



COPAL COCOA Info

A Weekly Newsletter of Cocoa Producers' Alliance

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22nd – 26th October 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)
22nd October	1206.72	1883.03	953.33	1844.33
23rd October	1217.02	1898.03	951.67	1856.00
24th October	1206.54	1883.53	943.33	1846.33
25th October	1194.33	1868.85	937.00	1830.33
26th October	1228.62	1925.51	956.67	1901.33
Average	1,210.65	1,891.79	948.40	1,855.66

- [Training Course Focus: Confectionery Courses Portfolio](#)

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

Monday 22nd October 2007

Month	Opening Trans	Settle	Change	Daily High	Daily Low	Volume
Dec 2007	950	939	-12	959	938	3813
Mar 2007	964	956	-10	973	955	1776
May 2008	974	965	-10	974S	965	75
Jul 2008	993	976	-11	993	975	161
Sep 2008	1000	986	-10	1000	985	84
Dec 2008	1002	995	-10	1002	997	55
Mar 2009	1010	1006	-10	1010	1008	57
May 2009	1020	1016	-10	1020	1020	28
Jul 2009		1026	-10			0
Sep 2009		1025	-10			0
Totals		989				6,049

Tuesday 23rd October

Month	Opening Trans	Settle	Change	High	Low	Volume
Dec 2007	938	938	-1	945	934	2507
Mar 2007	959	954	-2	961	951	1005
May 2008	962	963	-2	967S	962	160
Jul 2008	976	974	-2	980S	972	335
Sep 2008	985	984	-2	986	981	171
Dec 2008	994	994	-1	998	993	78
Mar 2009		1005	-1			0
May 2009		1015	-1			0
Jul 2009		1025	-1			0
Sep 2009		1024	-1			0
Totals		988				4,256

Wednesday 24th October 2007

Month	Opening Trans	Settle	Change	High	Low	Volume
Dec 2007	938	929	-9	941	928	3147
Mar 2007	956	946	-8	956	944S	1630
May 2008	965	955	-8	966	954	651
Jul 2008	976	967	-7	977	965	398
Sep 2008	982	977	-7	987	975	230
Dec 2008	995	986	-8	996	985	190
Mar 2009	1002	997	-8	1002	1002	10
May 2009		1007	-8			0
Jul 2009		1017	-8			0
Sep 2009		1016	-8			0
Totals		980				6,256

Thursday 25th October 2007

Month	Opening Trans	Settle	Change	High	Low	Volume
Dec 2007	928	922	-7	932	920	5481
Mar 2007	946	939	-7	947	938	2822
May 2008	956	950	-5	956	950	1060
Jul 2008	965	962	-5	968	960	1126
Sep 2008	977	972	-5	977	970	279
Dec 2008	985	981	-5	985	980	481
Mar 2009	993	992	-5	993S	993S	5
May 2009	1005	1002	-5	1005	1005	5
Jul 2009		1012	-5			0
Sep 2009		1011	-5			0
Totals		974				11,259

Friday 26th October 2007

Month	Opening Trans	Settle	Change	High	Low	Volume
7-Sep-07	920	941	19	950	918	5,737
7-Dec-07	938	959	20	967	936	2,826
8-Mar-08	950	970	20	976	948	683
8-May-08	960	982	20	989	960	194
8-Jul-08	970	993	21	998	970	38
8-Sep-08	980	1001	20	1007	979	188
8-Dec-08	992	1011	19	1019	992	69
9-Mar-09		1021	19			0
9-May-09		1031	19			0
9-Jul-09		1030	19			0
Totals		994				9,735

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

Monday 22nd October 2007

Month	Open	Price	Change	High	Low	Volume
Dec 2007	1873	1841	-38	1880	1835	5020
Mar 2008	1870	1844	-35	1875	1843	1857
May 2008	1849	1849	-36	1849	1849	1527
Jul 2008	1861	1861	-34	1861	1861	89
Sep 2008	1875	1875	-35	1875	1875	26
Dec 2008	1896	1896	-36	1896	1896	37
Mar 2009	1917	1971	-31	1817	1917	0
May 2009	1942	1942	-24	1942	1942	0
Jul 2009	1962	1962	-28	1962	1962	0
Sep 2009	1972	1972	-26	1972	1972	0
Totals		1901				8556

Tuesday 23rd October 2007

Month	Open	Price	Change	High	Low	Volume
Dec 2007	1860	1852	11	1862	1846	5775
Mar 2008	1860	1856	12	1862	1856	2452
May 2008	1860	1860	11	1860	1860	394
Jul 2008	1871	1871	10	1871	1871	176
Sep 2008	1886	1886	11	1886	1886	36
Dec 2008	1907	1907	11	1907	1907	29
Mar 2009	1932	1932	15	1932	1932	0
May 2009	1953	1953	11	1953	1953	0
Jul 2009	1977	1977	15	1977	1977	0
Sep 2009	1987	1987	15	1987	1987	0
Totals		1908				8862

Wednesday 24th October 2007

Month	Open	Price	Change	High	Low	Volume
Dec 2007	1852	1838	-14	1852	1835	4935
Mar 2008	1845	1843	-13	1854	1842	1085
May 2008	1847	1847	-13	1847	1847	1141
Jul 2008	1858	1858	-13	1858	1858	195
Sep 2008	1874	1874	-12	1874	1874	117
Dec 2008	1894	1894	-13	1894	1894	35
Mar 2009	1919	1919	-13	1919	1919	0
May 2009	1934	1934	-19	1934	1934	0
Jul 2009	1955	1955	-22	1955	1955	0
Sep 2009	1965	1965	-22	1965	1965	0
Totals		1893				7508

Thursday 25th October 2007

Month	Open	Price	Change	High	Low	Volume
Dec 2007	1836	1826	-12	1836	1823	3967
Mar 2008	1842	1831	-12	1842	1829	1604
May 2008	1834	1834	-13	1834	1834	432
Jul 2008	1851	1846	-12	1851	1846	74
Sep 2008	1862	1862	-12	1862	1862	148
Dec 2008	1882	1882	-12	1882	1882	33
Mar 2009	1906	1906	-13	1906	1906	20
May 2009	1930	1930	-4	1930	1930	0
Jul 2009	1950	1950	-5	1950	1950	0
Sep 2009	1960	1960	-5	1960	1960	0
Totals		1883				6278

Friday 26th October 2007

Month	Open	Price	Change	High	Low	Volume
Dec 2007	1828	1911	85	1940	1828	4043
Mar 2008	1840	1895	64	1895	1840	2046
May 2008	1898	1898	64	1898	1898	700
Jul 2008	1911	1911	65	1911	1911	54
Sep 2008	1924	1924	62	1924	1924	129
Dec 2008	1945	1945	63	1945	1945	33
Mar 2009	1965	1965	59	1965	1965	11
May 2009	1986	1986	56	1986	1986	-
Jul 2009	2004	2004	54	2004	2004	-
Sep 2009	2014	2014	54	2014	2014	-
Totals		1945				7016

Spot Prices (US\$ per tonne)

	22 nd October	23 rd October	24 th October	25 th October	26 th October
Main Crop Ghana, Grade 1	2286	2297	2283	2271	2356
Main Crop Ivory Coast, Grade 1	2163	2172	2158	2146	2231
Main Crop Nigerian, 1	2149	2159	2145	2133	2218
Superior Arriba	2369	2382	2368	2356	2441
Sanchez f.a.q.	2188	2199	2185	2172	2258
Malaysian 110	1846	1857	1843	1831	1916
Sulawesi f.a.q.	2024	2037	2023	2011	2096
Ecuador Cocoa Liquor	3283	3303	3278	3256	3408
Pure Prime Press African Type Cocoa Butter	5388	5420	5379	5344	5593
10/12% Natural Cocoa Press Cake	865	870	864	858	898

Source: Cocoa Merchants' Association

News

Health and Nutrition

Just imagine: Chocolate, made in Wallonia

St. Petersburg Times, FL - Oct 20, 2007

By SUSAN TAYLOR MARTIN, Times Senior Correspondent

On Friday, the place was packed with people eating up the history of cocoa and the products made from it. The five euro admission about \$7.50 includes a chocolate biscuit dunked in hot chocolate syrup. Cocoa comes from the egg-shaped pods of the cacao tree, cultivated for centuries in equatorial climes around the world. The Aztec found that sacrificial victims could be lured into a false sense of well-being if they consumed a cocoa drink before they were tortured. However, the museum notes, "an anesthetic was probably added to this."

On Christopher Columbus' fourth voyage to the New World in 1502, natives offered him cocoa plants as gifts. But it was not until 1525 that Hernan Cortes, returning from a trip to Mexico, introduced cocoa to Europe. It was initially used to sooth stomach ailments, though it quickly won "great success" for its supposed qualities as an aphrodisiac.

The first trace of cocoa in what is now Belgium dates to 1635, when records show some was purchased by the abbey of Baudeloo. Chocolate production flourished at the start of the 18th century, a time when cocoa was so valuable that one pound was worth 15 loaves of bread and only the upper classes could afford chocolate drinks.

One of the biggest advances in chocolate production occurred in 1912 when the Belgian chocolate genius Jean Neuhaus invented the hard shell. That allowed the creamy fillings so popular today. Along with displays of chocolate-making equipment, the museum has a fine collection of antique chocolate pots and old candy tins. Especially eye-catching is a photo of models wearing dresses made of chocolate, taken at the Florida Hotel in Havana. A sister museum opened in 2002 in Cuba, one of many cocoa-producing countries. Most chocolate in Belgium is sold in shops devoted to a particular brand like Godiva, whose products here have more cocoa and less sugar than Godiva chocolates in the United States.

One exception is Chocopolis, which carries a variety of brands. Customers can even choose chocolates based on the cocoa's country of origin. "It's a bit like wine or coffee," says clerk Francesa Randazzo, who favors dark chocolate made with Tanzanian cocoa. "If you know, you can taste the differences. The African ones are a little bit stronger." Studies have shown that chocolate can be good for the health. And a California professor says students given chocolate before evaluating their instructors wrote kinder comments than students who didn't eat chocolate.

One possible conclusion: Chocolate makes people nicer.

So perhaps Belgium's political crisis can be resolved if the Flemish and the Walloons start eating more of their beloved national product. After all, it doesn't say much for European unity if Belgium -- the country that is the headquarters of the European Union -- can't even keep itself in one piece. And Belgium's two feuding factions should think about this: Will tourists be as eager to buy "Wallonian chocolates?"

A trick for future treaters: chocolate without cocoa butter?

MarketWatch

By Ruth Mantell, MarketWatch

Oct 22, 2007

WASHINGTON (MarketWatch) -- Have no fear trick-or-treaters: This Halloween's chocolate will be just as sweet, and melt just as delightfully, as always. But the staple of so many candy bars and other confections might be about to take on a spooky transformation.

Federal regulators are considering a proposal from several food-industry groups that would allow the substitution of vegetable oil for cocoa butter in products that could still be called chocolate. Current Food and Drug Administration guidelines only permit cocoa butter in products labeled chocolate -- no other vegetable fat is allowed.

Chocolate purists are frightened. "I am vehemently opposed to allowing a vegetable-oil product to be called 'chocolate.'...The organic and natural food industry is growing at 15% a year because Americans want better ingredients for themselves and their family, not cheaper substitutes like vegetable oil for cocoa butter," Karen Hochman, editorial director of food magazine The Nibble, told the FDA earlier this year.

"No one would willingly eat or give their families vegetable-oil chocolate who could have authentic cocoa-butter chocolate," she said.

Cocoa butter has a unique property that chocolate lovers adore: its melting point is just below human body temperature. That temperature quality allows for the luxurious feel of chocolate on the tongue as it melts.

Yet alternative oils have potential: some could cost less, ending up in savings for companies and consumers, and some could even be healthier, industry representatives say. Alternative oils can also offer different textures and heating properties -- desirable qualities for cooking and baking.

Consumers of some pastries, vitamin supplements and other items that don't require pure chocolate may have already eaten a product made with vegetable oil. "Usually when it's used in conjunction with a pastry or candy it's hard for people to tell because they're not focused," said Gary Guittard, president of Guittard Chocolate Co., a California-based chocolate maker founded in 1868. "But if they were to taste it side by side [with real chocolate] they'd notice a difference." The Guittard company has been making a white chocolate baking product using vegetable oil and cocoa butter for about 15 years, said Guittard, great grandson of the founder. "It was to have something that didn't need to be tempered...This product would always look nice. If someone is doing home candy making it would be easy for them to work with," he said.

A passion for chocolate

Some companies such as Mars Inc., maker of Snickers candy bars among others, have taken a firm stance against altering recipes. Smaller producers and retailers have also shown reluctance. "It's about the mouth feel," said Robert Kingsbury, owner of an Alexandria, Va.-based chocolatier. "If you have chocolate with a lot of cocoa butter it will melt smoother than products with less. Cocoa butter just dissipates with the chocolate as you swallow."

Kingsbury said using vegetable oil in chocolate would produce a whole different feeling. "It's going to coat your mouth. It doesn't give you that feeling that it melts smoothly," he said. Kingsbury's business uses chocolate produced from cacao originating in Venezuela, Ecuador and the Dominican Republic. The most expensive ingredients in chocolate come from the cacao bean -- chocolate liquor, cocoa and cocoa butter. Other ingredients -- sugar, milk and vanilla -- are more accessible.

Chocolate made with a fat other than cocoa butter could be less expensive, and could in turn drive down the price of cacao as demand falls. However, Kingsbury doesn't see his suppliers making a switch even if new rules affecting chocolate are passed. "The chocolate would be less expensive. But you'll also be getting a piece of product that tastes less expensive," he said. "I'm happy with the product right now. There's so much variety already to choose from."

Vegetable oil on the table Community

Any change could be a ways off. Altering a government food standard that regulates approved ingredients can take years -- approving a standard of identity for white chocolate took about a decade. The FDA doesn't appear to be in a hurry to act on the request. In a private meeting in August, the FDA told chocolate-industry representatives that they should come up with modernization ideas that consumers and companies can swallow.

That meeting followed a public outcry to a petition from the Grocery Manufacturers Association, Chocolate Manufacturers Association and other groups that asked the FDA to consider a broad review of food standards, including the vegetable-oil-in-chocolate idea. For now, the petition is not a high priority for federal regulators, who are looking for new recommendations from the chocolate industry, according to a spokeswoman with the National Confectioners Association. The FDA may also be focused more on food safety now, rather than modernization.

Health considerations

In terms of health, an alternative oil could be an improvement. Cocoa butter is a saturated fat, though it may have a more neutral impact on bad cholesterol than others saturated fats, said Katherine Tallmadge, a nutritional expert and spokeswoman for the American Dietetic Association. "It depends on the type of oil that's substituted," she said. "It may or may not be a healthy product."

Most vegetable oils are going to be healthy, but if they are treated to make them hard at room temperature, that process creates undesirable trans fats, Tallmadge said. Consumers would still be able to find chocolate with flavanols, which are found in cocoa and help maintain a healthy vascular system, reduce blood clotting and increase blood flow to the brain. "Now if you're eating chocolate for health benefits you'll need to be very discriminating in your selection," Tallmadge said. "You'll get more flavanol and more health benefits with less processing."

Tallmadge said the first chocolate choice for a healthy diet is cocoa, and then chocolate with a high percentage of cocoa. Milk chocolate, which has added sugar and milk, isn't as healthy. Although Guittard sees some room for vegetable-oil products in

the chocolate industry, he is wary of companies that would use a "raunchy" oil that wouldn't allow for chocolate to melt in the mouth. "You'd get better and worse ones," he said. "In the industry you need a discipline of ingredients to have good products."

Cocoa Intake and Blood Pressure

Journal of American Medical Association (subscription), IL
Oct 22, 2007

To the Editor: In their study of cocoa intake and blood pressure, Dr Taubert and colleagues¹ concluded that the reduction of diastolic and systolic blood pressure caused by dark chocolate intake was due to increased formation of S-nitrosoglutathione. Many biochemical markers were measured in the study using commercially available assays or reported methods. However, we are not aware of reports of the analytical performance of the liquid chromatography tandem mass spectrometry method used for the measurement of plasma S-nitrosoglutathione. This is potentially an important problem for research involving S-nitrosothiols, for which the reported concentrations in biological fluids has a 3–order magnitude range.²

We are also unaware of previous reports of achieving measurement (with a lower limit of detection of 0.1 nmol/L) of such low plasma baseline levels of S-nitrosoglutathione (0.33 nmol/L) by liquid chromatography tandem mass spectrometry.²⁻³ Such methods require full validation to avoid analytical errors; this is particularly true regarding research on the physiological roles of S-nitrosothiols, as well as the relative importance of individual S-nitrosothiols such as S-nitrosoglutathione.

We believe that accurate liquid chromatography tandem mass spectrometry analysis of S-nitrosothiols is best performed by use of stable-isotope labeled analogues as internal standards. Use at high molar excess of a chemically unrelated compound like thiamazole (which carries a sulfhydryl group) as in the study by Taubert et al would be expected to lead to a reaction with S-nitrosoglutathione, thus diminishing its concentration.

Finally, S-nitrosoglutathione in humans is a selective inhibitor of platelet aggregation.⁴ Clinical studies involving S-nitrosoglutathione preferably include measurement of platelet aggregation. Since S-nitrosoglutathione infusion in humans has not resulted in reduction of blood pressure,⁴⁻⁵ it is unlikely that the blood pressure decrease observed in the study by Taubert et al is attributable to S-nitrosoglutathione, at least at the measured S-nitrosoglutathione concentrations.

Uganda: Eat Well to Pass Examinations

AllAfrica.com, Washington

New Vision (Kampala), Grace Nandutu, Kampala
24 October 2007

IT is examination time countrywide. National examinations are underway and end-of-year exams will take off soon. Students need a certain degree of intelligence to pass the exams. Among the factors that shape the lives of children, nutrition plays a major role. Nutrition factors affect the way our brains process information.

What children eat exerts an enormous influence over the functioning of their brains. 'Healthy' foods are associated with good health and intellectual performance. 'Junk' foods, on the other hand, may be tasty, but not good for the brain. Students, therefore, should know that having proper meals enhances their performance. Eating first thing in the morning enhances one's thinking and helps one to remain healthy. A hot beverage (tea, coffee or cocoa) helps stimulate the brain cells; enabling one to think fast.

It is advisable that one starts with a grain food like porridge (millet, soya or sorghum are best), before taking the hot beverage and protein foods like milk, eggs and carbohydrates like bread, mandazi or samosas. One can also eat wheetabix or corn flakes.

A heavy breakfast is recommended, so that one can have a light lunch. The lunch should include cereal foods (rice, posho) with beans or peas, as well as second-class protein foods. These can be got from any plant food, except for soya, which is a first class protein. This is not to say first class proteins are bad, they are the best (meat, fish, chicken, egg, etc), but since most of them cannot be easily available at school, second class ones can do.

Lunch should be light but balanced. The same goes for supper. With a heavy meal at night, one may not be able to get enough rest or even wake up to read. Indigestion could also cause one to move out of the exam room several times, thereby hindering one's concentration. Avoid heavy foods like cassava, sweet potatoes, yams and 'empty' calorie foods like cake, sweets and biscuits. These have little or no nutrient value and are not good for the body and the brain. Parents and schools should include plenty of fish in students' meals. Milk, eggs, vegetables and fruits will keep students healthy and capable of tackling problems.

Chock full of health

Melbourne Herald Sun, Australia
Annalise Walliker, science reporter
October 25, 2007

AUSTRALIAN farmers are growing the first commercial cocoa crop to make a "super chocolate" with health benefits. The first 100 per cent Australian chocolate will be made with low GI sugar and be high in antioxidants, according to scientists behind the project.

Australia biotechnology company Horizon Science is growing the plants in far north Queensland. They were planted commercially three years ago. The secret behind the healthier chocolate is using antioxidant-rich parts of the sugar cane and cocoa plants usually discarded, Horizon founding partner Dr Barry Kitchen said. "Seventy five per cent of the cocoa pod is thrown away in conventional processing," he said. "Antioxidants are well-known to have incredible benefits for the cardiovascular system, the health and stability of cells in the body and the rate of digestion and lowering blood glucose."

Antioxidants in the cocoa pods would also help the performance of lipids in the blood and reduce blood pressure, Dr Kitchen said.

Production & Quality

Ghana's Cocoa Season For 2007/2008 Opens

Modern Ghana, Ghana
ISD (Tony Goodman and Elorm Ametepe)
Fri, 19 Oct 2007

The Deputy Minister for Finance and Economic Planning, Hon Gyan-Baffour today opened the 2007-2008 Cocoa seasons with the assurance that government would continue to support the sector to ensure it achieves its maximum potential. "I am delighted to say that for the past seven years since the current administration assumed office we have in collaboration with Ghana Cocoa Board put in place measures aimed at increasing production", he noted.

The Deputy Minister who was speaking at a press briefing in Accra said Government appreciates the enormous contribution of the cocoa sector to the general economy in terms of its contribution to the growth in Gross Domestic Product (GDP), foreign exchange earnings, and poverty reduction, among others. He observed that policy initiatives vigorously pursued by government over the period included among other things remunerative producer prices and payment of bonuses, effective diseases and pest control exercise, improving the agronomic practices on cocoa farms.

These increases, Prof Gyan-Baffour said, have almost doubled the production of cocoa since the 2000/2001 crop season and affirmed Ghana's position as the second largest producer of cocoa in the world. He said that since 2003/2004 cocoa season when cocoa reached record output of 736,199 tonnes production level, it has not fallen below 600,000 metric tonnes. He said producer prices have also increased nearly three fold since 2001, and has ensured that farmers were paid decent prices, saying that farmers currently enjoy over 70 percent of the net Free On Board (FOB) price or ¢ 9.15 million per metric tonnes from ¢3.475 million in 2001.

On bonuses, the Deputy Finance Minister said farmers have been paid five times within the same period, all aimed at providing incentives to cocoa farmers, and gave the assurance that government would not relent on its promise to ensure that the living conditions of the ordinary Ghanaian farmer is improved. He stressed that Ghana would not compromise on the quality of her cocoa beans and that the government would do everything possible to maintain the high quality of its cocoa.

Chief Executive Officer (CEO) of Ghana Cocoa Board, Isaac Osei, assured that the \$ 900 million raised from International financial institutions for purchasing operations would be used judiciously.

Hon Oboshie Sai Cofie, Minister for Information and National Orientation who chaired the function assured of her Ministry's support with educational campaign on banned pesticides.

Govt need people's support to curb CPB: Loff

The National, Papua New Guinea, Oct 21, 2007

THE Government itself cannot stop the spread of the Cocoa Pod Borer (CPB) into East Sepik but would need the combine efforts of the villagers and public at large to fight the invasion of the borer. CPB Emergency Response Unit (ERU) officer

Peter Loff said it was people who have relatives on either side of the border and they had the power to report suspected movement of quarantined materials at the border.

Mr Loff was addressing villagers at Salamin CPB check point last Saturday situated at the border of the East Sepik and Saudaun provinces.

He said CPB was dangerous to the cocoa industry of East Sepik given the fact that a mother moth can lay 200 eggs and in just 20 weeks it multiplies to some 400 millions new moths that can completely wipe out cocoa production. East Sepik produces K24 million in cocoa export earnings annually, of which Angoram only contributes around 2,000 tonnes at K4,000 per tonne, an equivalent of around K8 million annually.

With the declaration of the CPB in Aitape last June, the Government quickly established the ERU which coordinates two check points at Salamin and Warasikau to monitor and counter further spread.

Already some 28,000 people have been checked, 1,505 vehicles sprayed, passenger baggage on nine coastal vessels were checked, 84 banana boats checked, 390 canoes were sprayed, passenger luggage on 30 Air Link flights into Taji airport checked, 979 transit certificates issued, 48kg of plant materials destroyed, 154kg of various vegetables destroyed and 158 quarantined awareness meetings conducted. Under containment and eradication, Aitape had buried some 720,644 CPB infected cocoa pods with an estimated value of more than K500,000.

Ghana: County Will Maintain Quality of Cocoa - Says Cocobod CEO

AllAfrica.com, Washington

Ama Achiaa Amankwah

Public Agenda (Accra)

22 October 2007

Ghana Cocoa Board, (COCOBOD) will this year equip all its receptive centres with requisite equipment to undertake residue analysis and issue appropriate certificates. COCOBOD Chief Executive Officer (CEO), Mr. Isaac Osei said the move is to reassure the market of Ghana's readiness to comply with new regulations. "We have become concerned about minimum residue levels expressed by our key markets. We are worried that certain types of chemicals unapproved and bad for cocoa are being used." He stressed that Ghana will never compromise on the quality of her cocoa beans which is enjoying high market value worldwide.

Speaking at a press briefing in Accra to announce the opening of the main crop season on Friday, October 19, 2007, Mr. Osei said COCOBOD would be collaborating with the Environmental Protection Agency, (EPA) to deal with the issue. "We hope that all stakeholders in the industry would operate faithfully and comply with existing regulations. We shall not hesitate to deal drastically with anybody involved in any malpractice. Companies importing unapproved chemicals should stop, because if found their licenses would be withdrawn," he cautioned.

He maintained that chemicals such as Endosulfan, Cocostar, Durban and Pynex because they contain chlopyrifos, Fenvalerate, Thionex, Thiodan, Callifan and all primiphosmethyl based chemicals are banned for use on cocoa. He confirmed that the new producer price of cocoa has been increased from ¢9, 150,000 (GH¢915.00) per metric tonne to ¢9,500,000 (GH¢950) for the 2007/2008 main crop season. The new price for a bag of 64.0kg is now ¢593,750.00 (GH¢59.38) as against ¢571,875 (GH¢57.19) previously. For a load of 30kg the price is ¢285,000 (GH¢28.50) naked ex-scale. It is projected that the output for the 2007/2008 Crop Year will be 650,000 metric tonnes.

Mr. Osei explained that COCOBOD sources funds for cocoa purchases at reasonably low levels because it does not rely on government ex-chequer. He said this year \$900 million has been sourced for cocoa purchases. Touching on the production of jute bags for bagging of cocoa, the CEO disclosed that two companies have approached his office to do so, and that considering what has been submitted by one of them, there is the possibility of seeing a jute company by the end of next year. Mr. Osei said in order to promote local consumption of cocoa; COCOBOD is talking to the School Feeding Programme to include a cup of cocoa drink in the diet of the children.

The Deputy Minister of Finance and Economic Planning, Prof. George Gyan-Baffour urged all stakeholders to cooperate to ensure a smooth take-off and a successful season. He announced that government will spend approximately ¢160.24 billion (GH¢16.024 million) to pay bonuses, in its resolve to ensure the welfare of the country's gallant cocoa farmers. "Since the NPP administration came into office in 2001, farmers have been paid bonuses every year except in the 2004/2005 season. The total amount of bonus payments to farmers is therefore ¢769.14 billion (GH¢76.914 million). Another bonus will also be paid next year July to ensure that farmers have adequate money during the season," he said.

Prof. Gyan-Baffour announced that payment to other stakeholders in the cocoa industry have also been reviewed upwards to ensure that their business remain profitable and to ensure that the industry is able to sustain the gains made in the past seven years. According to him, the \$900 million raised by COCOBOD for purchasing operations is the highest facility ever in the history of the cocoa industry and demonstrates the progress made in the sector and the confidence reposed in the economy by the international financial community. "We would like to take this opportunity to appeal to the LBCs to pay farmers promptly for cocoa purchased from them."

Cocoa Industry Board Embarks on Young Farmer's Project

Government of Jamaica, Jamaica Information Service, Jamaica

KINGSTON (JIS), October 22, 2007

The Cocoa Industry Board, in collaboration with the Portland-based College of Agriculture, Science and Education (CASE), is embarking on a young farmer's project, which is geared at encouraging young people to get involved in the planting of cocoa trees.

Speaking with JIS News, Secretary Manager of the agency, Naburn Nelson, explained that the project will serve as a teaching aid for students, who are undertaking studies in agriculture at the college. "When you grow up with something you will learn to appreciate it more", he reasoned. "These are tertiary students and we expect that when they graduate from the college, they will either sell or become involved in the cultivation of the crop," he stated.

Mr. Nelson informed that the project will cost his organization approximately \$25,000 to \$30,000 for set up, and a five-acre plot of land has been donated by the school to accommodate the project. "We will be assisting them to set up the project so that they can be commercially viable," he indicated. According to the Secretary Manager, based on discussions with the school's management, when the pilot phase is completed, operation of the farm will be offered as a core course, which means that all students will be involved in the project during their life at the school.

The initiative is also expected to be introduced to other schools in the cocoa producing areas of St. Mary, St. Catherine, Clarendon, St. Thomas and Portland. "We will be going into all the schools and establishing these cocoa plots," Mr. Nelson stated, noting that focus will also be placed on the commercial aspect, so that students can become aware that planting the crop is commercially viable.

In the meantime, the Cocoa Industry Board will be implementing a number of projects geared at fulfilling its target of exporting some 1,400 tonnes of the cocoa within the next five years. These projects include a replanting and expansion programme to replenish those farms that have lost cocoa trees or are in need of an upgrade. The agency recently reported that it had exceeded its export target of 600 tonnes of cocoa by approximately 168 tonnes for the crop year, which ended in September

Cocoa exports fall in Sao Tome and Principe

Macauhub, China, 2007-10-23

Sao Tome and Principe netted just over US\$1 million from cocoa exports in the first half of 2007, which accounted for 97.1 percent of the country's exports in that period, according to the archipelago's National Statistics Institute (INE). According to the National Statistics Institute (INE), cocoa exports saw a year on year fall of 0.9 percent against the same period of 2006.

In terms of quantity, there was a fall of 15.9 percent in the period with cocoa exports falling from 966.4 tons in the first half of 2006 to 812.7 tons in the first half of 2007. In the list of exports from Sao Tome and Principe in the first half of 2007, following cocoa, are coconut and coconut flowers and coconut oil. The list of buyers of Sao Tome cocoa in the period was headed by the Netherlands, which purchased 275 tons, followed by Portugal, with 232 tons and France with 149 tons.

Cocoa was introduced by Portuguese colonists to Sao Tome in the 19th century and its production levels have been falling over the last few decades due to lack of land on which to grow it, lack of financing and a lack of rigour in the treatment of the plantations. (macauhub)

Brace up for new planting season-Agric minister's advice to flood affected farmers

Modern Ghana, Ghana

daily Express- Nii Kwaku Osabutey ANNY, Mon, 22 Oct 2007

Farmers in the three northern regions affected by the recent floods that destroyed large tracts of farmland have been asked to conserve the remaining water on their farms for future use. The Minister for Food and Agriculture Ernest Debrah told the dailyEXPRESS in an interview that the level of destruction to the thousands of hectares of farmlands would not be easily

overcome. He however stated that it is important that the farmers seize the opportunity to conserve the available water for future use.

He said prior to the rain the farmers had gone through a period of drought and this might surface again, because of the unpredictability of the weather. "... you can turn every threat into an opportunity," he said, adding "you have a mass of water that is a threat so you have to manage the problem and as the rain is receding you have to plant." He also mentioned that his outfit has been holding series of meetings with the farmers to explore ways by which they can be supported including the provision of seedlings and the needed fertilizers. "Even when we had the long dry spell we put in an intervention of twenty billion cedis and this is what is happening at the green belt," he told the paper.

Ernest Debrah also mentioned that several interventions have equally been made at the Afram plains to balance the short falls recorded in the areas affected by the rain, so that food supply to the people could still be maintained to a certain level. He was optimistic that should the drought season give way to a much more conducive rainfall in areas affected by the rain, crops in those areas could do well before the end of November this year. The minister also praised the country's cocoa farmers for their contributions to the sector for decades. He noted that the country's cocoa is rated highly by experts in the cocoa field and the credit goes to the farmers who have worked tirelessly despite the difficulties they've endured in the areas of worm infestation to get the sector running.

On the question of cocoa smuggling across the border to Ivory Coast because of the poor prices they get here in the country Mr. Debrah said, "...produce price has moved up three times in a matter of six years, and it's the first time that the cocoa farmer is getting 70% of the FOB price." According to him, the children of cocoa farmers are getting scholarships and this is somehow a remarkable improvement in the lives of the farmers. "Mass pest control is free and gradually government is moving to push down the welfare of farmers," he added.

In a related development, Ghanaian artists and sports personalities working under the umbrella of Concerned Artists for Disaster Relief on Tuesday launched a fund "Reach out" to raise money for the disaster victims in the north. The group made up of Kojo Antwi, Amandzeba Nat Brew, Rex Omar, David Dontoh, Akofa Ejeani, Kwaku Sintim-Misa and a host of other personalities in the art industry, are coming together to raise money to support the victims.

Nigeria: Govt Spends N1.56 Billion On Agric

AllAfrica.com, Washington

This Day (Lagos), 22 October 2007

Delta State Government has disclosed that between 1999 and this year, it has spent N1.56 billion to boost its agricultural programmes and food production. About N325 million of the amount was spent on the procurement of 59 tractors and complementary implements, as well as rehabilitation of old tractors and three new tractor hiring centres during the period.

The state's Commissioner for Agriculture, Dr. Ogaranye Tabs-Tabowei, disclosed this in his address at the celebration of World Food Day in Asaba. He disclosed that during the period, 1.9 million hybrid oil palm seedlings were "raised" at a cost of N207 million and later sold to farmers for planting in 13,000 hectares of land. He said the figure included 40,000 budded rubber stumms sold to 21 farmers at a subsidy, to enable them establish 90 hectares of plantation. He added that another 30,000 cocoa seedlings were distributed to farmers free. He disclosed that the state government's effort in improving oil palm production gulped N122 million, while N52 million was spent on arable crop production.

He noted that veterinary services cost the government N255 million, while fisheries development and agro-processing took expenditures of N57 million and N80 million respectively. Loans to farmers on Live-And-Own-A Farm (LOAF) programme of the government, established in 2005, totalled N412 million, according to him. Tabs-Tabowei attributed the successes recorded in the agriculture sector of the state during the period to the pragmatic policies of the past governor, Chief James Ibori.

Declaring the celebration open, Governor Emmanuel Uduaghan commended the ministry of agriculture for its efforts and called for more impact on the people. Represented by his Deputy, Prof. Amos Utuama, the governor said: "my administration's policy of human capital development can be made more realisable if food is abundant in the state." He also appealed for the participation of the organised private sector in the agricultural development of the state, saying "We should not create the impression that government alone can feed the people".

Ghana Aids Farmers to Raise 07/08 Cocoa Output

Source: Reuters, 22/10/2007

Accra, Oct. 19 - Ghana announced increased financial incentives to boost its 2007/2008 cocoa harvest on Friday after unfavourable weather slashed the 2006/2007 crop to 614,469 tonnes from 740,457 tonnes the year before. The West African

state, the world's No. 2 cocoa grower after neighbour Ivory Coast, is looking to produce at least 650,000 tonnes in the new season that kicked off on Friday, as recent rain and sunshine have helped the latest developing crop.

Deputy Finance Minister George Gyan-Baffour said cocoa purchases declared by private buyers in the 2006/2007 crop year to the Ghana Cocoa Board (Cocobod) totalled 614,469 tonnes, sharply down from 740,457 tonnes in 2005/06. "The decline in (2006/2007) production vis-a-vis last year's was mainly a result of an unfavourable weather pattern," he told a news conference in Accra.

In a strategy to bolster the strategic cocoa sector in 2007/2008, the government is increasing bonuses for farmers and will pay a bonus of 27.5 new cedis (\$30) per bag for producers for what they sold in the last main crop. A further bonus would be paid next July as part of the incentives programme, which is seeking to raise Ghana's output to one million tonnes of cocoa in 2010, up from a yearly average of 600,000 tonnes. Increased commissions would also be paid to licensed buyers and transporters who bring the cocoa out of the bush. "The government is committed to ensuring that all stakeholders in the cocoa industry are paid economic rates and fees to ensure that their businesses remain profitable," Gyan-Baffour said.

Ghanaian President John Kufuor had already announced an increase in farmgate cocoa prices to 950 cedis (\$1,010) per tonne, from 915 new cedis, for the 2007/2008 season.

LOGISTICS IN PLACE

Gyan-Baffour said Cocobod had made the necessary logistical preparations for the new harvest. "Sufficient jute sacks, twine, ink and tarpaulin have been purchased for the entire season," he said, adding these inputs had already been released to the Licensed Buying Companies (LBCs) to ensure smooth purchasing operations.

The October-May main crop is the larger in Ghana's two-cycle cocoa year and its harvest is mainly exported. This is followed by the light or mid crop, sold at a cheaper price mainly to local processors. Giving details of the disappointing 2006/2007 harvest result, Gyan-Baffour said purchases declared by Licensed Buying Companies in the past main crop reached around 587,000 tonnes. Purchases were higher than a pre-season projection of 550,000 tonnes. "But the light crop was very disappointing because there wasn't enough rain for it," Gyan-Baffour said.

Cocobod had projected purchases of at least 50,000 tonnes from the 2006/2007 light crop, but the final figure was around 27,000 tonnes. Ahead of every crop year, Cocobod raises syndicated loans through international financiers in Europe for distribution to the licensed buyers to make cocoa purchases. This year, the entity raised \$900 million from European financial markets toward purchases in the forthcoming season.

¢160b bonus approved for cocoa farmers

Modern Ghana, Ghana

22 Oct 2007

The government has approved the payment of about ¢160 billion to cocoa farmers, as bonus and for other allied services in the country's cocoa sector. This comes barely two weeks after President Kufuor announced that the producer price of cocoa had been increased from ¢9,150,000 per metric tonne to ¢9,500,000 per metric tonne for the 2007/2008 main crop season which began yesterday. He announced the increase during Cocoa Producers Alliance cocoa day celebration which was held on October 1 at Sefwi Bibiani.

Professor George Gyan-Baffour, Deputy Minister of Finance and Economic Planning, who announced the payment of bonus at a press briefing in Accra yesterday said the farmers will be paid ¢275,425 per bag of 64 kilogrammes covering a total of 581,779 metric tonnes purchased during the 2006 and 2007 main crop season. Cocoa remains the highest foreign exchange earner for the country. He said since the New Patriotic Party administration came into office in 2001, farmers have been paid bonuses every year except in 2004/2005 season.

Prof. Gyan-Baffour said one of the numerous avenues by which the government shows appreciation is by way of bonus payments, adding that the government will continue to reward the farmers by paying bonuses. The government was also committed to ensuring that all stakeholders in the cocoa industry were paid economic rates and fees to ensure that their businesses remained profitable. To that end, he said buyer's margin for licensed buying companies, (LBCs) as well as rates for evacuation among other rates have also been reviewed upwards. This, he said, was to ensure that the Cocoa industry was able to sustain the gains made in the past seven years.

"Interest rate on seed fund to LBCs has been reduced from 14 per cent to 11 per cent which will lower financing cost of LBCs," he said and added "COCOBOD has further decided to make 70 per cent down payment to LBCs upon receipt of good quality cocoa beans while awaiting final documentation on consignments received."

Prof. Gyan-Baffour mentioned the Ghana Cocoa Board's ability to raise 900 million dollars for its purchasing operations this year and said, "I want to put it on record that this is the highest loan facility ever raised in the history of the cocoa industry. "It goes to show progress made in the sector and the confidence reposed in the economy by the international financial community," he said.

On the challenges confronting the industry he cited the congestions at the Take-Over Centres, delayed payments for cocoa purchased from farmers, and quality improvements as major obstacles being encountered by the industry. He however assured stakeholders that the government was giving the needed attention to help address these challenges.

Chief Executive Officer of COCOBOD, Isaac Osei, said the board had sourced a three-year medium term facility of 190 million dollars to improve upon its warehousing and quality assurance facilities.

Nigerian Main Cocoa Crop Output Remains Low- Industrial Association (DJ)

Source: Dow Jones Newswires

24/10/2007

Ibadan, Nigeria, Oct. 24 - Production of the 2007-08 main crop cocoa remains low in Nigeria, but industry officials, traders and exporters expect a better outlook next month, a cocoa association official said Wednesday. "There is not much cocoa on sale now. Traders and exporters complain over the small quantity of cocoa in the system," Cocoa Association of Nigeria Executive Secretary Akinwale Ojo told Dow Jones Newswires.

Harvesting of the 2007-08 main cocoa began on a small scale in southwest Nigeria in late August and in the southeast a month later. The big harvest expected toward the end of October hasn't materialized. Instead cocoa output has been low and farmers have attributed this to bad weather, excessive rainfall and black pod disease in the southwest and southeast cocoa belts. Ojo attributed the current low cocoa production to bad weather aging cocoa trees and failure of replanted cocoa to produce quickly. He said rainfall began late in the year and downpours have been heavy and continuous resulting in the black pod disease.

Black pod is a fungal disease that thrives in damp conditions cause by heavy rain. It has the potential to destroy around 40% of Nigeria's annual cocoa output if farms aren't spayed with fungicides, officials of the state-run Cocoa Research Institute of Nigeria say. "I think global warming is part of the problem. Many cocoa trees are getting old and this is affecting production," Ojo said.

Ojo said he believed main cocoa harvesting would pick up towards the end of next month when the rainy season would have ended. The rainy season usually starts in the southwest and southeast cocoa belts in May and ends in October while the dry season starts in November until April. He however, declined to forecast a production estimate for the 2007-08 season adding: "It is difficult to do so now." Nigeria produces around 242,000 metric tons of cocoa a year. It is the world's fourth largest grower after Ivory Coast, Ghana and Indonesia.

The Market

TradeSignals Cocoa Futures Morning Commentary

Oct 18, 2007 (TradeSignals via COMTEX) -- Cocoa:

Nearby Cocoa futures finished the previous session higher extending the prior days gains. Trend indicators have turned from a neutral price pattern to a bullish bias. However the overall strength of the trend, as indicated by the ADX, is weak and should be watched as a result.

TREND INDICATORS:

Simple Moving Average (10-Day): The closing price finished above this moving average. However, despite prices trading above the moving average line, the moving average is in a downward slope from the previous session. If prices trade below the moving average then the trend will be clearly established as up. However, this strength in the price will need to be watched. As a result the 10-Day simple moving average has a weak bearish bias.

Simple Moving Average (25-Day): The closing price finished below this moving average. However, even though prices are trading below the moving average, the moving average slope is up from the previous session. Should prices continue lower the moving average will eventually follow and then the down trend will be more clearly established. However, this strength in the moving average will need to be watched. As a result the 25-Day simple moving average has a weak bearish bias.

Simple Moving Average (50-Day): The closing price finished above this moving average. Furthermore the slope of the moving average is in an upward slope from the previous session indicating strength. As a result the 50-Day simple moving average has a strong bullish bias.

ADX: The Average Directional Change (ADX) indicates the strength of a markets underlying trend. A rising ADX is interpreted as building trend strength, while a falling ADX indicates weakness in the underlying trend and the potential of a market reversal. On this market, the 14-Day ADX is falling, while the long term trend, based on a 50-Day moving average, is up. However, the weak ADX indicates that the current trend is deteriorating and may possibly reverse. Look for choppiness ahead.

MOMENTUM INDICATORS: MACD: The MACD is in bearish territory. However, the recent upturn in the difference between the MACD and the MACD signal line may indicate a short term rally over the next few days.

RSI: The 14-Day RSI is in neutral territory. (RSI is at 47.93). This indicator issues bullish signals when the RSI line dips below the oversold zone (currently set at 20.00); a bearish signal is generated when the RSI rises into the overbought zone (currently set at 80.00). Nevertheless with the RSI at 47.93 the market is somewhat oversold. However, this by itself isn't a strong enough indication to signal a trade. Look for additional evidence of strength from this indicator before getting too bullish here.

VOLATILITY INDICATORS:

Bollinger Bands (20-Day Average +/-1 Standard Deviation): As prices are closer to the bottom band than the top band, the Bollinger Bands are indicating oversold prices. Volatility also appears to be increasing, as evidenced by a larger distance between the upper and lower bands over the past few sessions. The market is oversold and appears to be finding some support near recent lows. Look for a potential bottom in this area.

RESISTANCE AND SUPPORT LEVELS:

2088 - 20-Day Simple Moving Average Plus 2 Standard Deviations 2055 - Highest High in last 50-Days 2005 - 20-Day Simple Moving Average Plus 1 Standard Deviation 1940 - 100-Day Simple Moving Average 1917 - 200-Day Simple Moving Average 1910 - 25-Day Simple Moving Average 1903 - Highest High in last 10-Days 1893 - High 1875 - Last Price 1868 - 3-Day Simple Moving Average 1864 - 50-Day Simple Moving Average 1853 - Low 1850 - 10-Day Simple Moving Average 1839 - 20-Day Simple Moving Average Minus 1 Standard Deviation 1812 - Lowest Low in last 10-Days 1756 - 20-Day Simple Moving Average Minus 2 Standard Deviations 1753 - Lowest Low in last 50-Days

MPs angry with 'meagre' cocoa price increase

Joy Online, Ghana

The Insight

22-Oct-2007

Five members of Parliament are said to be fuming with anger over the recent increase in the producer price of cocoa. They have described the increase as "an insult" to cocoa farmers and called for a bigger increase. The Members of Parliament representing Sefwi-Wiawso, Bia, Juabeso, Suaman and Akontonbra collectively, issued a statement which said the increase amounted to only four percent.

About two weeks ago, government increased the producer price of cocoa from ₦571,875 to ₦594, 750 per kilogram. One of the MPs, Mr. Evans Paul Aidoo from Sefwi-Wiawso said "The government must live up to its claim that it is operating the economy at the instigation of market forces." "If the government claims are true, then cocoa farmers should also benefit from prices dictated by market forces," he stated.

Mr. Aidoo said "The government is behaving as if it owns the cocoa farms and the farmers are just its labourers". He said "Farmers need a fair price and the least the government could do is to come clean, pay the right price and stop being a nanny state. Let cocoa farmers be the ones to determine how they choose to spend their money instead of being a nanny state with this patronizing claim that it is going to give cocoa farmers torch lights."

Mr. Aidoo said "Enough is enough; our cocoa farmers deserve a just and fair deal. The rest of the country should not look on idly while the government toys with the lives of cocoa farmers and the future of their children. The government must increase the producer price of cocoa and pay their bonuses without further delay".

Processing and Manufacturing

Far North Qld close to harvesting Australia's first cocoa crop

Queensland Business Review, Australia

Tuesday 23 October 2007

A new cocoa growing and processing industry is being created in Australia, with farmers in FNQ's Mossman planning to harvest Australia's first cocoa crop early next year. By mid-2008, the first 100 percent Australian made chocolate should be seen on the market.

Biotech company Horizon Science's 100 percent owned subsidiary, Cocoa Australia Pty Ltd is planning to transform the world of cocoa production and create an integrated business from plantation to consumer. They are currently selling premium wine chocolates under the Cocoa Farm brand, produced with increased antioxidants from grape seeds and skin. In the future they will be looking to specialist chocolates made with Wholemeal Sugar, which has a low GI and is rich in sugar cane and cocoa antioxidants and other beneficial bioactive compounds.

"Cocoa farming has always been seen as too labour intensive for Australia," says Horizon founding partner and chief operating officer, Dr Barry Kitchen.

"We're challenging that. With good science and innovative horticultural practices we believe we can significantly improve yields in our commercial plantations, and this, together with our total supply chain business model, make cocoa growing and processing a viable and vibrant new industry in Australia."

One of the first challenges is to identify cocoa plants that tolerate lower temperatures.

"We won't be seeing cocoa plantations on the Gold Coast," says Kitchen.

"But we hope to push the productive growing range far south as Mackay and west to the Atherton Tablelands.

"We are also looking for cocoa varieties that are naturally high in polyphenols and that can tolerate reduced water requirements."

Cocoa Industry Board to Introduce Dissolvable Chocolate Bar

Government of Jamaica, Jamaica Information Service, Jamaica

KINGSTON(JIS), October 24, 2007

Plans are in gear to introduce a chocolate bar which, when dissolved in water, produces the traditional Jamaican chocolate tea. Speaking with JIS News, Secretary Manager of the Cocoa Industry Board, Naburn Nelson, disclosed that the bar will be made from the traditional cocoa beans, which have been processed for modern convenience. "You will get a bar of the chocolate and drop it in a cup of hot water, stir and you get the chocolate tea," he explained. He said his organization is working on marketing the product and support has been garnered from the Minister of Agriculture, Dr. Christopher Tufton.

The chocolate bar will be marketed locally and internationally and will satisfy the needs of all consumers because of its dual purpose. "This product will go across all age groups. The mature consumers normally want their hot tea while the children on the other hand will want their chocolate bar to eat," Mr. Nelson pointed out.

According to Mr. Nelson, test samples have already been sent to countries such as Canada and the United States and the positive responses have been overwhelming. "The number of calls that we have been getting from persons enquiring about when the product will be available for export has been awesome," he told JIS News. He further indicated that the product will not only be marketed as a dissolvable bar but also as a health product. "Cocoa, especially our dark chocolate, contains some of the highest qualities in terms of anti-aging products," the Secretary Manager noted.

Meanwhile, he revealed that the organization will be upgrading one of its factories in St. Mary to become a tour site for lovers of the Jamaican cocoa and its by-products, and persons who are interested in seeing how the cocoa beans are processed. The main cocoa producing parishes are St. Mary, St. Catherine, Clarendon, and St. Thomas. Farmers in western parishes such as St. Elizabeth, St. James, Westmoreland, and parts of Trelawny also produce the crop. For the crop year, which commenced in October 2006 and ended in September of this year, the industry contributed some \$170 million to the island's economy.

Cocoa husks offer green pectin source

ConfectioneryNews.com, France

By Stephen Daniells

26/10/2007 - Cocoa husks, a by-product of cocoa processing, may offer an alternative, environmentally friendly, and cost-efficient source of pectin for food, suggests a new study. If research can build on the results of this preliminary study, published in the journal Food Chemistry, the cocoa waste-product could offer an alternative to sourcing the ingredient from citrus peel and apple pomace.

Researchers from the Institute of Material Science and Chemical Engineering at Torino Polytechnic report that mincing the husks for one hour and then extraction under acidic condition (pH 2.5) produced the best yields of about eight per cent. The ingredient, with worldwide production estimated at 35,000 tonnes a year, is currently widely used as gelling agents in jams, confectionary, and bakery fillings, and stabilisers in yoghurts and milk drinks.

The research taps into the growing trend for alternative and novel sources of pectin, highlighted by an increasing number of studies looking at extracting pectin from sources such as sugar beet, mango, pumpkin and squash. The functionality of pectin is dictated by the chemical fine structure, and the majority of the pectin used currently comes from citrus peel and apple pomace. Other sources of the ingredient have remained largely unexploited because of certain undesirable structural properties.

"Recently, non-traditional pectin sources have been investigated," added the researchers.

"Pectins have been extracted from various food industry by-products and, considering that food processing is characterised by large amounts of waste material, by this way the extraction process could represent an efficient and environmental friendly matter recovery for the production of functional compounds."

The researchers extracted pectin from the whole or minced husks of cocoa from Ghana and Venezuela under a variety of pH levels and extraction periods. They stated that the hot acid extraction, as is usually applied for the extraction of commercial pectin, was also the most suitable for the recovery of pectin from cocoa husks. "Because some problems arose during extractions at low pH values (1.5, 1.0), for example the probable presence of tannins, more investigations into the optimization of the extraction parameters are highly desirable," they wrote. "Further investigations need also to be directed at the characterisation of the extracted samples in order to reveal possible undesirable aspects and to correct them through chemical modifications during extraction."

Researchers from Denmark and England recently highlighted the possibilities of this ingredient and proposed that 'designer' pectin will become increasingly common in the future (Trends in Food Science & Technology, Vol. 17, pp. 97-104).

Business & Economy

US Q3 2007 Cocoa Grind Drops 13.69 pct

Source: Reuters

22/10/2007

New York, Oct. 19 - U.S. cocoa grindings in third-quarter 2007 fell 13.69 percent from a year ago to 94,179 tonnes, data from the Chocolate Manufacturers Association of the USA showed Friday. Cocoa traders' estimates of the grindings, a measure of demand, ahead of the report ranged from about 2.5 percent higher to 6 percent lower from the same quarter last year, when CMA pegged grindings at 109,115 tonnes.

The quantity of cocoa liquor melted in the third quarter dropped 34.11 percent to 2,631 tonnes while the butter melt was down 24.11 percent at 8,904 tonnes, according to the CMA data. This compares to Europe's third-quarter 2007 cocoa grindings which rose 8 percent to 351,040 tonnes from the year-ago figure, according to data released earlier this month by the European Cocoa Association.

In Germany, third-quarter grindings rose 24.9 percent to 106,040 tonnes from the year-earlier quarter, according to the association of German confectionery producers BDSI. CMA members include chocolate makers like Barry Callebaut USA , Hershey Co , Nestle Chocolate & Confections and Masterfoods USA, a unit of Mars Inc Co.

Barry Callebaut Confirms Leading Position at FIE 2007, London: Ten Unique Innovations in Chocolate

PR Newswire UK (press release), UK, Oct 24, 2007

WIEZE, Belgium -- Chocolate manufacturer Barry Callebaut today confirms its position as the world's leading innovator in chocolate with the exclusive presentation of 10 innovations at Barry Callebaut's stand at FIE London (South Hall, entrance S4, F131) from 30 October to 1 November 2007.

1. ACTICOA(TM)
2. cocoa and chocolate
3. Rebalanced chocolate
4. Probiotic chocolate
5. White Chocolate & Fruit
6. Six country origin chocolates
7. Four regional origins
8. Ten Limited Edition origin chocolates
9. Five origin cocoa powders - Superior tasting chocolates
10. Aerated chunks

Chocolate & health

When it comes to high-quality cocoa and chocolate ingredients, Barry Callebaut stays ahead of the market by anticipating future trends in food. The increasing demand for food with health benefits has lead Barry Callebaut to develop a range of chocolate applications based on innovative research that goes 'back to the bean.' One of Barry Callebaut's first achievements in the domain of health & wellbeing is ACTICOA(TM), a special production process designed to preserve the high amounts of polyphenols, naturally present in the cocoa bean, in finished chocolate. Barry Callebaut also offers ACTICOA(TM) cocoa powder.

Restoring the balance of chocolate's nutritional profile in a natural way, and thus making chocolate more permissible for the end consumer, is a second important area in which Barry Callebaut is constantly engaged in research and development. Barry Callebaut has succeeded in offering chocolate with added health benefits in combination with less fat or sugar. As a real solutions provider, Barry Callebaut even goes one step further by helping its customers rebalance the entire application of their customer.

Barry Callebaut will also launch probiotic chocolate. Containing friendly bacteria, probiotic chocolate helps to restore and protect the balance of the intestinal microflora. The probiotic supplements have no influence at all on the taste, texture or mouth feel of Barry Callebaut's celebrated chocolate. Moreover, only a minimum quantity of chocolate per day (13.5g) is required for optimal activity. This special probiotic process is a proprietary method developed by Barry Callebaut.

White Chocolate & Fruit: a fresh tasting combination

Barry Callebaut's new White Chocolate & Fruit offers 10 new and enticing combinations. Both children and adults will love classics like White Chocolate & Banana, Passion Fruit, Blood Orange or Strawberries. Those seeking health benefits and exciting new flavours will find them in the Bilberry, Blackberry, Cranberry, Elderberry, Lime and Grape skin varieties. Numerous applications have been developed, allowing manufacturers to extend the chocolate season with the addition of a fresh, summery taste to their products.

Origin chocolates and cocoa

Barry Callebaut's presence in the world's principal cocoa-growing countries has enabled the chocolate manufacturer to launch 10 new origin chocolates, on top of the already extensive range of no less than 30 origin chocolates.

Barry Callebaut is constantly sourcing new types of cocoa beans answering to the highest standards in quality and taste, to be able to offer authentic chocolate with a unique taste. FIE 2007 will be the platform for the launch of 6 country origin chocolates, 4 new regional origins and 5 new origin cocoa powders, thus adding a new dimension to Barry Callebaut's reputation as the leader in exquisite chocolate and cocoa. And for those who prize the unique experience of origin chocolate, Barry Callebaut will be unveiling 10 new Limited Edition country origin chocolates at FIE 2007. These finest-quality chocolates are the outcome of rare and meticulously selected cocoa beans grown and harvested under specific local conditions, from plantations, with specific certifications, or even from a specific year.

Superior tasting chocolates

In pursuit of specific, high quality chocolate tastes that exceed the consumer's expectations, Barry Callebaut has created a range of premium chocolates that include all the distinguishing taste profiles of the main chocolate-producing countries. The references for 'The Golden Chocolate Collection' were selected on the basis of intensive international market research.

Aerated chocolate

Aerated chocolate inclusions are inclusions with a light, new texture that is visibly different: Each aerated chunk has 1/3 the weight of standard chocolate chunks and 1/3 the calories. The chunks melt smoothly in the mouth, they float in milk, which makes them a perfect application for kid's and adult cereals. They can replace standard chunks in bakery and dairy applications.

Barry Callebaut :

With annual sales of more than CHF 4 billion for fiscal year 2005/06, Zurich-based Barry Callebaut is the world's leading manufacturer of high-quality cocoa, chocolate and confectionery products - from the cocoa bean to the finished product on the store shelf. Barry Callebaut is present in 23 countries, operates 40 production facilities and employs approximately 8000 people. The company serves the entire food industry, from food manufacturers to professional users of chocolate (such as chocolatiers, pastry chefs or bakers), to global retailers. It also provides a comprehensive range of services in the fields of product development, processing, training and marketing.

Labour Issues

Sweet injustice

Ventura County Reporter, CA

Local group to unwrap the chocolate industry's dark secret

MICHAEL FAULCONER ~

10-25-07

By the time that last batch of holiday fudge is wrapped and shipped to friends and family, Americans will have spent upwards of \$15 billion on chocolate this year. Recent reports citing the benefits of dark chocolate on blood pressure have provided justification for our indulgence, but there is a bitter exchange for our pleasure: hundreds of thousands of children kidnapped, beaten and enslaved by cocoa farmers with dollar signs in their eyes.

Greg Russinger, founder of the JustOne organization, headquartered in Ventura, was astounded to discover the truth about the chocolate industry. "It's heartbreaking when you realize that somebody's child was beaten and forced into hard labor to put a candy bar in your kid's trick or treat bag," he said.

On Oct. 30, JustOne, along with Stop the Traffik, will present a two-hour forum on the world of sex and child labor slavery. Organizers of "Sex and Chocolate: An Experiential Look into Modern Day Slavery," will employ a variety of media and visual arts tools to create conversation about bringing modern day slavery to a halt. Participants will also learn how to identify trafficking victims.

Human trafficking is defined by the United Nations as "the recruitment, transportation, transfer, harboring or receipt of persons, by means of the threat or use of force or other forms of coercion ... for the purpose of exploitation." Exploitation includes prostitution of others or other forms of sexual exploitation, forced labor or services. Some 15,000 children are estimated to be working on the cocoa farms in West Africa's Cote d'Ivoire, where more than 40 percent of the world's cocoa crops are grown. Children are sometimes sold and often coerced into slavery by farmers promising financial freedom for families living in extreme poverty. Child laborers are forced to work 12 hours per day in scorching heat. Many are beaten and most are fed poorly and made to sleep on wooden boards without mattresses. In rare instances when children escape or are rescued, their emotional wounds are slower to heal than their physical ones.

Fortunately, the use of child slaves among cocoa farmers can be mitigated through conscious consumption. Not all chocolate is produced unjustly. Fair trade chocolate as well as organic chocolate (organic farmers are subject to strict labor regulations) can be purchased at retailers such as Trader Joe's, Lassen's and Whole Foods Market. Ben and Jerry's also features four certified fair-trade flavors. The Global Exchange, a membership-based human rights organization, offers an excellent selection of fair trade goodies, as well as a trick-or-treat fair trade action kit for \$15 that comes with individually wrapped miniature chocolates, information postcards and Halloween decorations.

Russinger, like other freedom activists hopes knowledge of the cocoa industry's dirty little secret will make it easy for consumers to make the switch to more just desserts. "Sex and Chocolate: An Experiential Look into Modern Day Slavery" will be held at Ventura Vineyard at 7 p.m. on Oct. 30, 1956 Palma Dr., Ventura. For more information, visit www.just4one.org.

Others

Ivory Coast Cocoa Agencies Under Police Surveillance (DJ)

Source: Dow Jones Newswires

22/10/2007

Abidjan, Oct. 22 - Ivory Coast's cocoa sector management agencies were under tight police surveillance on Monday morning but open for business. Exporters worried that protesting farmers would occupy offices and close down services, notably registration of services.

Police denied a Dow Jones Newswires reporter access to the Caistab Tower, home to most agencies. Only staff of the BCC Coffee and Cocoa Marketing Body, the FRC Regulatory and Control Fund and the ARCC Coffee and Cocoa Regulatory Authority are allowed into the 23-story tower in downtown Abidjan. Export registration is open, as all our services are," a staff member of the BCC Coffee and Cocoa Marketing Body, who gave her name as Coulibaly, told Dow Jones by telephone.

Farmers of the National Association of Ivory Coast Coffee and Cocoa Producers started last week protest against low farmgate prices and high export levies used to finance cocoa agencies. The Association accuses the agencies of mismanagement and embezzlement. Late on Oct. 19 a group of 40 farmers, members of the Association, marched into the BCC and the FRC, forced open the doors of the offices of the chairmen of the board and the managing directors and changed locks.

An attempt to do the same at the FDPCC Coffee and Cocoa Farmers Development Fund office, based elsewhere in town, failed. The Association wanted to install new management elected at a recent general assembly. So far the protests have slowed the flow of cocoa beans from the farms to the ports slightly, according to buyers and exporters, because some farmers hoard beans hoping prices will go up. Ivory Coast's President Laurent Gbagbo has convened management of all cocoa agencies to a meeting late on Monday afternoon, according to a press release from the presidency, which gave no details. Last week, Gbagbo said in an interview on state television the cocoa sector needed reform.

Ivorian Public Prosecutor Calls for Calm in Cocoa Sector (DJ)

Source: Dow Jones Newswires

23/10/2007

Abidjan, Oct. 23 - Ivory Coast's public prosecutor on Tuesday called on cocoa farmers protesting against alleged embezzlement of cocoa funds to wait for the outcome of judicial inquiries that began last week. "I call on all farmers to remain calm and dispassionate during the inquiries (and) to contribute to the work of justice by providing all documents which might speed up the procedure," Raymond Fehou Tchimou told a news conference Tuesday.

He said the Economic Police and the Gendarmerie had started investigating management of the Coffee and Cocoa Regulatory Authority, or ARCC, the Control and Regulatory Fund, or FRC, the Coffee and Cocoa Farmers' Development Fund, or FDPCC, and the Coffee and Cocoa Marketing Agency, or BCC. Tchimou said audits will be carried out by local auditors on all cocoa sector management agencies. He gave no timetable for the inquiries, ordered by President Laurent Gbagbo.

All told Ivory Coast's cocoa management agencies collect over 100 billion CFA francs (\$217 million) a season via levies on cocoa exports, but farmers complain the agencies do too little to support the sector. Farmers of the National Association of Ivory Coast Coffee and Cocoa Producers have accused the agencies of mismanagement and embezzlement, notably of XAF100 billion destined for a chocolate factory in the United States, purchased by the FRC.

Last week the association staged protests outside offices of some agencies, and even broke into two offices, occupying them briefly. All agencies have been under tight police surveillance since the beginning of the week. The leader of the association, Bile Bile, said his group would set up shadow agencies but didn't elaborate on how they would function and what they would do. The protests so far only slightly slowed the flow of cocoa beans from the farms to the ports of world's top cocoa grower, as some farmers hoard beans in the hope that prices will rise.

Most farmers sell as farmgate prices currently are around XAF400 a kilogram (\$0.87), well above the XAF300/kg seen by most as the break-even price. Farmers also need cash as the seasonal July-September lull in harvesting was preceded by a poor May-June harvest.

Ivory Coast prosecutor starts cocoa sector probe

Reuters South Africa, South Africa

Loucoumane Coulibaly

Wed 24 Oct 2007

ABIDJAN (Reuters) - Ivory Coast's state prosecutor said on Tuesday he had started an investigation into allegations of corruption in the cocoa industry in the world's top grower. President Laurent Gbagbo ordered the investigation after allegations in the local media of the embezzlement of more than 100 billion CFA francs meant to help develop the sector. The allegations led to protests by farmers' representatives in the West African country which have threatened to disrupt cocoa exports.

The bodies being investigated include the Coffee and Cocoa Regulatory Authority, the Regulatory and Control Fund, the Coffee and Cocoa Producers' Development Fund and the Coffee and Cocoa Bourse marketing body. Senior officials from the industry bodies have declined to comment on the allegations. "The inquiries began on Friday, October 19 ... with hearings of the heads of the structures concerned," state prosecutor Raymond Fehou Tchimou told a news conference. "They will be completed with audits to be carried out by financiers and experts agreed on by the Abidjan Appeals Court."

A joint World Bank and International Monetary Fund mission to the former French colony last year called for more transparency on how revenues from the cocoa sector are spent.

Tchimou urged cocoa farmers to remain calm during the investigation and promised that the process would be transparent. He said it would first focus on purchasing mechanisms and then on the management structure of each body. "The result will allow my team to ascertain who was responsible or otherwise for the various alleged acts of embezzlement with a view to starting penal proceedings."

Ivory Coast Government Begins Investigation into Cocoa, Coffee Corruption

Voice of America

By Phillip Wellman

Abidjan

24 October 2007

Government authorities in Ivory Coast have announced that an investigation into the country's cocoa and coffee sectors has officially begun. President Laurent Gbagbo called for the inquiry last week, following accusations published in the local press that management of the cocoa and coffee boards were embezzling public funds. Phillip Wellman reports for VOA from Abidjan.

Ivory Coast prosecutor Raymond Tchimou gives a press conference in Abidjan, 23 Oct 2007. Government Prosecutor Raymond Tchimou said Tuesday the investigation was beginning to examine the several agencies that make up the cocoa and coffee boards. Non-government watchdog groups and local newspapers have recently accused the management of both bodies, which set prices for crops and oversee exports, of using profits for their own gain rather than for the benefit of producers. Farmers are obliged to pay a percentage of their income to the boards that are supposed to provide assistance when market prices fluctuate.

The accusation that prompted the current investigation was that the cocoa board was using a chocolate plant in the United States in a money laundering scheme. Several attempts to speak to officials of the organization have been unsuccessful, but prosecutor Tchimou says the board's actions will soon become transparent. Tchimou says the investigation will determine whether the accusations of fraud have any merit. If they are found to be true, he says authorities will work until they discover exactly who is responsible for the crimes and prosecute anyone who is found guilty.

He says the investigation is helping farmers to know exactly what their funds are being used for and is aiming to make the procedures of the cocoa and coffee boards more visible to the public. But critics say the investigation is nothing but political maneuvering by President Gbagbo. Several opposition leaders, including Secretary General of the Ivory Coast Democratic Party, Djedje Mady say if President Laurent Gbagbo really wanted to help the country's farmers, he would have launched an investigation much earlier.

Mady says some members of the government have been aware of corruption for years and have been benefiting from it themselves. He says he believes the motive behind the investigation is to divert attention from the fact that presidential elections continue to be postponed.

Mr. Gbagbo's presidential mandate was supposed to expire in 2005, but his term has been extended twice by the United Nations as the country remains split in two. A new election is the overall aim of a peace accord signed in March, but its projected date continues to be pushed back as necessary procedures run into frequent hurdles.

Deputy spokesman of the Ivory Coast Democratic Party, Boa Amoakon, who is also vice president of the government's legislative branch, the National Assembly, says President Gbagbo had no choice but to launch the investigation. Amoakon says there is no question that cocoa and coffee funds have been embezzled at the expense of farmers. "Even the president himself acknowledges it. So for us we are waiting for the confirmation. It is incredible what is going on. And we hope that the inquiry meeting will bring some [justice] after the investigation," he said.

Amoakon adds he believes the investigation will render results. He says he does not believe the inquiry is just a political strategy of the president because of the seriousness of the allegations and because so many people are dependent on the cocoa and coffee sectors in the country. "I am sure they will find something," said Amoakon. "I do not know at what level," he said. "You know a lot of things are going on. We hope that our men in the justice [system] will do a good job for us so we can go and ask the government to do what it has to do. It is a question for the government."

Ivory Coast is the world's top cocoa producer with half of the country's population dependent on the crop for their livelihoods. Ivory Coast is also Africa's leading producer of coffee.

World Cocoa Foundation Announces New Officers and Executive Committee Members

CSRwire.com (press release)

October 24, 2007

(CSRwire) VIENNA, VA -- The World Cocoa Foundation (WCF) is pleased to announce Karl Walk, director of cocoa for Blommer Chocolate Company, was elected chairman for a two-year term beginning in 2008. Jeff Morgan, director of global programs of Mars Incorporated, and Clive Barnes, assistant vice president of R&D knowledge and GLA management for Nestlé, were elected co-vice chairs for the 2008/2009 term. Alain Fredericq, director, chocolate - business development manager, ADM Cocoa, will continue in his role as secretary/treasurer for 2008.

WCF thanks outgoing Chairman John C. Long, vice president of corporate social responsibility for The Hershey Company, for his years of service. He will continue to serve on the Executive Committee and will support the new leadership in the position of chair emeritus.

Steve Genzoli, director of quality assurance and research and development for Ghirardelli Chocolate Company, and Gerry Manley, managing director of Olam Cocoa for Olam International Ltd., were elected to the WCF Executive Committee as representatives of the Small and Medium Enterprise (SME) membership category. To reflect growing membership in this category, SME representation on the Executive Committee has expanded from two seats to four seats.

Established in 2000, the World Cocoa Foundation plays a leading role in facilitating public-private partnerships to benefit cocoa farming communities through training programs and research. WCF is an industry-supported, non-profit organization representing over 60 chocolate companies and trade associations around the world that account for over 65% of chocolate manufactured. Members are from Europe, North America, Latin America, and Asia representing all components of the supply chain. Dedicated to the social and economic wellbeing of cocoa farmers in West Africa, Southeast Asia, and Latin America, the Foundation programs focus on raising farmer incomes, improving community wellbeing and supporting environmental sustainability.

For more information about the World Cocoa Foundation, or to find out how you can help support cocoa farmers, contact Bill Guyton at (703) 790-5012 or via e-mail at Bill.Guyton@worldcocoa.org. Also, visit the WCF online at: www.worldcocoafoundation.org.

For the Price of a Chocolate Portrait...

ARTINFO, NY, By Allen Strouse, October 24, 2007

An aphrodisiac, chocolate can inspire art as much as it enflames our passions. Cosimo Cavallaro's My Sweet Lord, a contemporary life-size statue of Christ made of milk chocolate, caused such a fervent protest in March that his show was cancelled. (The original sculpture was consumed by mice; its reincarnation will appear at The Proposition Gallery in Manhattan from October 27 to November 24.) Chocolate makes some people quite fanatic, like Damien Hirst, who recently commissioned a chocolate skull.

But if life is like a box of chocolates, it may also constitute one's livelihood. Vik Muniz, for example, makes a living by creating portraits with Bosco® chocolate syrup (well, actually, chocolate is just one of the many innovative media he uses; other works are made from peanut butter, jelly, junk, clouds, sequins, thread, dust, etc.). In previous works, he has used chocolate to depict Jackson Pollock in action, the Last Supper, and other iconic images. Now, you too can be part of the fun.

You and your loved one can commission one of Muniz's "His & Hers" chocolate portraits and receive a 60-by-48-inch museum-quality photo of the work, a limited edition of one. Available through Neiman Marcus's 81st annual "Christmas Book," this seems like a pretty sweet deal. But perhaps \$110,000 is a trifle much for an artwork made of truffles. What does \$110,000 buy?

Quite a lot, actually. Muniz will donate the proceeds of each painting's sale to Centro Espacial Rio de Janeiro, a charity he created to bring art projects to life for underprivileged young people in Brazil. "Poor people need money," Muniz says. "You need to help them directly. I don't believe in political art. Raising awareness: You have the newspaper for that."

The Centro Espacial came out of an exchange of ideas that occurred as Muniz collaborated with several young adults in his native Brazil. He believes that an arts organization can teach children valuable trade skills while cultivating the talents they already possess. He intends to create a community of critics, philosophers, and highly trained artists. The money generated from the sale of "His & Hers" will help outfit the school with furniture, space, and technology.

Of course, there are other less noble ways to spend your six-digit chocolate budget. Here's what else could you buy for \$110,000:

1. One and a half golden tickets: \$110,000 roughly covers the annual tuition of 1.5 students at the Milton Hershey School, an entirely free residential school. Founded by the great chocolate manufacturer, MHS provides education, career training, housing, clothing, sustenance, health care, and counseling to more than 1,000 children in need.
2. 1,834 cocoa trees. You may take out a year's lease on an organic Costa Rican cocoa tree for \$59.95. Receive at least five pounds of chocolate per tree. And since cocoa trees require a shady canopy for their survival, renting the tree guarantees the survival of part of the rainforest. How could such an investment make anyone even semi-bitter?
3. 55,000 22-ounce bottles (1.21 million ounces) of Bosco® chocolate syrup. Situated in a rather dark tradition, this chocolate played a leading role in Alfred Hitchcock's Psycho.
4. 295,672 ounces of Cocoa Puffs. You would have to be cuckoo indeed!
5. Excuse me, Mr. Owl. How many Tootsie Roll Pops could I purchase for \$110,000? Since you can get 17 of them for only \$1.99, Muniz's portrait is worth approximately 916,666 suckers. How many licks would it take to get to the Tootsie Roll center of all of them?
6. A Mayan pot. You could own one of the vessels from which Mayans ate their chocolate. In 2004, Sotheby's auctioned a 10 and a half-by-14-inch, finely etched vessel for \$114,000. Use the pot to prepare a Mayan dish of chocolate, honey, and chili, and follow the Mayan custom of eating chocolate at every meal.
7. Nearly 106 annual salaries for chocolate farmers in Cote d'Ivoire, the Western African nation that produces about 40 percent of the world's cocoa. The U.S. State Department reports that agricultural workers in the Ivory Coast make an average of about \$1,040 a year. Fluctuating cocoa prices mean that the country's reliance upon the sale of this commodity may really cause the economy to suffer a death by chocolate.

Muniz uses chocolate and other subversive materials to meditate upon our perception (like using skywriters to make cartoonish clouds). Here, his message is political as well. In Brazil, a country rife with violence and poverty, Muniz believes that an arts organization can train children to do the type of work that he is often commissioned to do, and thus make a good living. But the project, he stresses, is not about raising awareness of the children's misfortune, "it's about how wonderful they are."

A world without chocolate?

Villanovan (subscription), PA , Oscar Abello, 10/25/07

Villanova's supply of fair-trade chocolate begins on the tiny cocoa farms of Ghana, a small nation in Western Africa just north of the equator. Ninety-nine percent of Ghana's cocoa farms are between two and three hectares - about the size of three football fields. Farmers typically intercrop cocoa with other goods such as corn, spices or plantains to help provide shade for young cocoa trees and food for the farmer's family.

Harvesting is labor-intensive; pods are cut, split open and pulp removed by hand, because no machines have been developed that can handle all these tasks without damaging too many of the fragile cocoa beans inside the pods. Afterward, the beans ferment surrounded by pulp while wrapped in leaves for about a week and then lay out in the sun for another five to 12 days to dry.

Seventy percent of the world's cocoa comes from Western Africa, according to the World Cocoa Foundation, and there are between five and six million cocoa farms in the world, supporting 40 to 50 million people. Cocoa is nearly impossible to grow outside the tropics, making it a major export for the large number of developing economies in that region of the globe. The annual market value of cocoa is \$5.1 billion.

At the same time, the National Center for Atmospheric Research says in the past three decades the percentage of Earth's surface affected by drought has doubled, threatening the livelihood of the 70 percent of the world's poor who rely on agriculture for income - growing and selling crops such as cocoa. Due to global warming, they are now losing land on which to work, and rising average annual temperatures threaten to lower crop yields.

The threat global warming poses to the livelihood of the poor and the economic development of impoverished nations is so grave that this year the Norwegian Nobel Committee awarded the Nobel Peace Prize to the Intergovernmental Panel on Climate Change and former U.S. Vice President Al Gore Jr.

In three of the past four years, including this year, the Committee has looked beyond efforts dealing directly with violent conflict and instead recognized efforts to eliminate the root cause of conflict - often, the scarcity of resources. Last year's co-laureates Muhammad Yunus and the Grameen Bank were recognized for their efforts to lift people out of poverty via microfinancing. Three years ago, the committee awarded Wangari Maathai for her work helping poor African farmers by promoting ecologically sustainable agriculture.

This year's award recognizes advocates of global warming, a man-made phenomenon that threatens to destabilize nations such as Ghana and other developing economies whose livelihood depend on agricultural exports. Increasing scarcity of resources has usually been a major precursor to violent conflict. According to Amnesty International, as per capita income is halved, the odds that a country is in civil war doubles. The stakes are higher still. Stopping global warming has the indirect consequence of helping American workers, whose jobs are increasingly vulnerable to offshoring.

As global warming takes away the livelihood of those 40 or 50 million people that depend on growing and selling cocoa, those families will have to find work elsewhere. Typically, they will find it in other sectors such as manufacturing or services, placing them in direct competition for the same jobs currently held by many Americans.

What goes around comes around. Not only does collapsing agriculture threaten to incite violent conflict in developing economies, but it also means accelerated competition for labor markets around the world, leaving many developed-economy workers in limbo as well. If we reap what we sow, it might be time to start considering how global warming will affect our harvest, because we might just find ourselves in a world without chocolate. That is cause for war.

Unwrapping The Chocolate Wars

DealBreaker.Com, NY, By John Carney, 10/25/07



It's hard to underestimate the confusion that afflicts journalists when their journeys take them to any place where wealth intersects with politics. Even otherwise sharp writers can find themselves befuddled. A typical response is to retreat into a storied morality tale in which the "workers" or some small business—typically, a business that makes things the smart-set likes—fights against bigger businesses attempts to warp the political machinery in their favor.

A great demonstration of this befuddlement and retreat to orthodoxy can be seen in the latest issue of Portfolio. And don't worry, we're not going to write another three-thousand word dissection of the entire magazine. We've decided that even Portfolio deserves a chance to grow into its potential. So we'll wait at least until the next issue before doing that again. (Probably.)

In "Chocolate Wars," writer Alexandra Wolfe—the daughter of author Tom Wolfe—tells the tale of a struggle between the mass producers of chocolate—think Hershey or Nestle—and boutique makers of higher-quality chocolate. It's a fine enough story, certainly worth telling. In fact, it was the first thing we read when the new issue came out. And Wolfe is a more than capable writer, drawing the lines of battle and the reasons for it quite well. But it's also quite obvious that she never gets beyond the orthodox morality tale to see what's really happening. The recent troubles began when the cost of making chocolate began to grow. Wolfe tells this part of the story very well.

For as long as chocolate has been made, it's been smoothed out with the elixir called cocoa butter, an emulsified form of cacao that gives the finished product its silky texture. In the United States, the F.D.A. mandates that a product can't legally be labeled as chocolate unless cocoa butter is part of the formula. But because of a drought and political violence in Ivory Coast, a major source for cacao beans, the price of cocoa butter has skyrocketed. This has prompted some of the major chocolate makers, Hershey among them, to lobby the F.D.A. by way of a trade-group petition for a change that would let them substitute such cheaper ingredients as vegetable oil and dried milk for cocoa butter and still call their products chocolate.

It's a bit obvious from this that Wolfe is suspicious of the chocolate revolutionaries at Hershey and other members of the Big Chocolate cabal. Elsewhere she writes that the dustup is "over whether the traditional standards for making chocolate in the United States ought to be changed." But it's a bit mysterious why anyone would oppose innovations that might help keep chocolate cheap. It's hard to imagine anyone would oppose ethanol-imbued fuel on similar traditional grounds—describing the fight over fuel-components as "a dustup over whether the traditional standards for making auto-fuel in the United States ought to be changed."

So who opposes cheap, innovative chocolate making techniques? Warren Buffett, that's who. Berkshire Hathaway has been in the chocolate business since 1972, when it bought San Francisco Area chocolate maker See's. To be fair, Wolfe admits that Buffett's interest in the chocolate war is "pecuniary" but she doesn't seem to grasp why cheaper chocolate manufacturing is such a threat to makers of higher-end chocolate.

In fact, Wolfe seems to subscribe entirely for the line smaller chocolate makers line. "But many of the smaller chocolate makers see the effort to replace cocoa butter as a ploy that would allow the major companies to cut costs without risking their reputation—or sales. And that, the smaller companies argue, would not only mislead consumers but also give mass chocolate makers an unfair advantage," she writes.

She seems blind to the paternalism of the smaller chocolate makers. Surely everyone already knows the ingredients are right there on the label, so that chocolate made with something other than cocoa butter will be disclosed immediately to consumers. What's more, if the non-cocoa butter chocolate is really such a disastrous alternative, surely consumers would notice this too. In short, if the alternative recipe chocolate that Hershey wants to make is really so bad, shouldn't this help the smaller makers who stick to their guns?

What the smaller chocolate makers really fear is that chocolate consumers won't care enough to pay a premium for cocoa butter chocolate. When the price of making cocoa-butter chocolate increases, it decreases the price differential between the smaller makers and the big players. What the smaller makers are doing is trying to preserve the competitive advantage higher cocoa butter prices combined with the FDA requirements give them.

To put it another way, what's really motivating the smaller chocolate makers is not an adherence to some Platonic ideal of chocolate. And that's certainly not what's got Warren Buffett fretting. What they fear is that the new recipe will be too good, and that chocolate consumers will flee the higher-priced cocoa chocolate for the lower priced, but still yummy, stuff that Big Chocolate wants to churn out.

We suppose that Wolfe is entitled to take the side of fancy, more expensive chocolate made in a traditional way. But by ignoring—or, worse, not noticing—at least half of the underlying real economic and politics dynamics behind the chocolate wars, she renders her article far less useful to readers. And since ignoring that part of the war makes her article read like just another version of the orthodox morality tale, she also makes her article a lot more boring.

But what she not entitled to do is take cheap shots at Hershey by expressing amazement that they regard her as unsympathetic. She ends her article by complaining that Hershey's press office cancelled an invitation to tour a chocolate plant they own. But when you're taking the official line of the traditionalists, you can't really complain that revolutionaries don't want to invite you over.

Beyond The Chocolate War

DealBreaker.Com, NY, By John Carney, 10.25.07

We decided to write about the Chocolate Wars yesterday because it nicely illustrated a recurrent economic dynamic—the way companies attempt to use government regulation to gain competitive advantage. Alexandra Wolfe's article in Portfolio touched on an important aspect of this dynamic when she described the efforts of the Chocolate Manufacturers Association, a trade group dominated by the biggest names in chocolate, to get the government to lift restrictions on the recipe for anything called chocolate. Big Chocolate, really from competition from artisanal chocolate makers and increases in the price of cocoa butter, wants to use cheaper ingredients to cut the costs of manufacturing the stuff.

We wanted to emphasize the other side of this regulatory battle—the economic motives of the artisanal chocolate makers who are lobbying against the Big Chocolate reforms. The artisanal crowd makes lots of unsustainable arguments against the proposed reforms that serve to cover up what’s really going on. And what’s really going on is what’s always going on, businesses seeking advantage over competitors. The artisanal chocolate makers advance some extremely unsound arguments. The first is that chocolate made with substitutes for cocoa butter—a smoothing ingredient that adds texture to chocolate—are vastly inferior. But if this were true, they’d welcome Big Chocolate’s move. Customers would turn away from New Chocolate the way they turned against New Coke, opening up a huge market for the artisans.

What the artisinals seem to fear is that New Chocolate won’t be bad enough to drive away customers from Big Chocolate. To put it differently, they suspect that chocolate consumers may decide that they’d rather eat cheaper stuff made without cocoa butter than pay a premium for the old-fashioned product. And they want to make sure that consumers are given the opportunity to make this choice. And what they really want is to prevent Big Chocolate from engaging in price competition with their more expensive products by finding cheaper ways to make chocolate.

[More on the Chocolate Wars after the jump.]

This is a common dynamic in the market for food products. The most familiar case has to do with champagne, which French wine-makers insist only comes from a region in France. Everything else is merely sparkling wine. For the most part, people ignore this distinction and refer to any kind of sparkling wine as champagne. There’s a subtle argument to be made that allowing wine makers from other regions to call their sparkling wine champagne would deceive consumers into thinking that what they are drinking is bubbly from Champagne, France. But this argument cracks under the reality that few people actually know Champagne is a region, much less care whether the champagne they are drinking actually comes from there.

But it’s not just Champagne. We see similar arguments all over Europe about what may be labeled under familiar, popular names. Cognac. Parmesan. Even cheddar cheese has its Cheddar purists.

But these arguments at least have the strength of a long-standing tradition backing them. No matter how many times artisanal chocolate makers talk about “tradition” the truth is that what they are proposing the government protect is a relatively new way of making chocolate. In fact, until recently chocolate was for drinking and was almost never consumed in solid form. The industrial revolution brought about the mechanical cocoa press, making chocolate more affordable to the masses and creating a chocolate with a smoother, sweeter taste. It wasn’t until 1830 that solid chocolate was developed by Fry and Sons in England. At any stage of these developments, it’s easy to imagine traditionalist chocolate makers objecting. Chocolate not produced entirely by hand! Horrors! Chocolate is a drink not a solid!

Some object that customers eating New Chocolate would be being deceived because few people read the labels naming the ingredients on food. That’s largely true, as far as consumer habits go. But if New Chocolate was actually vastly inferior, customers wouldn’t have to read the labels. They would taste it and feel it in their mouths. Again, the fear here seems to be that customers could eat New Chocolate without noticing. Or that, if they did notice, they would prefer to pay less for the New Chocolate than the Old Chocolate. But why should the government be in the business of preventing unnoticeable changes or stopping consumers from making their own cost vs. taste decisions?

We actually don’t have an opinion on what should count as chocolate. We suspect we prefer the traditional stuff. But we haven’t heard a plausible argument for why the government should have an opinion on this either. And, perhaps more importantly, we don’t think it makes sense to even discuss this issue without paying attention to the economic and politics of artisanal chocolate makers attempting to avoid price competition with New Chocolate.

Research and Markets: Get An Instant Overview Of The UK Chocolate Confectionery Market

Oct 19, 2007 (M2 PRESSWIRE via COMTEX) -- Dublin:

Research and Markets (<http://www.researchandmarkets.com/reports/c72109>) has announced the addition of "Snapshots UK Chocolate Confectionery 2007" to their offering

Snapdatas Snapshots UK Chocolate Confectionery 2007 provides 2005 year-end market size data, with 2006 estimates, 4 years of historical data and five-year forecasts. The Snapshots report gives an instant overview of the UK chocolate confectionery market, and covers countlines, boxed chocolates, moulded chocolate bars and others. It does not include sales of cocoa and chocolate drinks. Market value is based on retail sales. The data is supplied in both graphical and tabular format for ease of interpretation and analysis. The Snapshots UK Chocolate Confectionery 2007 forms part of Snapdatas Food industry coverage.

Benefits of the Snapshots Reports

The Snapdata product range is designed to save time for clients by providing an industry data overview, market size, shares and forecasts; verified with full sourcing.

Easy to search, quick to access, and clear and concise to use: Snapdata reports can save 40% of resources in those early stages of a project. Sometimes just a report from the Snapshots Series is all that is required for an internal client's first request. But when the project develops, the reports also help your internal research team prepare a fuller picture for their end-users utilizing the further sources provided in each report for industry drivers and analytical information, enabling them to provide a more detailed document based on solid figures but tailored to the end-users' requests.

Production schedule

Snapdata reports are published throughout the year. Focusing on when the most reliable data is available to research, additional new requested titles and expansion of the range follow market demand. For example 200 automotive titles were published before March 2005 with full year-end 2004 data across 35 countries. Retail, which is a hugely fragmented sector, especially in developing markets, is published throughout the year, as the most reliable data becomes available and can be verified from multiple sources.

Topics Covered:

- Snapshots Executive Summary
- Category Definitions
- Market Size by Value (2002-2006)
- Market Segmentation by Value
- Market Shares by Value
- Company Websites (Main Players)
- Market Forecast by Value (2007-2011)
- Socio-Economic Data for UK
- Snapshots Sources for Further Research

Companies Mentioned:

- Cadbury

For more information, visit <http://www.researchandmarkets.com/reports/c72109>

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TIT BITS

(Source: Business Recorder – www.brecorder)

London coffee falls; sugar and cocoa rise

LONDON (October 17, 2007): London robusta coffee futures finished lower on Tuesday with the front month's premium tumbling as system funds liquidated and rolled forward long positions, dealers said.

US MIDDAY: coffee and cocoa gain

NEW YORK (October 17, 2007): ICE Futures US arabica coffee futures were little changed in early trade on Tuesday, after closing down 7 percent on Monday in response to the first spring rains arriving in top producer Brazil, traders said. cocoa futures found support amid light volume.

ICE cocoa settles up

NEW YORK (October 18, 2007): US cocoa trading in the pit settled mildly higher Tuesday, after a quiet session marked by thin dealings and light short covering, traders said. "There was light origin selling early but it disappeared. There were some big bids on the screen but (they) did not move the market," one trader said.

London coffee, sugar down; cocoa up

LONDON (October 19, 2007): London robusta coffee futures ended mostly lower on Thursday, weakened by a sharp setback in New York's arabica market linked to forecasts of rain in Brazil, dealers said. cocoa ended slightly higher with the market edging up after rebounding off key support earlier this week while white sugar ended lower weighed down by a global supply surplus.

US MIDDAY: coffee down, cocoa up

NEW YORK (October 19, 2007): ICE Futures US arabica coffee sank more than 5 percent to a one-month low in early trade on Thursday, after a part of top producer Brazil's coffee belt saw some much-needed rain, traders said. cocoa inched higher in quiet dealings.

ICE cocoa settles higher

NEW YORK (October 19, 2007): US cocoa trading on the floor finished firmer on Wednesday after a quiet session, supported by short-covering and speculative buying, traders said. "It was very slow and then all of a sudden it shot from \$1,987 to \$1,899 inside of two minutes and then it just wilted and fell out of bed. I think the failure up around \$1,900 attracted a little bit of spec profit-taking," one trader said about the key December contract.

Training Course Focus: Confectionery Courses Portfolio

To: All COPAL Member Countries
From: COPAL Secretariat
Subject: Confectionery Courses
Date: 25th October 2007

The Secretary General sends his compliments and has the honour to inform all Member Countries about an invitation from Leatherhead Food International (LFI) on their portfolio of confectionery courses in November 2007. These courses will provide a practical knowledge of the basic principles in the diverse areas of sugar and chocolate confectionery.

The Secretariat recommends these courses as a means towards enhancing our efforts in the promotion of cocoa consumption.

Participants should apply directly to the organisers (LFI). All courses are offered in English only.

**Training Course Focus:
Confectionery Courses Portfolio**

Sugar Confectionery Production 20-22 November 2007

Chocolate Confectionery Production 27-28 November 2007

Chocolate Enrobing 29 November 2007

Delegates can book onto an individual confectionery courses or all three.

During the **Sugar Confectionery** course learn about the different techniques of confectionery production such as sugar panning, chewing gum manufacture and aerated confectionery.

In the second week learn about **Chocolate Manufacture** from bean to bar and everything in between with some hands on experience of tempering, moulding, dipping and cooling chocolate.

Finally enjoy a day **Enrobing Chocolate** bars, learn about the common problems and how to overcome them such as tails and feet, controlling pick up and flow properties.

The charges for the courses are as follows:

Booking

	UK Delegates	Non-UK Delegates *
Sugar Confectionery Production	LFI Member £975 + £170.63 VAT Non-Member £1300 + £227.50 VAT	LFI Member £1300 less discount of £325 = £975 + £227.50 VAT Non-Member £1300 + £227.50 VAT
Chocolate Confectionery Production	LFI Member £815 + £142.63 VAT Non-Member £1015 + £177.63 VAT	LFI Member £1015 less discount of £200 = £815 + £177.63 VAT Non-Member £1015 + £177.63 VAT
Enrobing Chocolate Bars	LFI Member £480 + £84 VAT Non-Member £585 + £102.38 VAT	LFI Member £585 less discount of £1050 = £480 + £102.38 VAT Non-Member £585 + £102.38 VAT
<i>* UK VAT regulations do not allow VAT discounts on Member fees</i>		

Please note all prices are exclusive of VAT.

Further inform and bookings can be obtained at the following website:

<http://www.leatherheadfood.com/confectionery/booking.asp>

Training courses in the areas of **Crisis Management, Food Safety, Ingredients, Legislation, Nutrition & Sensory** and **Product Development** are all running during **October, November & December 2007.**

Unless otherwise indicated all events take place at LFI's offices in Leatherhead, Surrey, UK.

