have run into problems of under-funding.

Rain steady in most Ghana cocoa areas in mid August

ACCRA, Aug 31 (Reuters) - Rain fell across much of Ghana's cocoa belt in mid-August, slightly heavier than in the previous 10 days in most areas, data from the Ghana Meteorological Agency showed on Friday.

Ivorian cocoa arrivals pick up as new beans traded

ABIDJAN, Aug 31 (Reuters) - Cocoa arrivals at ports in Ivory Coast from Oct. 1, 2006 to August 26, 2007, reached 1,183,989 tonnes, compared with 1,325,463 tonnes received in the same period last year, exporters said on Friday. The figures showed 8,886 tonnes arrived at ports from August 20 to August 26, up from 2,369 tonnes in the same period of the 2005/06 season. Exporters said some of the cocoa was from the next main crop harvest which does not start officially until October. Farmers and exporters are expecting a strong, early harvest thanks to months of regular rainfall.

"For the moment it's the San Pedro region which is starting to deliver the first beans of the new harvest but in a few weeks from now, there will be more with beans from other regions," said a buyer for an international exporter in Abidjan.

Shippers said they expect arrivals to pick up sharply in the next few weeks, ending the quiet between-season lull in which many cooperatives and merchants closed their warehouses because only small amounts of variable quality beans were available. "It's surprising that we have this amount even if we were expecting new beans in early September. It's true it's starting slowly but that's normal. In a few weeks that we will have large quantities," said the director of a European exporter.

Business & Economy

WEEKEND COMMODITIES REVIEW

James Mound's Weekend Commodities Review, Aug 27 2007 08:08 am

OJ experienced choppy, low volume trade this week but is still trying to develop a bottom after a couple of hurricane threats failed to materialize and recent crop estimates showed strong supply. This market, however, is still worthy of long call buying.....

Cocoa spiked on Friday after developing a base of support in the 1750 area. This market remains bullish heading into harvest and Ivory Coast elections. The Ivory Coast has been recovering after a French intervention of their three party civil war. Peace treaty after peace treaty is ruined by out lashes of violence and the elections have been put off so many times I have lost count. There is little history to suggest peace in the Ivory Coast is upon us or ahead of us anytime in the near future, which supports higher prices in cocoa moving forward. Call premiums have evaporated out of this market quite a bit and scooping up some straight calls is recommended

December Cocoa Recovers After Pressure

Inside Futures, IL - Aug 27, 2007, by Jurgens Bauer of RJOFutures

December Cocoa recovered nicely after receiving pressure early Friday. Values managed to finish the session up 6 at 1798 for the December contract. While that was below the day's high, it was also (more importantly) dramatically up from the low. This type of price action suggests that those of you who feel like bottom picking might have a useful opportunity in cocoa. The short-term moving averages could start to attract interest from followers, if prices can receive another couple of days of firmness.

I'm going to give consideration to buying dips.

Although the trend is still down, giving the longside a shot here might prove worthwhile; buying calls and call spreads makes sense. In futures, basis December, the obvious risk point for longer-term positions should be below Thursday's low of 1763 or Friday's low of 1772. But a slightly tighter stop (say 1781) might be warranted for short-term traders. The objective initially is a test of 1840.

December settled outcry at 1798, with a high of 1805 and low of 1763. It is now last 1787/88.

Cameroon: Expert Advises Government to Revamp Cocoa Sector

The Post (Buea), 27 August 2007, Olive Ejang Tebug Ngoh

The Secretary General of the World Cocoa Producers Alliance, COPAL, Hope Sona Ebai, has advised the Cameroon government to revive the cocoa sector.

Sona was speaking to the press in Kumba at the end of the launching of the 2007/2008 cocoa season. Addressing the plight of cocoa farmers like inaccessible farm-to-market roads, low prices of cocoa, lack of subsidies and pesticides to farmers, among others, Sona advised that it is better to abandon production than working at a loss. He said the role of his organisation whose headquarters is in Lagos, Nigeria, is to advise the government of cocoa producing countries on better management of the product.

Sona advised the Cameroon government to seek means of producing cocoa in a less expensive manner so as to improve its quantity and quality. He said through agriculture extension, research programmes, better quality cocoa could be produced. Sona held that if there is a two-percent increase in cocoa revenue within a year, the money should be sent back to farmers to improve the sector.

He said even though farmers took liberalisation to be anarchy, the government was not supposed to liberalise the sector without properly training the private sector to handle it.

The COPAL scribe also enjoined cocoa farmers to create awareness on the value of eating cocoa products. He said consumption of cocoa should not be limited to chocolate but also the cocoa beans. He said scientific research has proven that cocoa reduces hypertension, stroke, heart disease and joint problems. Sona explained that it is high time farmers took on cocoa production as a business rather than a social event.

He said in Malaysia, cocoa farmers have adopted collective management, whereby several farmers put their farms together, to at least 50 hectares, and choose one of their sons to manage the farms. He equally cautioned that a farmer with one hectare should not be in cocoa business because of high cost of production.

Poor roads cost Cameroon cocoa farmers dear

By Tansa Musa, Reuters, Tuesday, August 28, 2007

KUMBA, Cameroon (Reuters) - Farmer Lawrence Mekoli has just sold eight 60-kg sacks of cocoa and earned the equivalent of hundreds of dollars. But he is far from happy.

"My brother, how can I smile with what I've gone through," Mekoli said after striking the deal with a buyer at Kumba in South-West Province, the main cocoa zone in Cameroon, the world's fourth biggest grower of the commodity. "This cocoa was delayed in my village for about three weeks," he said.

Mekoli's farm in Kumbe-Balondo village is only around 50 km (30 miles) from Kumba. But when heavy rains come and the roads become potholed quagmires, many private transporters refuse to drive here to collect cocoa for fear of damaging their vehicles.

Mekoli eventually found someone prepared to bring his cocoa to Kumba, but had to pay 2,000 CFA francs (\$4.17) for each sack, way over the 500-1,000 CFA he usually pays in the dry season. Worse, by the time he came, the market price had dropped. "I called vehicle owners in Kumba to come and evacuate my cocoa to the market, but they told me they could not come because the bad state of the road will ruin their vehicles," he said.

"At the time, cocoa was selling in Kumba at 800-900 CFA francs per kg. Now that I have managed to bring my cocoa here today, the price has gone down to 720 CFA francs. Just see for yourself how much I've lost," he said. Poor transport infrastructure is one of the greatest obstacles to trade in Africa, making it hard for poor farmers to get their produce to market in good enough condition to fetch the highest prices, and driving up overheads.

The World Bank said in June it would provide \$201 million in loans and grants to improve road and rail links between Cameroon and neighboring Chad and Central African Republic -- countries it said had "some of the least functional traffic connections of any area in the world."

As the link to the Atlantic coast for both the other countries, Cameroon will get the lion's share of the World Bank cash. But such investments for major traffic arteries are unlikely to trickle down to the level of small roads linking farms and villages to provincial trading towns like Kumba.

RAIN, DELAYS HURT QUALITY

"I've been to most remote villages where farmers produce a lot of cocoa, but can't evacuate them to market centers. Sometimes they get stuck in mud during evacuation and the beans become humid, attracting a low price," said retired banker Agnes Mambe, who is trying to help farmers here improve their lot.

The rainy season in the southwest lasts most of the year and keeps the lush landscape wet enough for cocoa trees. But too much rain brings its own problems, creating the perfect environment for humidity-loving fungal diseases and making bean drying a struggle against the elements.

The European Union provided 2,500 drying ovens in 2001, helping eliminate the contamination of beans sometimes caused by locally made wood or coal-fired ovens, or by roadside drying. Use of the ovens is important as the European Union -- which buys 86 percent of Cameroon's output, mainly for grinding in the Netherlands -- has set maximum levels for polycyclic aromatic hydrocarbons (PAHs), created by partial burning of carbon fuels. But many farmers say there are not enough new ovens to go round, making it hard to deliver well-dried beans to buyers.

Repeated rains can also wash off pesticides and fungicides, forcing farmers to spray trees more frequently to keep black pod and other diseases at bay, Kumba Mayor Caven Nnoko Mbele said. "The period of cocoa harvesting coincides with the period of intense rains," he said.

Apart from the weather, farmers complain they are also squeezed by buying agencies, to whom many growers are perpetually in debt for fertilizers and pesticides advanced on credit. "The cocoa farmer ... is not a rich man, in spite of his labor," said Mayor Mbele. "Experience has clearly shown that if you desire to be a prosperous man in the cocoa business, you should rather be a cocoa buyer than a cocoa farmer."

Softs -

08.28.07, AFX News Limited

Meanwhile cocoa prices were also pressured lower, amid reports of a better than expected harvest from major producers in West Africa. Cocoa for September delivery was down slightly at 915 stg from 921 stg.

DJ US Commodities: Gold Futures Slip As Dollar Climbs

08/28/2007 -- 17:10

NEW YORK (Dow Jones)--December cocoa was hit by speculative sales and closed \$12 lower at \$1,770 a metric ton, while October sugar closed 0.01 cent lower at 9.45 cents a pound in range-trading.

COPAL to establish Sports Village during CAN 2008

Source: GNA, 29-Aug-2007

Mr Sona Ebai, Secretary General of the Cocoa Producers Alliance (COPAL) on Monday said that it is in partnership with the government of Ghana to establish a COPAL Sports Village during the forthcoming African Cup of Nations (CAN 2008) early next year.

The Secretary General said this in an interview in Accra.

Mr Ebai said the purpose of the programme was to promote the use and consumption of cocoa products on the African continent. "We are trying to promote the in take of cocoa products in Africa and the rest of the world and we see this as an opportunity and a better forum to market and execute the programme," he said.

Mr Ebai said that a similar exercise would be undertaken during the first ever FIFA World Cup tournament to be hosted by South Africa in 2010.

He said that the consumption of cocoa was beneficial to the health of consumers and can together with well-balanced diet help to improve upon the life of the people.

Cocoa Prices Rise To Two-Week High

Forex Top Story

Friday, August 31, 2007 2:57:46 PM - Cocoa prices advanced on Friday in U.S. trading and moved to a two-week high. Cocoa for September delivery added \$28 to move at \$1,822 a metric ton. In general, prices have been trending higher for a little more than a week. Cocoa touched as high as \$1,829 in early trading, its highest level since August 16.

Recent weakness by the U.S. dollar against the British pound has helped the price of cocoa. Ivory coast cocoa trades in pounds, therefore a drop in the dollar helps the value of the commodity. The greenback has trended lower over the last few days against the sterling. The dollar fell to its lowest level in almost three weeks in morning trading in New York before bouncing back.

In other soft commodity news, wheat cooled off on Friday afternoon after prices topped the \$8.00 a bushel mark for the first time amid continued supply concerns throughout the world. The high prices of wheat have boosted other commodities. Corn is up 3.5 cents to \$3.4325 a bushel and cotton advanced \$2.53 to \$61.60 a pound. Also on the Chicago Board of Trade, corn, soybeans and oats all moved higher. On the New York Board of Exchange, cocoa, coffee and cotton all moved higher. Sugar and orange juice were lower. Milk, cattle and hogs all posted declines in Friday trading.

Crude oil prices surged again amid worries that a storm may be forming in the Atlantic Ocean, which could threaten oil-producing areas. Prices touched as high as \$74.80 in mid-day trading, which marks a 3 1/2 week high. A storm about 250 miles east of the Windward Islands, which includes Tahiti, could turn into a tropical depression. The National Hurricane Center said an Air Force reserve hurricane hunter will investigate early this afternoon to assess the storm.

Weather concerns helped push the price of natural gas in Friday's early trading. Prices have been trending up slightly for the last four days after ending a sharp slump earlier this week. Natural gas touched as low as \$5.422 in a decline that started after Hurricane Dean spared the natural-gas producing regions of the Gulf of Mexico.

The price of gold showed a strong upward move during trading on Friday, more than offsetting the price decrease that was seen in the previous session. After ending Thursday's trading down \$1.50 an ounce, gold for December delivery closed up \$8 at \$681.90 an ounce.

The strong upward by the price of gold was partly due to comments from Federal Reserve Chairman Ben Bernanke that added to recent indications that the Fed is likely to cut interest rates at its next meeting in September. Other metal prices moved higher along with the price of gold, with the price of silver showing a notable upward move. Silver for September delivery closed up \$0.272 at \$12.063 an ounce.

Additionally, copper for September delivery closed up \$0.0575 at \$3.411 a pound, platinum for October delivery closed up \$11.50 at \$1,271.60 an ounce and palladium for December delivery closed up \$2.15 at \$337.75 an ounce.

Commodities rally, as US leaders move to calm markets

The News - International, Pakistan - Sep 1, 2007

Sunday, September 02, 2007

LONDON:

Many commodity prices had slumped earlier in August on fears of a global economic slowdown linked to losses in the US subprime mortgage market high-risk home loans to which many banks and investment funds are exposed.

COCOA: Cocoa prices rebounded after sinking to a six-month low the week before.

Buyers returned to the market amid reports of that the cocoa crop in leading producer Ivory Coast has been hit by the Black Pod fungal disease. Some analysts said the outbreak could cut the 2007/08 crop by as much as 20,000 tonnes. By Friday on London's LIFFE, the price of cocoa for December delivery jumped to 954 pounds a tonne, from 937 pounds a week earlier. On the New York Board of Trade (NYBOT), the September contract rallied to \$1,868 a tonne, from \$1,784 the previous Friday.

Liffe develops new commodity management system

Banking Technology, UK - Aug 31, 2007

The futures and options exchange Liffe, together with Kynetix and AEMS, is developing a new Liffe Guardian commodity management system to replace the existing Grading & Tendering System. The new system will further improve the efficiency of Liffe's commodity markets and is scheduled to be launched in Q1 2008.

The Liffe Guardian system will see the introduction of a fully automated, functionally rich, web-based platform which will provide paperless commodity administration. It will introduce electronic warrant functionality to Liffe's Robusta Coffee and Cocoa markets, replacing the current physical warrants and providing administrative efficiencies during the tendering and delivery process.

Simon Chapman, executive director, Derivative Technology Services at Liffe, said: "The combined expertise of Kynetix, who will develop the new applications, and AEMS as system hosts allows us to offer our customers a superior level of security and support. In addition, the new system has been designed to be fully flexible therefore allowing us to make necessary contract changes depending upon market demand."

NYBOT to use new name ICE Futures US starting Sept. 3

NEW YORK, Aug 31 (Reuters) - The New York Board of Trade will begin using the name ICE Futures US on Monday, the Intercontinental Exchange (ICE.N: Quote, Profile, Research) said.

Atlanta-based ICE, an electronic exchange, completed its acquisition of NYBOT in January. It launched electronic trading side-by-side with the open-outcry pit the following month for the arabica coffee, cocoa, cotton, sugar and orange juice futures contracts.

Its small pulp futures contract will switch from pit trading to the electronic platform Sept. 28, the same day a new robusta coffee futures contract will begin trading on the screen.

ICE's London-based Financial Services Authority-regulated operations will be named ICE Futures Europe.

Processing & Manufacturing

Finding out which dark chocolate hits the sweet tooth just right

Mark Koeblich , 9NEWS Consumer Reporter 8/27/2007

KUSA – Chocolate - whose name is derived from cacao and means "food of the gods" - is one of America's favorite flavors. Recent studies show dark chocolate may help lower high blood pressure. Consumer Reports just taste-tested 14 dark chocolate bars - from companies such as Lindt, Hershey's and Valrhona. High-quality dark chocolate should be firm and have a sharp snap when bitten. Trained testers noted a range of textures, from gritty to smooth and a range of flavors. The percentage of cocoa in the dark chocolate bars varied, anywhere from 59 percent to 73 percent. Consumer Reports found that more cocoa does not necessarily mean better taste. Price does not seem to make a difference, either.

In fact, at \$2.39 the top-rated bar is one of the least expensive bars tested. It is Cacao Reserve by Hershey's Extra Dark with Cacao Nibs. It is an excellent dark chocolate bar with a smooth melt, complex flavor and a big chocolate hit. The cacao nibs add an interesting crunch - a treat for even the most discriminating chocoholic.

Although Hershey's Cacao Reserve is the only bar to earn an excellent rating, most of the dark chocolate bars tested rated good and very good - and that is sweet news for chocolate lovers.

Jul cocoa free confectionaries output up 16.6%, to 19,600 MT

28.08.2007 13:24 "Agro Perspektiva" (Kyiv) — As to State Statistic Committee, Jul 2007 cocoa free sugary confectionaries output has grown to 19,600 MT, up 2,800 MT (+ 16.6%) against Jun 2007 and up 600 MT (+ 2.9%) as of Jul 2006. As to Committee, this year Jan-Jul cocoa free sugary confectionaries production totaled 140,000 MT, up 7.6% as of last year similar. As to Agro Perspective earlier report, 2006 cocoa free sugary confectionaries total production had hoisted to 238,200 MT, up 17.2% against 2005.

'UK shoppers will have to pay more'

Graeme Wearden, Tuesday August 28, 2007, Guardian Unlimited

Consumers have been warned that meat and milk prices are likely to rise in the coming weeks, the latest indication that the weekly shop could soon cost a lot more. Consultancy group Deloitte said this morning that meat prices need to go up to help Britain's farmers. "UK shoppers will have to pay more for their meat," said Richard Crane, food and agriculture partner at Deloitte. "Increased prices will allow farmers to continue to meet the increasing demand for local, high quality meat," Mr Crane added.

The recent foot and mouth outbreak, which led to an export ban, was the latest blow to hit the farming industry. It had already seen feed prices almost double this year.

The National Farmers' Union backed Deloitte's message today. "Even before the foot and mouth disease outbreak, prices for beef cattle and lambs were not sustainable and we need to work with retailers and our partners in the supply chain to begin moving prices to a sustainable level," said an NFU spokesman,

"It is essential that retailers and the supply chain provide farmers with the confidence to continue producing what consumers want - home-reared beef and lamb," he added.

But a price rise could be bad news for consumers, who already face the prospect of bread, milk, cheese, eggs and chocolate all costing more. Increased global demand and a poor harvest have combined to send wheat prices soaring to an all-time high. As well as pushing feed prices up, this also means flour will cost more. The National Association of British and Irish Millers (NABIM) said last week that the cost of loaves will continue to rise.

Dairy farmers have also suffered from the rising cost of feed. But they have received a fillip - demand for powdered milk has soared recently.

According to the Financial Times today, dairy farmers can make more money by turning milk into powder than they can by selling it in liquid form, or to cheese makers. If more milk is turned into powder -- to meet a growing demand from the Middle East and Asia -- there could be a shortage of milk, butter and cheese in the shops. "The returns from making these world commodity-type products are far in excess of making liquid milk and cheese for the home market," explained Richard Clothier, managing director of Wyke Farms.

Egg producers are also suffering from the rising cost of feed. Last week, the NFU applauded Tesco for raising the price it pays for a dozen eggs by 4p.

Shoppers should also brace themselves for a rise in the cost of chocolate. Swiss chocolate maker Lindt & Sprüngli warned last week that recent increases in the cost of cocoa, cocoa butter and milk would have to be passed on to consumers, echoing an earlier warning from Cadbury.

Child Labour Issues

Ghana: There Are No Child Labourers in Cocoa Farms - Cocobod

Ghanaian Chronicle (Accra), AllAfrica.com, Washington - Aug 29, 2007, Joseph Coomson

The Chief Executive Officer of the Ghana Cocoa Board, Mr. Isaac Osei has denied the allegation that Ghana is using child labour in cocoa farms. He said the process in which children work on subsistence farms of their parents cannot be classified as child labour because they are not in contravention of the Harkin Engel Protocol signed in 2001.

"The Harkin Engel Protocol says that where children are denied normal development, then we have an issue".

He explained that in Ghana, requirement for labour on farms are very limited because they are of small holdings and does not affect their academic pursuits. "If it had been the plantation system as it is else where, then we would have a problem.

He said as part of the socialization of children who live in cocoa producing areas children are trained to takeover from their parents and had to be on the farms but not at the expense of their education or normal life. "Farms are expected to be passed on to another generation and it is therefore the responsibility of the present day farmers to make their children understand what goes on in a cocoa farm," he said.

However, in order to eradicate the worse form of child labour in Ghana, Mr. Osei said Cocoa Board has established a child labour desk to monitor the supply chain and where an incidence of child labour is found, laws related to them are applied. He said Ghanaian laws state that children should not be denied of normal development and his outfit would go the length of making the law succeed.

He brought in how the government has made school compulsory with the introduction of the capitation grant and the school feeding programme. "We see it as a social cultural issue and not we bringing in child labour into the cocoa industry," he said.

There have been other national programmes to eradicate the worse form of child labour in Ghana by the Ministry of Manpower and Employment. He recommended the model for the elimination of the worse form of child labour in the cocoa areas in all sectors where the problem exists especially in the fishing and quarrying industries.

The CEO made these remarks when he briefed the media on the up coming conferences in September and October this year.

The first is the Cocoa Summit on 5th September where 16 African cocoa producing countries have been invited including Benin, Cote d'Ivoire, Nigeria, Congo, DR Congo among others are attending.

The agenda includes strengthening cooperation among African cocoa producing countries, re-enforcing international cooperation in the cocoa sector, promoting the consumption of cocoa products, value addition and efficient use of cocoa towards a sustainable cocoa economy as well as elimination of child labour from the cocoa industry.

The Cocoa Producers' Alliance (COPAL) Cocoa Day which celebrates cocoa falls on Monday October 1, this and would be held at Sefwi Wiawso in the Western Region.

The International Cocoa Organisation (ICCO)'s "Round Table on a Sustainable World Cocoa Economy" will also be held in Accra, hosted by the Ghana Cocoa Board who, in conjunction with the Dutch Ministry of Agriculture, Nature and Food Quality, is sponsoring the event.

The event will take place from 3 to 6 October 2007 in Accra and will bring together all stakeholders in the world cocoa economy - cocoa farmers, managers of co-operatives, exporters, traders, processors and manufacturers, government officials, non-governmental and other private organizations active in the cocoa and chocolate supply chains.

The objective is to build a consensus on defining the concept, model, criteria, indicators and the ways to achieve a sustainable world cocoa economy through a participatory and comprehensive approach.

The 70th General Assembly and Ministerial meeting of the Cocoa Producers' Alliance (COPAL) would come off at the Accra International Conference. It will review the cocoa economy and plan ahead.

The Cocoa Producers' Alliance (COPAL) is an intergovernmental organization instituted in January 1962 by representatives of the governments of five cocoa producing countries in the city of Abidjan, Ivory Coast.

Others

Peace, fair trade, and the daily grind

Ha'aretz, Israel - Aug 28, 2007, By Jodie Shupac



The average shopper goes to the supermarket with two main priorities: quality and price. Avi Levi, the director of Green Action, wants Israeli consumers to add another item to the list: fairness.

Green Action, a non-profit organization that advocates for socio-ecological justice, is committed to raising awareness for the negative effects of consumerism. The group emphasizes social and environmental justice through economic aid and public campaigns, such as their anti-billboard campaign, and the campaign against military pollution.

Among their projects is an enterprise to proliferate fair trade products in Israel. Fair trade focuses on marketing goods in conditions that are not exploitative, neither socially nor environmentally. It implies that the gap between producer and consumer is significantly bridged, and the former earns a considerable portion of the profit. Green Action aims to help disadvantaged communities, both domestically and abroad, by selling their goods in Israel for several shekels more than non-fair trade brands.

When the massive North-American Starbucks empire failed in its efforts to conquer the Holy Land, closing its last store in 2003, analysts and coffee connoisseurs took Starbucks' defeat as an indication of that Israeli fine coffee culture was so well-entrenched before the global giant arrived, that it was simply unable to offer competition.

There is no doubt that Israelis love their coffee. But from the on-the-go cup of Nescafe to the classy latte-like café hafuch, coffee consumption in Israel comes with a hefty price, both social and environmental. With coffee being the most traded commodity between the developed and undeveloped world, producers are forced to sell their beans for low prices, while large corporations earn substantial profits.

Green Action imports Columbian coffee through the Spanish distributor, Alternativa3, and the farmers' profits go towards funding local health care. Green Action also markets coffee grown in Tanzania and Sierra Nevada, as well as cocoa powder grown in Ghana and Costa Rica, and encourages farmers to invest their profits back into the community.

While Green Action emphasizes the universal aspect of fair trade, its current focus is fair trade between Israel and the Palestinian territories. It supports the Palestinian market by buying olive oil and za'atar from the villages of Mas'ha, Yasuf, and Assawiya, villages Green Action maintains are suffering from the repercussions of the security barrier.

Green Action cooperates with organic guides, who counsel the farmers to improve the products' quality, reduce the use of pesticides, and package goods effectively. They work with groups like Oxfam and the organic certification body, Fairtrade Labelling Organization, to establish fair trade guidelines for Palestinian farmers. The prices are set in accordance with the PFTA (Palestinian Fair Trade Association) standard.

In the wake of the Intifada, Palestinian farmers have limited access to the market in Israel, Levi observes, thus the ability to actually sell products represents "the first fair trade step." He explains that two years ago Israeli merchants were buying Palestinian olive oil at low prices and making a large profit, so, "the second step is selling at a fair price."

The products are marketed in Israel under the Saha brand, which can be found in various organic, specialty, and delicatessen shops in Tel-Aviv, Jaffa, Jerusalem, Haifa, Zichron Ya'akov, Arad, Kfar Bialik, Kiryat Tivon, and Pardes Hanna. It cannot be purchased from supermarket chains, as the products have no Kashrut certification, and because, according to Levi, supermarkets value goods based on what will allow them the highest profit, and do not consider fair trade to be an important factor.

It is similarly difficult to market fair trade products at coffee shops, he says, as the shop is often obliged to support a particular non-fair trade distributor. Green Action does, however, cooperate with Ilan's Coffee Shop, which offers a fair trade option including three or four different types of beans.

In addition to bureaucratic obstacles, Green Action faces certain public resistance. "Some people won't buy (fair trade goods from Palestinians) because they see it as giving money to terrorists. People think the way to solve the Palestinian problem is to starve them to death," Levi says.

For others, the problem is simply a lack of concern. "People are looking for the cheapest product," he notes. While the stress accompanying the Israeli political situation is often cited as justification for failing to prioritize environmental issues, Levi discounts this excuse, maintaining that for many individuals and corporations, "it is a nice way to put environmental and social concerns aside while making money."

Green Action continues to work toward its goal of increasing fair trade awareness and accessibility, encouraging the Israeli public to demand that the shelves of their supermarkets and coffee shops be stocked with fair trade products. According to Levi, Green Action has not yet had to face resistance from the government or from large corporations, but concedes that, "when we 'grow up' we may get resistance."

Nutraceutical to continue US polyphenol sales, despite Mars dispute

By Clarisse Douaud, NutraIngredients.com, France

28/08/2007 - Nutraceutical Group said it has been notified that food giant Mars has withdrawn its request for a preliminary injunction filed against the Spanish ingredient maker over the US sale of its CocoaOX products.

In April, Mars filed a lawsuit against Nutraceutical for infringing its patents on polyphenol enriched cocoa extracts, which are commercialized under the Cocopro trademark. Mars has developed ways to measure and characterize polyphenol content in foods, as well as post-harvesting and processing technologies to help maximize the antioxidants available in a variety of formats.

Nutraceutical is proclaiming the move as its first victory in the legal proceedings. The removal of a preliminary injunction means the group can continue unrestricted marketing of CocoaOX products in the US. One third of Nutraceutical's entire ingredients sales are to the US, CEO Jose Vicente Pons Andreu told NutraIngredients.com.

However, Mars could lose significantly as well if its patents are in fact infringed upon. The company has invested heavily in the health benefits of polyphenols and claims to have researched the antioxidants for over 15 years, with more than 100 peer-reviewed research publications involving Mars scientists and their university partners.

The firm has taken its research mainstream with functional chocolate brands including Dove and CocoaVia.

At the same time, Nutraceutical has developed the healthy cocoa derivatives line, CocoaOX.

Mars alleged this has infringed on US patents 6,790,966 ("Cocoa extracts containing solvent-derived cocoa polyphenols from defatted cocoa beans") and 6,312,753 ("Cocoa components, edible products having enriched polyphenol content, methods of making same and medical uses").

Natraceuticals maintains this is not the case, but says the details of this will be brought to light in the legal proceedings. "There are a lot of technical issues that should be discussed during the process," said Pons Andreu.

He said the technologies are different and that the only thing the products have in common is that are derived from cocoa.

For Mars, the issue represents a matter of preserving its role in the polyphenol research arena. This was underscored in the company's April legal filing: "Much of the excitement and energy in this field stems from the findings of Mars' scientists and their university partners that certain cocoa polyphenol-rich preparations have the potential to prevent and/or treat health conditions that are leading causes of death and disability around much of the world..."

Natraceutical has itself solicited patents in some markets based on its processes and ingredients - such as cocoa-derived CCX-70 ingredient which was introduced to the industry in November 2005 and is said to have a total antioxidant content of 70 per cent with as much as 50 per cent of its procyanidins (a kind of flavonoid) being epicatechins.

In keeping with Mars' wishes, Natraceutical did not present its CocoaOX line at the recent IFT Expo in Chicago.

"Natraceutical Group will continue to work on the defense of its interests and products and demonstrate that the company's activities strictly comply with the law," said Pons Andreu.

FREE TRADE? COMMODITY PRICES RISE AS POOR FARMER INCOME FALLS

Ali Mchumo, John R. Kaputin, Supachai Panitchpakdi, and Kemal Dervis, Inter Press Service

AUGUST 2007 (IPS) - It's the kind of unfair situation that makes poorer nations wonder where the payoff is with free trade: demand for coffee, tea, cocoa, cotton, and sugar -- which is what many such countries have to offer the world -- has risen, prices paid in the supermarket have risen, yet the share paid to the farmers who grow these basic agricultural commodities has fallen, writes Ali Mchumo, managing director of the Common Fund for Commodities; John R. Kaputin, secretary-general of the ACP Group of States, Brussels ; Supachai Panitchpakdi, secretary-general of UNCTAD, Geneva ; and Kemal Dervis, administrator at the UNDP.

Where is the profit accumulating and why isn't globalisation "working" in this case to reduce poverty in poor or developing nations? Such countries are often lectured. The complexities of the "value chain" between crop and supermarket shelf do not work to the advantage of low-income, smallholder farmers. The process may be global, but it's not fair. The higher end, where food and natural textiles are "differentiated" -- processed in ways that appeal, packaged attractively, branded, and advertised -- is where most of the money accumulates.

The original industrial revolution was fuelled by surplus income from farming. The poorer regions of today's world deserve the same chance Western Europe and the United States had a century and a half ago. Something is "off" about the prevailing situation. It must be fixed. Otherwise the looming scenario offered by a Zambian farmer-trade unionist may become a reality: "If you will not pay us reasonable prices for our exports, we will export ourselves."

Coming to terms — Understanding food labels

By Valerie Phillips, Deseret Morning News, Aug. 29, 2007

7 politically correct, environmentally conscious, overhyped and often misunderstood food labels

Label without a cause? Not in today's food stores, where many of the product stickers are more a statement of political beliefs than nutrition or taste. You'll find "free-range" or "all-natural" chicken; "fair-trade" chocolate; "artisan" cheese; or "organic" breakfast cereal. "Without question, a greater number of customers are choosing what and how to eat based upon political and ethical concerns," said Steven Rosenberg, owner of Liberty Heights Fresh, a Salt Lake specialty food store. "In fact, so many people are now concerned about what is in their food, how it is raised, where it is produced and what is being added to it that the demand for local food production is on the rise."

But beware the halo effect. A lot of labels may seduce you to buy in order to feel more healthful, politically correct or environmentally conscious — but they don't always mean what they imply. "Personally I don't pay attention to any health claims on packaging, they are so complicated and misleading," said Christi Paulson, leader of Slow Food Utah, part of the Slow Food International movement, whose goal is to turn the tide of processed, or "fast," food.

"I rely on my own research to determine if a particular product is good for my personal health," Paulson said.

One of the most nebulous terms is "natural," she said. "It could mean lots of things. High fructose corn syrup is highly processed but is still used in products that are labeled 'natural' since it does come from corn."

Under the legal definition, "natural" isn't the same as "organic," as some people may believe. And a glance at the shelves of "natural" potato chips and juices will tell you that "natural" isn't necessarily good for you.

ConAgra Foods last week launched a "natural" line of Orville Redenbacher microwave popcorn. There's no neon orange fake "butter," but since 50 percent to 60 percent of this popcorn's calories come from fat, it's hardly a health food.

Since Paulson believes in "Good, clean, fair food for everyone," the labels she considers most important are "organic," "organically grown," "pesticide- and herbicide-free," "raised without hormones" and "fair trade."

But even these terms can lead to an ethical dilemma. If organic foods are shipped thousands of miles to your produce aisle, isn't using all that shipping fuel harmful to the environment?

"Organic is going to big business now and losing some of its credibility," said Paulson. "I feel that a locally grown product that uses organic methods is more sustainable for our land and community."

Here are seven often misunderstood and overhyped labeling terms.

NATURAL

USDA guidelines state, "A product containing no artificial ingredient or added color that is only minimally processed (a process which does not fundamentally alter the raw product) may be labeled "natural." The label must explain the use of the term (such as no added colorings or artificial ingredients; minimally processed)."

For instance, Coleman Natural Products gives additional information on the label as to what makes its meat "natural": "No antibiotics, no added hormones, no animal by-products in feed, and grass fed."

However, huge corporate chicken producers label their chicken "all natural" because it doesn't contain artificial coloring or hormones. But hormones aren't allowed in raising poultry or hogs anyway.

"That's like saying caffeine-free water, or cholesterol-free margarine," said Richard Lobb, communications director of the National Chicken Council. Therefore, the claim "no hormones added" must be followed by the statement, "Federal regulations prohibit the use of hormones."

"Generally, 'natural' is perceived that there's no hormones or antibiotics or preservatives, but there is no regulation," said Seth Winterton, the Utah Department of Agriculture's deputy director of marketing and organic program coordinator. "I think down the road, the USDA will come out with a regulation for 'natural.' Consumers will push for it, just as the organic regulations were driven by consumers."

FREE RANGE

You'd think the chickens labeled "free range" spent their lives strutting around the barnyard. But according to U.S. Department of Agriculture regulations, the birds merely had access to the outdoors throughout their lives, whether they chose to go outdoors or not, said Lobb.

"The most dominant method among free-range producers is similar to what is done by Petaluma Poultry in California, where they've got a whole bunch of little portholes along the side of the chicken-house which are open during the day, and they can go out into a fenced-in area and stretch their wings, get in the sunlight or whatever," said Lobb.

"But you may have a specialty producer who just props open the chicken house door for several hours a day and calls it 'free range.'"

"Free range would be important if it didn't mean that the animals only have 'access' to the out of doors," said Paulson. "If I know the farmer, then I can make a decision on whether the product is what I believe to be truly free-range."

CAGE FREE

The term "cage free" is applied to eggs, which means the hens that laid them weren't kept in cages.

Rosenberg contends that eggs from cage-free hens definitely taste better and are more healthful. But many such operations are a far cry from yesteryear's backyard chicken coop. New York University nutrition professor Marion Nestle describes her visit to an organic, cage-free operation in her book, "What to Eat" (North Point Press, 2007, \$16, paperback).

"Sure enough, the hens were not in cages, but many thousands of them were packed together in a crowded indoor space, flapping their clipped wings, fluttering on top of one another and clucking away. This did not exactly match my bucolic childhood experience, but the place was airy and did not smell bad, and the hens were efficiently laying eggs in the nesting boxes stacked around the edges."

In her book, Nestle advises consumers to look for the USDA Certified Organic seal on eggs, since it is better regulated. It means that they were allowed access to the outdoors and sunlight, and that they were fed organic feed.

ORGANIC

In order to be called "organic," U.S. products have to comply with standards and inspections set by the USDA's certification program:

- Meat, poultry and eggs are from animals given no growth hormones or antibiotics. Livestock are given organic feed.
- Crops are grown on land that has not been fertilized with sewage sludge or chemical fertilizers.
- Pests and plant diseases are treated mainly with nonchemical methods, such as insect predators, traps, natural repellents and other nonchemical methods.

On food packages, the circle with the words "USDA Organic" means that 95 percent or more of the product is free of synthetic hormones, chemicals, pesticides and genetically modified ingredients; "100% Certified Organic" must be made only from organically made ingredients; "Made with organic ingredients" means at least 70 percent of ingredients meet standards and at least three organic ingredients are listed.

Companies or farms that sell less than \$5,000 a year in organic agriculture products are exempt. They can label products "organic," but they can't display the USDA organic seal.

"Organic is growing like crazy in Utah. We have about 100 certified operations here, including processed products as well as vegetables and fruits," said Winterton, who oversees the Utah Department of Agriculture's organic program. "About 15 to 20 percent of the nation's organic wheat is grown here in Utah."

Despite the demand, organic chicken still comprises just a fraction of 1 percent of the nation's chicken production, said Lobb. The biggest constraint, he said, is the supply of organic feed, since the price of corn recently skyrocketed.

Many farms that aren't USDA Organic certified but follow some organic methods refer to their products as "sustainable" or "natural."

FAIR TRADE

The "fair-trade" label means the nonprofit organization TransFair USA has certified that workers who grew the coffee, cocoa beans, etc., had safe and fair-labor conditions, were paid a fair wage and followed environmental guidelines.

Buyers typically agree to pay an above-market price for the products, with the extra money going to build schools, hospitals and other improvements in these developing nations.

Fair Trade certification is currently available in the United States for coffee, tea and herbs, cocoa and chocolate, fresh fruit, flowers, sugar, rice and vanilla (www.transfairusa.org).

The black-and-white, postage-stamp-size label says "Fair Trade Certified."

The label appears on an Alter Eco brand chocolate bar found at Wild Oats. The package says the cocoa beans were grown in Ghana, and that "By choosing this Fair Trade product, you are directly supporting a better life for farming families through fair prices, direct trade, community development and environmental stewardship."

Fair-trade products usually cost more (the 3.5-ounce candy bar cost \$3.99). But how much actually goes to the farmers?

In "What to Eat," Nestle cites a 2004 Wall Street Journal article that analyzed the \$8.49 cost of a pound of Fair Trade coffee. Only \$1.44 actually went to the coffee producer.

Even so, Nestle concluded, that's more than what he might get from the big coffee companies.

Beware of packages that say "fair trade" without the official label to verify it.

ARTISAN

Artisan products are labor-intensive, made in small batches, usually with a strong local or regional connection, often by a family-owned farm or company, with minimal mechanization. You'll often find the term used in bread, beer, chocolate, cheese and condiments.

Local examples include Crumb Brothers Bakery in Logan and Beehive Cheese in Uintah. Similar terms include "hand-crafted" or "traditional."

"Artisan" implies a higher-quality product that usually costs more. But there are no standards regulating the term, which leaves it open to marketing hype.

Last week Sargento Foods Inc. launched "Artisan Blends," which combines shredded Sargento's cheese with shredded cheese from artisan farms such as Burnett Dairy, Maple and Roth Kase, all of Wisconsin.

But the package doesn't say exactly how much artisan cheese these "blends" actually contain, and neither would Sargento's marketing rep when asked in a phone call.

"Our product formulations are proprietary," said Krista Cortese. "For competitive reasons, we don't divulge the information you are seeking."

Tim Welsh of Beehive Cheese said this isn't the first time big companies have tried to capitalize on the growing popularity of artisan products.

"Must have something to do with the price they can charge for the myth," he said.

UTAH'S OWN

Utah's Own, a Utah Department of Agriculture program, identifies Utah companies with stickers, grocery-shelf signs and a Web site, www.Utahsown.org.

Buying Utah products, such as Green River melons, Fat Boy ice cream bars or Lehi Roller Mills flour, help keep farmers in business and, in turn, helps preserve open spaces, said Winterton, who oversees the program.

"Our food sources are being replaced with rooftops and asphalt," he said. "We need to encourage farmers and ranchers so we have a local food culture. We've become dependent on foreign oil, but we're also becoming dependent on foreign food. It may be cheaper to bring it in, but is it fresher? Does it have more flavor? And did I have to haul it 10,000 miles?"

He said buying local helps maintain a safer food supply, noting the recent pet deaths caused by contaminated gluten imported from China.

"It just kills me to see fresh New Zealand lamb here, knowing how many Utah lambs we have to ship outside of the state that are more flavorful, healthier — the whole thing," Winterton said.

"We ship our Utah peaches to Arizona and they love them. Why can't we sell them in our own grocery stores? Because they (the farmers) have relationships with Washington and California."

National companies are jumping on the "local" bandwagon. Wild Oats Marketplaces have "Choose Local" signs alerting shoppers to products, such as Shepherd's Dairy cheese and Cox honey in the Utah stores.

But "local" doesn't necessarily guarantee quality or safety, said Rosenberg. "People should expect a much greater level of integrity in the food that they purchase from local growers and manufacturers, but we all must read labels and do our part to assure that what we are eating is safe."

Rosenberg's parting advice: "As a consumer, if you cannot trust the label information on a product package, do not buy it!"

2nd African cocoa summit to be held in Ghana

Modern Ghana, Ghana - Aug 30, 2007

Ghana is to host the second African Cocoa Summit from September 3- 5, 2007 under the auspices of President John Agyekum Kufuor. The objective of the summit, which would attract heads of state from Cote d'Ivoire, Nigeria, Sao Tome & Principe, Togo and Uganda, will be to strengthen cooperation among African cocoa producing countries, reinforce international cooperation in cocoa and promote consumption as well as value addition.

Under the theme: "Defining a Policy Roadmap towards a Sustainable African Cocoa Economy", the meeting is also to ensure the efficient use of cocoa towards a sustainable African cocoa economy.

Mr Isaac Osei, Chief Executive of the COCOBOD, told journalists in Accra that the summit would also take a close look at the elimination of the worst form of child labour in the industry. He explained that it was important for the West to understand the African cultural perspective where children support their family businesses by working on the farms.

Mr Osei said the case as it was in Ghana did not fall under the definition of the International Labour Organization worst forms of child labour, "since these children who still go to school are not in contact with chemicals and do not interfere with their education." He said 16 countries had been invited for the Accra Summit, which would be preceded by a meeting of Technical Experts from September 3-4, 2007.

Mr Osei said the Cocoa Producers Alliance (COPAL) would also celebrate COPAL Cocoa Day on October 1, 2007 in Sefwi Wiawso, while the International Cocoa Organisations (ICCO's) Roundtable on Sustainable World Cocoa Economy is slated for October 3-6, 2007.

The 70 General Assembly of Council of Ministers Meeting of COPAL is also scheduled for October 8-12 2007.

Mr. Osei said COCOBOD was working in concert with the media to educate people in the farming areas of the worst forms of child labour.

Mr. Sonai Ebai, Secretary General of COPAL, who also attended the briefing, noted, "as producers we should work at eliminating the worst forms of child labour in all sectors of the economy."

TIT BITS

(Source: Business Recorder – www.brecord)

Commodities rally in globe as US leaders move to calm markets

LONDON (September 02, 2007): Oil prices rebounded last week owing to falling US energy reserves and a recovery for global equities. US stocks rose sharply Friday as Federal Reserve chief Ben Bernanke said the US central bank would act "to limit the adverse effects" of the mortgage crisis on the economy.

Ivorian cocoa arrivals up

ABIDJAN (September 02, 2007): cocoa arrivals at ports in Ivory Coast from October 1, 2006 to August 26, 2007, reached 1,183,989 tonnes, compared with 1,325,463 tonnes received in the same period last year, exporters said on Friday. The figures showed 8,886 tonnes arrived at ports from August 20 to August 26, up from 2,369 tonnes in the same period of the 2005/06 season.

Asian cocoa: butter melts as buyers hide, bean supplies dwindle

SINGAPORE (September 02, 2007): cocoa butter prices have dropped in Asia, with only a few chocolate makers showing interest in nearby cargoes despite the summer holiday season, dealers said on Friday.

London coffee and cocoa and sugar rise

LONDON (September 01, 2007): London robusta coffee ended slightly higher on Friday in heavy volume as traders rolled forward positions ahead of first tender day, dealers said. cocoa rebounded from a recent six-month low on short covering ahead of the long holiday weekend in the United States while white sugar ended little changed.

Cocoa outlook shaken by subprime, black pod

LONDON (September 01, 2007): London cocoa futures prices risk further falls from recent 6-month lows on expectations of a big West African crop, but worries over the wider subprime credit crisis and black pod disease in Ivory Coast muddied the outlook.

New York cocoa lower

NEW YORK (September 01, 2007): US cocoa futures finished lower on Thursday, a day after jumping to a two-week peak, but short covering late in the session helped prices bounce off the day's lows, traders said. "We're approaching the seasonal pattern when cocoa prices have the tendency to move lower just because of the upcoming Ivory Coast harvest," one trader said, noting October.

London sugar retreats; cocoa and coffee consolidate

LONDON (August 31, 2007): London white sugar futures retreated on Thursday under the weight of global

oversupply, while cocoa and coffee consolidated in low volumes. London white sugar futures inched lower, pressured by a glut of the sweetener in Brazil and India.

New York cocoa firmer on bullish report

NEW YORK (August 31, 2007): US cocoa futures closed up but below two-week highs on Wednesday on speculative and industry buying sparked by a bullish crop report, traders said. "The industry, I think, tried to buy it and not spook the market but the small specs are covering," one trader said, saying it appeared that some new longs joined the rally while current longs tried to push it higher.

London cocoa, coffee higher; sugar falls

LONDON (August 30, 2007): London cocoa futures closed higher on Wednesday on industry and speculative buying triggered by a bullish analyst report on Ivory Coast, while sugar fell on expectations of a big global oversupply, dealers said.

New York cocoa edges lower

NEW YORK (August 30, 2007): US cocoa futures trading on the New York Board of Trade open-outcry floor inched lower on Tuesday on continued pressure from funds, traders said. "The funds were again steady sellers and the industry has no interest in helping them out.

London cocoa down

LONDON (August 29, 2007): London cocoa futures settled above 6-month lows on Tuesday, pressured by speculative sales in light volumes on expectations of an abundant 2007/08 West African main crop. London coffee futures consolidated in a range and white sugar futures were little changed in a lacklustre session.

New York cocoa down in quiet trade

NEW YORK (August 29, 2007): US cocoa futures trading on the New York Board of Trade open-outcry platform settled lower on Monday, as fund liquidation continued to weigh amid quiet dealings while the London market was closed for a holiday, traders said.

'Vietnam should slow coffee sales in fourth quarter this year'

HANOI (August 25, 2007): Vietnamese exporters should reduce the volume of coffee sold in the fourth quarter when prices often come under pressure due to increased supplies from the new harvest, an industry official said on Friday.

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