



COPAL COCOA Info

A Weekly Newsletter of Cocoa Producers' Alliance

Issue No. 291

7th – 11th July 2008

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)
7 th July	1796.46	2916.11	1525.00	2868.00
8 th July	1820.05	2959.03	1546.67	2913.67
9 th July	1823.38	2964.36	1540.67	2917.33
10 th July	1814.16	2950.11	1539.67	2896.33
11 th July	1810.44	2951.94	1529.67	2901.00
Average	1813.00	2948.00	1536.00	2899.00

Up-coming Events

- 71st General Assembly and Council of Ministers Meetings, 8th – 12th September 2008, Punta Cana, Dominican Republic

In the News (from Newspapers worldwide)

Health and Nutrition

- COPAL set to spread benefits of Cocoa
- The good chocolate
- More research needed into effects of flavonoids and flavonoid-rich food sources on heart disease

Production and Quality

- RI cocoa production floored by pests while global prices rise
- Give coconut and cocoa appropriate investment: Ramo

The Market

- AGRIBUSINESS: Cocoa prices rise 1.46% at NYBOT
- SOFTS-Sugar up, but coffee and cocoa mostly down

Processing & Manufacturing

- German cocoa grindings increase by 13.4% in Q2 2008
- European Q2 cocoa grind rises 1.7 pct on Year

Business & Economy

- Licensed buying Companies to be banned - Mr Isaac Osei
- Neuhaus launches exclusive single origin chocolate

- Cocoa catwalk: sacks are sweet for Ivorian designer

- Seminar discusses WTO admission impact on coffee, cocoa, pepper and cashew sectors
- The cut-throat world of chocolate

Research & Development

- US scientific muscle behind cocoa-plant research that could boost Africa
- Insect repellent breakthrough in PNG

Environmental Issues

- Chocolate's bitter sweet relationship with the rainforest
- Confectioners, environmentalists come together for cocoa farmers

Others

- Côte d'Ivoire: Ivorian Leader out to clean Country's Cocoa Sector
- Cocoa farmers warned against the use of unapproved agro-chemicals
- Ghana has Capsid-Bug Cocoa Pest 'Under Control,' Regulator Says
- Ivory Coast fuel hikes seen hurting cocoa farmers
- Champagne wishes and chocolate dreams
- Ruminations on Chocolate

INSIDE THIS ISSUE:

- ✓ ICCO DAILY COCOA PRICES
- ✓ LONDON AND NEW YORK FUTURES MARKETS UPDATE
- ✓ SPOT PRICES
- ✓ NEWS
- ✓ TIT BITS

Do your health a favour, drink Cocoa everyday
'it's nature's miracle food'

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

Monday 7th July 2008

Month	Opening Trans	Settle	Change	Daily High	Daily Low	Volume
Jul 2008	1645	1597	-65	1646	1596	1,390
Sep 2008	1593	1542	-62	1594	1536	10,777
Dec 2008	1569	1530	-56	1573	1523	6,687
Mar 2009	1535	1503	-54	1535	1500	3,283
May 2009	1534	1505	-50	1534	1503	264
Jul 2009	1528	1510	-50	1534S	1508S	181
Sep 2009	1534	1510	-50	1534S	1525	38
Dec 2009	1527	1515	-49	1527	1516S	18
Mar 2010		1528	-47			0
May 2010		1530	-45			0
Average/Totals		1527				22,638

Tuesday 8th July 2008

Month	Opening Trans	Settle	Change	High	Low	Volume
Jul 2008	1597	1619	22	1623S	1595	1,955
Sep 2008	1548	1564	22	1568	1533	9,695
Dec 2008	1534	1549	19	1552	1519	4,127
Mar 2009	1509	1527	24	1531	1495	3,960
May 2009	1511	1528	23	1524	1502S	1,065
Jul 2009	1515	1529	19	1519	1502	253
Sep 2009	1515	1526	16	1528	1500S	87
Dec 2009	1513	1529	14	1513	1513	1
Mar 2010		1541	13			0
May 2010		1542	12			0
Average/Totals		1545				21,143

Wednesday 9th July 2008

Month	Opening Trans	Settle	Change	High	Low	Volume
Jul 2008	1624	1618	-1	1624	1604	3,400
Sep 2008	1568	1558	-6	1569	1546	9,140
Dec 2008	1551	1543	-6	1553	1530	3,151
Mar 2009	1528	1521	-6	1530S	1510	2,239
May 2009	1516	1521	-7	1519	1515	146
Jul 2009	1510	1521	-8	1520S	1508	125
Sep 2009	1515	1518	-8	1517S	1510	111
Dec 2009		1520	-9			113
Mar 2010		1532	-9			0
May 2010		1533	-9			0
Average/Totals		1539				18,425

Thursday 10th July 2008

Month	Opening Trans	Settle	Change	High	Low	Volume
Jul 2008	1628	1618	0	1628S	1610	8,705
Sep 2008	1567	1556	-2	1567	1548	13,339
Dec 2008	1550	1542	-1	1550	1534	2,539
Mar 2009	1525	1521	0	1526	1514	1,307
May 2009	1522	1522	1	1525	1522S	1,317
Jul 2009	1525	1525	4	1525	1525	10
Sep 2009		1522	4			0
Dec 2009		1524	4			0
Mar 2010		1536	4			0
May 2010		1537	4			0
Average/Totals		1540				27,217

Friday 11th July 2008

Month	Opening Trans	Settle	Change	High	Low	Volume
Jul 2008	1622	1609	-9	1630S	1590	4,395
Sep 2008	1561	1540	-16	1580	1516	12,501
Dec 2008	1544	1534	-8	1565	1510	3,795
Mar 2009	1522	1515	-6	1535	1490	2,183
May 2009	1523	1516	-6	1527S	1495	1,019
Jul 2009		1519	-6			0
Sep 2009	1526	1516	-6	1526	1523S	25
Dec 2009	1528	1518	-6	1528S	1502	9
Mar 2010		1530	-6			0
May 2010		1531	-6			0
Average/Totals		1533				23927

Average for the week	1525					22670
Total for the week						113,350

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

Monday 7th July 2008

Month	Open	Price	Change	High	Low	Volume
Jul 2008	3014	2950	-280	3014	2950	25
Sep 2008	3079	2880	-256	3079	2871	11452
Dec 2008	3060	2879	-245	3060	2870	2527
Mar 2009	2949	2858	-224	2949	2853	868
May 2009	2865	2856	-219	2865	2850	78
Jul 2009		2847	-215	2847	2850	1
Sep 2009		2850	-218	2850	2853	38
Dec 2009		2853	-214	2853	2848	
Mar 2010		2848	-215	2848	2860	
May 2010		2860	-217	2860		
Average/Totals		2859				14989

Tuesday 8th July 2008

Month	Open	Price	Change	High	Low	Volume
Jul 2008	2980	3000	50	3000	2980	7
Sep 2008	2898	2922	42	2950	2857	21807
Dec 2008	2885	2919	40	2944	2856	4570
Mar 2009	2876	2896	38	2910	2840	2247
May 2009	2850	2894	38	2894	2846	54
Jul 2009	2841	2885	38	2885	2841	1
Sep 2009	2884	2882	32	2887	2874	
Dec 2009		2895	42	2895	2895	1
Mar 2010		2890	42	2890	2890	1
May 2010		2889	29	2889	2889	
Average/Totals		2897				28688

Wednesday 9th July 2008

Month	Open	Price	Change	High	Low	Volume
Jul 2008	3014	2966	-34	3014	2966	2
Sep 2008	2934	2927	5	2940	2891	9,884
Dec 2008	2825	2918	-1	2930	2881	2,900
Mar 2009	2897	2897	1	2911	2858	371
May 2009	2868	2892	-2	2892	2868	233
Jul 2009	2870	2882	-3	2882	2849	26
Sep 2009	2875	2893	11	2893	2870	34
Dec 2009	2875	2902	7	2902	2875	
Mar 2010		2897	7	2897	2897	
May 2010		2894	5	2894	2894	
Average/Totals		2907				13450

Thursday 10th July 2008

Month	Open	Price	Change	High	Low	Volume
Jul 2008	3005	2982	16	3012	2982	1
Sep 2008	2934	2910	-17	2934	2897	6,587
Dec 2008	2904	2904	-14	2915	2892	1,871
Mar 2009	2890	2884	-13	2899	2875	217
May 2009		2879	-13	2879	2879	117
Jul 2009		2868	-14	2868	2868	143
Sep 2009		2880	-13	2880	2880	25
Dec 2009		2883	-19	2883	2883	8
Mar 2010		2879	-18	2879	2879	
May 2010		2903	9	2903	2903	
Average/Totals		2897				8969

Friday 11th July 2008

Month	Open	Price	Change	High	Low	Volume
Jul 2008		2983	1	2983	2983	8
Sep 2008	2914	2912	2	2950	2869	4,698
Dec 2008	2900	2909	5	2938	2870	902
Mar 2009	2890	2885	1	2900	2850	217
May 2009	2877	2880	1	2880	2877	2
Jul 2009	2865	2868		2868	2865	1
Sep 2009		2880		2880	2880	
Dec 2009		2881	-2	2881	2881	1
Mar 2010		2876	-3	2876	2876	1
May 2010		2880	-23	2880	2880	
Average/Totals		2895				5830

Average for the week	2887				17982
Total for the week					71,926

Spot Prices [US\$ per tonne]

	7 th July	8 th July	9 th July	10 th July	11 th July
Main Crop Ghana, Grade 1	3320	3424	3359	3342	3344
Main Crop Ivory Coast, Grade 1	3198	3320	3255	3238	3240
Main Crop Nigerian, 1	3175	3299	3234	3217	3219
Superior Arriba	3182	3272	3207	3190	3192
Sanchez f.a.q.	3217	3344	3279	3262	3264
Malaysian 110	2865	2977	2912	2895	2897
Sulawesi f.a.q.	3128	3234	3169	3152	3154
Ecuador Cocoa Liquor	5059	5387	5269	5238	5242
Pure Prime Press African Type Cocoa Butter	8198	8587	8400	8352	8357
10/12% Natural Cocoa Press Cake	1286	1386	1356	1348	1349

Source: Cocoa Merchants' Association

News

Health and Nutrition

COPAL set to spread benefits of Cocoa

This Day, Nigeria

By Olaolu Olusina,

07.07.2008

Nigerians have been urged to show more interest in the consumption of cocoa products because of their health and nutritional benefits.

An expert in cocoa and head of the Economic Department at the Cocoa Producers' Alliance (COPAL), Mr. Michael Owusu-Manu made the call on Friday while speaking with THISDAY in Lagos. Owusu-Manu said Nigerians should tap into the immense benefits in cocoa as the country is the third largest producer in West Africa and the fourth largest producer in the world with about 300,000 metric tons per year.

According to the COPAL official, cocoa products are known to have curative ingredients for many ailments than the conventional drugs. He disclosed that COPAL will soon embark on a massive campaign to encourage the consumption of the products in Nigeria. "COPAL had initiated the move in the past but the tempo later went down. Now, we are about to start a new campaign to encourage Nigerians to develop more interest in the consumption of cocoa products because of their health and nutritional benefits," he said.

COPAL with its headquarters in Lagos, according to Owusu-Manu, is an inter-governmental organisation that is made up of 10 cocoa-producing countries. The objectives, he said, include that of contributing to the achievement of the Millennium Development Goals (MDGs). "For us in the cocoa industry, we are targeting hunger alleviation, ensuring environmental sustainability and the enhancement of efficient productivity," he said. He however added: "One of the issues in the industry today is sustainable cocoa production. How do we produce cocoa today to ensure that future generations continue to use the same land to produce?"

The good chocolate

Stuff.co.nz, New Zealand

WORLD OF SCIENCE - BOB BROCKIE

07 July 2008

The chocolate news continues to be good. A string of recent scientific and medical publications confirm that eating dark chocolate helps just about everything.

Experiments on Greek youths showed that chocolate made their arteries more elastic and improved the circulation of their blood. Other tests show that it slightly reduces blood pressure. It also helps prevent persistent coughing by soothing and moistening your throat. The cocoa ingredient theobromine is nearly one third more effective than usually prescribed codeine in reducing coughing.

Another study concluded that melting chocolate in one's mouth increases brain activity and heart rate more intensely than does passionate kissing (the leader of that study insists he did not include his wife in his experimental sample). More medical evidence suggests dark chocolate is anti-diarrhoeal, stimulates the brain, may slow brain decay with old age and that cocoa flavonoids may have anti-cancer effects, but more research is needed.

A survey in Bath, England, revealed that many more chocolate eaters were happier than chocolate refuseniks. On the downside, eating milk chocolate or white chocolate, or drinking fat-containing milk with dark chocolate, appears largely to negate the health benefits. It's worse for dogs, cats, horses, parrots and rodents. The cough-stifling chocolate chemical theobromine can poison them. A big box of chocolates has been known to kill a small dog.

Mars Incorporated, the giant American company (Mars Bars, M&Ms), spends money each year on cocoa flavonoid research. Mars is talking with pharmaceutical companies to license drugs based on these molecules. According to Mars-funded researchers, cocoa-based prescription drugs could potentially help treat diabetes, dementia and other diseases. The same company is to spend US\$10 million during the next five years decoding the dna of the cocoa tree. Mars wants to identify the best chocolate flavour genes, so it can improve the taste of its products. It also wants to produce higher-yielding crops.

Traditional methods of plant improvement take about six years to come up with promising new strains of cocoa trees. Researchers say they can do it in 18 months.

Most of the world's cocoa beans are produced by farmers working small family plots in West Africa. Child and even slave labour blight the industry in some regions, but the trees themselves are blighted by the black pod fungal disease. The fungus has driven many small growers off their land. Mars Inc wants to help the farmers by developing disease-resistant trees. It might also develop cocoa trees that will grow in colder climates.

When Mars Inc eventually decodes the cocoa dna, alarmists warn that we're in for big trouble. They claim that growing cocoa in cold climates will drive the traditional tropical growers out of business, that Mexicans will rush to patent chocolate's dna and demand royalties, and that we'll all die of frankenchocolate if pesticides don't get us first. Pass the chocolates.

More research needed into effects of flavonoids and flavonoid-rich food sources on heart disease

News-Medical.net, Australia

Medical Research News

10-Jul-2008



More research is needed into food compounds which could reduce the risk of heart disease, according to a systematic review of trials carried out so far.

Dr Lee Hooper from the University of East Anglia (UEA) led a group of scientists who analysed 133 studies on the effects of flavonoids and flavonoid-rich food sources on heart disease related risk factors. It is

known that consuming certain foods may reduce the risk of cardiovascular disease and increased attention is being focused on flavonoids, a diverse group of compounds that occur naturally in many commonly consumed fruits, vegetables, herbs, grains and drinks.

The health benefits associated with flavonoids were reported as early as 1930, but limited data and a small number of studies have made it difficult for scientists to make specific recommendations regarding flavonoid consumption and health.

The review, thought to be the first of its kind, was carried out to gain a better understanding of which flavonoids and flavonoid-rich foods are most beneficial to human health and identify priorities for future research. It involved scientists from UEA, the Institute of Food Research, the Harvard School of Public Health, the Heart Research Institute and Kings College London. The results are published in the July issue of the American Journal of Clinical Nutrition. While the analysis confirmed differential effects among flavonoid subclasses and flavonoid-rich foods, it found significant research gaps for some common subclasses, such as anthocyanins and flavanones.

Acute and chronic consumption of chocolate or cocoa increased flow-mediated dilation, an indicator of vascular blood flow, and reduced blood pressure. However there was no evidence that chocolate or cocoa had an effect on low-density lipoprotein (LDL) - the 'bad' cholesterol - concentrations. The effects of different soy sources on blood pressure also varied. Acute intake of black tea increased blood pressure, whereas that of green tea significantly reduced LDL cholesterol.

Dr Hooper, from the School of Medicine, Health Policy and Practice, said the review highlighted the need for studies that explain the role of individual flavonoids and the relevant effects on heart disease risk factors. "This next step will advance flavonoid research and help determine optimal doses or specific food sources required to reduce heart disease risk. Meanwhile existing data suggests that consuming a variety of flavonoid-rich food sources - aiming for 5 portions of fruit and vegetables daily - will be beneficial to our health."

The results of the review come as researchers at UEA embark on a study to find out whether flavonoids in cocoa reduce heart disease risk in women with diabetes. Postmenopausal women with type 2 diabetes will be asked to eat a bar of specially formulated chocolate every day for a year. It will provide a higher dose of the protective compounds than found in standard chocolate, while soy has also been added to maximise the potential benefits.

Production and Quality

RI cocoa production floored by pests while global prices rise

Jakarta Post, Indonesia

Novia D. Rulistia, The Jakarta Post, Jakarta

08/07/2008

Indonesia's cocoa production fell 7.6 percent to 480,000 tons in the first half of this year compared to in the same period last year due to failure to prevent pest attacks, an association says.

Halim Razak, chairman of Indonesia's Cocoa Producers Association (Askindo), said Monday the fungus and pest attacks should have been fairly easy to address had the farmers been trained in proper planting and pest control. "The guidance they have received so far is still relatively small. The government still doesn't pay much attention to the importance of farmer training," Halim said. He said at least 1,000 trainers were needed to supply knowledge to the farmers of the nation's 1 million hectares of cocoa plantations, as opposed to the less-than 100 trainers currently active.

Indonesia's cocoa yield rate currently averages 0.7 tons per hectare per year, lower than the widely-used standard of 2.5 tons per hectare per year, according to the association's data. "In the coming years, it's likely the farmers will shift from planting cocoa to other commodities if this trend continues," he said, adding that Southeast Sulawesi was in danger of suffering pest attacks, as other plantations had been so ruined in the area.

Kompas reported earlier, citing Southeast Sulawesi's Agency of Farm and Horticulture, that thousands of hectares of cocoa plantations in Kolaka Utara regency were in danger of being destroyed by pest and fungus attacks. According to the agency, Kolaka Utara has 45,000 hectares of cocoa plantations. The pest attacks have caused production in the regency to drop this year to just 100 kilograms per hectare per annum from between 1 and 1.5 tons per hectare per annum last year.

Sulawesi accounts for 50 percent of the country's total cocoa production. The production decline means Indonesia is missing out on potential windfall revenues amid the high global price of the commodity, a result of high demand, Halim said. Cocoa currently sells on the international market at Rp 26,000 (US\$2.78) per kilogram. Global demand for cocoa increased 3.5 percent last year, while supply rose 2.5 percent, he said.

Cocoa is the main raw material for chocolate, and according to Askindo, Indonesia's chocolate consumption stands at 0.6 kilograms per capita per year, compared to 16 kilograms per capita per year in Europe.

Indonesia is the world's third largest producer of cocoa beans, after the Ivory Coast and Ghana. However, Indonesia's exports are not used in high-profile brands, including Cadbury of Britain and Hershey's of the U.S., despite those countries relying on imports. Last year, Indonesia exported 300,000 tons of cocoa mostly to Malaysia, the United States and Brazil. In 2006, the country exported 490,000 tons.

Give coconut and cocoa appropriate investment: Ramo

Solomon Star, Solomon Islands

By MOFFAT MAMU

12 July 2008

THE coconut and cocoa industry should be given appropriate level of investment because it has potential to support the economy in the future. This was the statement of Commodities Export Marketing Authority (CEMA) development and extension manger Alfred Ramo.

Mr Ramo made this remark during a visit by Prime Minister Dr Derek Sikua and his delegation to the CEMA stall at the Trade Show ground Thursday. He said coconut and cocoa have a lot of potential to boost the country's economy in revenue earning and job opportunities for the rural sector. He said unlike logging which is now dying, these two industries are sustainable.

Mr Ramo said in the provinces many women and children still engaged in cocoa production with new cocoa farmers emerging. As for the coconut industry, Mr Ramo said many farmers engaged in this industry for copra production. He said last year copra earned around \$47million while cocoa \$51.5million. "More than half of these amounts go to the rural areas," he said.

Mr Ramo said this year cocoa is expected to earn \$66.6million while copra \$128.1million. "There is a big future for these two industries. But the government must help improve infrastructure for farmers to access their markets and also assist exporters," he said.

The Market

AGRIBUSINESS: Cocoa prices rise 1.46% at NYBOT

Gazeta Mercantil, Brazil

SÃO PAULO,

8/7/08

SÃO PAULO, 7/8/08 - Cocoa contracts maturing in September closed up 1.46%, quoted at US\$2,922 per tonne on the New York Board of Trade (NYBOT). In London, contracts for September rose 1.43%, quoted at 1,564 pound sterling per tonne. Prices rose due to the rains in Ivory Coast - the world's largest producer of the commodity -, which favored the development of the country's cocoa crop. (newsroom/cferreira - InvestNews)

SOFTS-Sugar up, but coffee and cocoa mostly down

Forbes, NY

By Rene Pastor, David Brough and Nigel Hunt

09/.07/08

LONDON/NEW YORK, (Reuters) - Sugar prices punched higher Wednesday but coffee and cocoa futures were largely easier as the soft commodity complex appeared to be consolidating following its recent losses, analysts said.

Most market participants believe the sugar market, when compared to other commodities which have rocketed up in searing rallies, is undervalued and has room to roam upward. "Compared to what has happened in other commodities during the course of this year, sugar looks cheap," said Toby Cohen, head of research at sugar merchant Czarnikow.

Ralph Preston, futures analyst with HeritageWestFutures.com in San Diego, said sugar appears poised "to reap the rewards of high energy prices."

Jonathan Kingsman, managing director of Lausanne-based Kingsman SA, said he was friendly to sugar due to factors such as disappointing yields in top grower Brazil, scaled-back output forecasts for India, buoyant prospects for Brazilian cane-based ethanol exports, and low U.S. beet acreage. But Kingsman pointed to the fact that global sugar stocks were still plentiful. If crude prices fell and the dollar strengthened, sugar would be vulnerable to price falls.

The key New York October raw sugar contract gained 0.11 cent to finish at 13.86 cents per lb. The London August white sugar contract climbed \$9.50 to close Wednesday at \$393.50 per tonne.

Sugar prices also got a boost from higher crude values after Iran announced it had test fired missiles. But the market backed off late and the sweetener should follow crude's lead in the days ahead.

COCOA MIXED BUT NEAR HIGHS. COFFEE SLIDES

London cocoa futures were easier at the close, but analysts feel downside was limited by lingering worries over a possible supply shortfall from the world's top three growers. "Cocoa looks like it wants to blast off," HeritageWestFutures' Preston said, adding he believes bean futures still have "further highs in the future."

A cocoa futures dealer in London added that "there's a bit of profit-taking. Industry are buyers around 10-20 pounds below where we are now."

The benchmark New York September cocoa contract went up \$5 to settle at \$2,927 a tonne. In London, the September cocoa contract shed six pounds to end at 1,558 pounds a tonne.

Coffee prices trended lower and dealers said the market's fundamentals remained bearish, with large crops in Brazil and Vietnam anticipated this year. "We have large players coming in and out of the market and moving prices right now. With such a hard sell-off that we just witnessed, there is a high possibility to see further follow-through liquidation," said Preston.

But coffee's chart picture looks a bit more positive. "You could argue chart-wise it is a really good opportunity to buy. Technicals are working better than fundamentals at the moment," one dealer in London said. Producer accounts were largely inactive following the large drop in prices.

The London September robusta contract fell \$1 to finish at \$2,301 a tonne. The ICE September arabica contract arabicas fell 1.80 cents to conclude at \$1.406 per lb.

Processing & Manufacturing

German cocoa grindings increase by 13.4% in Q2 2008

Source: FLEXNEWS

07/07/2008

According to data from the German confectionery industry association - Bundesverband der Deutschen Suesswarenindustrie - Germany's cocoa bean grind amounted to 89,052 tons in the second quarter of 2008, up 13.4% on the year. However, Q2 grindings are down from Q1 2008 grindings of 102,123 tons. German cocoa grindings are seen as the first indication of cocoa use in Europe.

European Q2 cocoa grind rises 1.7 pct on Year

Source: Reuters

11/07/2008

London, July 11 - Europe's cocoa grind was up 1.7 percent year-on-year in the second quarter at 328,920 tonnes, the Brussels-based European Cocoa Association (ECA) said on Friday. The ECA's quarterly statistics cover most of the grinding industry in the European Union and Switzerland.

Year-to-date, the grind was 3.3 percent higher at 683,491 tonnes. Earlier this week, the association of German confectionery producers, BDSI, reported the German grind in the second quarter had risen 13.4 percent to 89,051 tonnes.

Business & Economy

Licensed buying Companies to be banned - Mr Isaac Osei

Modern Ghana, Ghana

By GNA

08 Jul 2008



Mr Isaac Osei, Chief Executive of the Ghana Cocoa Board (COCOBOD), on Tuesday warned that any Licensed Buying Company (LBC), which misappropriated cocoa farmers' bonus would be banned and prosecuted. He said the Government had so far given a total of 16 million Ghana Cedis to LBCs to be paid to cocoa farmers as bonuses as at July 01 this year, adding, that anyone found to be sitting on the farmers money would not be spared.

Mr Osei who said this when he interacted with district chief cocoa farmers, LBCs, cocoa farmers and staff of the COCOBOD drawn from the Eastern Region in Koforidua, also cautioned producer clerks to guard against adjusting their weighing scales to cheat farmers. He told the farmers that the government's commitment to ensure that they lived in dignity could be seen in the upward adjustment in the producer prices of cocoa, adding that, cocoa prices being paid to them, was unprecedented in the history of the cocoa industry.

Mr Osei announced that solar street lightning would be provided soon at cocoa growing communities, while 60 kilometer of feeder roads in some selected areas would be tarred. He said the cocoa farmers housing scheme would be accelerated, adding that, under the programme a farmer was to pay for the cost of the building within 10 years.

The Chief Executive expressed worry about smuggling of cocoa to neighbouring countries and said the government would not sit down unconcerned to spend huge sums of money to subsidy the cost of fertilizers and other chemicals only for the produce to be sold elsewhere. He advised cocoa farmers in the region whose crops were affected by the Cocoa Swollen Shoot Virus Disease to allow those trees to be cut down, so that they would replanted later. Mr Osei noted with concern that the region hitherto was among the leading ones in cocoa production, but due to the incidence of the swollen shoot disease, it now occupies the fifth position out of the six cocoa growing regions in the country.

He earlier paid a courtesy call on Mr Kwadwo Afram Asiedu, Eastern Region Minister, and Daasebre Dr Oti Boateng, Omanhene of the New Juaben Traditional Area. Mr Afram Asiedu observed that the mass cocoa spraying exercise as well as incentives being given to farmers had resulted in cocoa production being tripled over the past seven years. He appealed to the Chief Executive to investigate complaints by some cocoa farmers that the spraying exercises were being done on partisan basis.

Nana Kakari Addo, Regional Manager, Quality Control Division, COCOBOD, earlier said the region had registered significant increase in cocoa production in spite of the widespread menace of the Cocoa Swollen Shoot Virus Disease in the area. "The just ended 2007/08 main crop season registered a total grading of 53,364.05 tons, representing about 14 percent increase over the 46,875.01 tons that was realized in 2006/07 crop season". He said the quality of cocoa in the region had also improved tremendously since about 90 percent of the graded and sealed cocoa beans were bigger in size and of exportable quality. On child labour, Nana Addo said management and staff of COCOBOD in the region had extensively sensitized farmers to send their children to school instead of engaging them on their farms.

Neuhaus launches exclusive single origin chocolate

MoodieReport, UK

By Melody Ng

08/07/08



BELGIUM. Neuhaus has unveiled an exclusive single-plantation chocolate, Origine Trinidad, following its union with The Manickchand Plantation.

Launched in August 2008, the limited-edition chocolate is made with the Trinitario cocoa bean, a premium grand cru bean produced by the Theobromo Trinitario cocoa tree on the island of Trinidad in the Caribbean. The Trinitario is a natural hybrid of the Criollo and Forastero cocoas.

Origine Trinidad is presented in a deep red-coloured box containing chocolate drops, chocolate nuggets and 80g chocolate bars.

The limited-edition Origine Trinidad is made with the Trinitario, a premium grand cru cocoa bean

About Neuhaus

Neuhaus' history goes back as far as 1857, when Jean Neuhaus, a Swiss apothecary, established a premises in Galerie de la Reine in Brussels with his brother-in-law. The cellar in his shop was used to manufacture candy, which over time developed into a reputable business.

In 1912, his grandson launched the first bite-sized filled chocolate and named it 'praline'. After the First World War the pralines first became available in specially designed boxes called ballotins. With these boxes, chocolate became a luxury gift.

The Neuhaus Group has grown into a leading manufacturer of pralines, chocolate and quality biscuits. Neuhaus is an official supplier appointed by the Court of Belgium.

Cocoa catwalk: sacks are sweet for Ivorian designer

Reuters

By Loucoumane Coulibaly

July 10, 2008



ABIDJAN (Reuters) - Cocoa runs in the family of Ivorian fashion designer Felicite Mai. It was her father, a tailor-turned-cocoa planter, who gave her, her first sewing machine, a model dating back to 1952. And for the last five years, this sewing-school graduate has been turning out eye-catching outfits made from the jute sacks used to ship Ivory Coast's top export - cocoa. From her humble shop in the popular Treichville suburb of the economic capital Abidjan, Mai designs, cuts and fits clothes for men and women that use the natural beige colors and coarse fibre of cocoa and coffee sacks.

Normally stuffed to bursting with the cocoa beans that make Ivory Coast the world's No. 1 grower of the source of chocolate, Mai's creations are worn by a growing clientele of celebrities, artists and musicians, some even from abroad. "Ivory Coast's economy is based on agriculture, especially cocoa and coffee. So I decided to promote these crops by creating these fashion designs," said Mai, whose real name is Maimouna Camara Gomet. "For me, it's a way of drawing the whole world's attention to cocoa and coffee," she said.

Proud to wear her own designs, she sports a beige cut-off top with a frayed fringe, made from a jute sack, over blue jeans, a tape measure draped around her neck. Her creations -- for both men and women -- include skirts, tops, trousers, shirts,

waistcoats as well as caps, bags and accessories, mostly in the natural beige of the washed jute sackcloth, but sometimes also dyed darker brown or blue.

"PRODUCT OF IVORY COAST"

Her models say the "sack clothes" look good with traditional jewelry and ornaments, such as the cowrie shells that were the common currency of the West African coast during past centuries of the Atlantic slave trade.

Mai buys the sacks -- some stamped with the words "Product of Ivory Coast, Cocoa" -- from warehouses at Abidjan's bustling port. The jute material is washed and cut at her Treichville workshop, where a wax mannequin is used to help with fittings. "I had this idea from when I was still at sewing school in 1987. Then I opened my own workshop in 1996 and I first launched these kind of designs in 2003 during a fashion contest at Divo (in the south of Ivory Coast)" said Mai, who has several assistants at her shop. "My father was a tailor and he made jackets for the colonial settlers," she said, referring to Ivory Coast's former French colonial masters. "Then he became a coffee and cocoa planter," she added.

Mai hopes that her sack fashion designs can serve as an attractive, enduring advertisement for her country's best known products -- cocoa and coffee. "That was the livelihood of our parents," she said.

Seminar discusses WTO admission impact on coffee, cocoa, pepper and cashew sectors

Nhan Dan, Vietnam

July 10, 2008



Vietnam has integrated deep into and has become an important part of the global economy as a leading exporter of various products, including coffee, cocoa, pepper and cashew nuts, affirmed Deputy Minister of Industry and Trade Le Danh Vinh.

The deputy minister was addressing a seminar, organised today in Hanoi, to assess the impact of Vietnam's accession into the World Trade Organisation after two years on the coffee, cocoa, pepper and cashew sectors.

According to speeches delivered at the seminar, integration to the world economy has created both opportunities and challenges for businesses in general and businesses operating in the four above-said sectors.

According to Mr Luong Van Tu, president of the Vietnam Coffee and Cocoa Association (Vicofa), WTO accession had helped local businesses access a huge "playground" with more than 5 billion consumers with a total import turnover of up to US\$635 billion a year and global demands for coffee have been forecast to increase every year.

However, experts were of the view that if local businesses pay more attention to increasing the quality, after-harvest and processing technology and the added value of these products, apply good agricultural practice (GAP) and good manufacturing practice (GMP) their competitiveness, and thus export turnovers, on the global market will be increased.

Vietnam currently has 500,000 hectares under coffee. The country's coffee exports have increased annually over the past years in both quantity and turnover. In the first half of this year, coffee exports have brought home over US \$1 million. Vietnam's coffee products have been exported to 70 countries and territories.

In 2007, Vietnam exported 153,000 tonnes of cashew nuts, earning over US\$650 million, ranking first in the world for the second consecutive years in cashew nut exports. The country currently has over 400,000 hectares under cashew.

Since 2001 to date, Vietnam has always occupied the first position in the world in terms of pepper exports, accounting for more than one third of the global market share. The country targets to export 80,000 tonnes of pepper in 2008, earning US\$290 million.

The seminar was sponsored by the Ministry of Industry and Trade and the National Ho Chi Minh Political and Administrative Academy and organised by the Centre for Industrial and Trade Information, the National Committee on International Co-operation Office and the Vietnam Youth Company.

This is the first among the 15 seminars to be held to assess the impact of WTO accession on the key economic sectors of Vietnam.

The cut-throat world of chocolate

UK innovators are challenging Europe's chocolate superpowers, but competition is fierce

Times Online, UK

July 11, 2008



As CCTV footage goes, this isn't very dramatic. A man in a suit with a female companion browsing in a chocolate shop. Hotel Chocolat in Nottingham is busy at lunchtime and if it weren't for the barely perceptible movements of the man's arm, no one would have suspected him of the sabotage that has sent ripples through Britain's chocolate industry. The man caught on CCTV is Barry Colenso, the master chocolatier for Thorntons - and he is going from box to box squashing his rival's truffles.

Steve Boggan

Of course, afterwards when store manager Kim McCulley found the damaged blueberry bombes, she didn't suspect that the offender was such an important figure as Colenso, a man hitherto known as the Willy Wonka of British chocolate. Neither did she recognise him when she reviewed the CCTV footage and tracked him down to a branch of Thorntons 300 yards away.

No, it wasn't until a copy had been sent to Hotel Chocolat headquarters in Cambridgeshire that co-founder Peter Harris put a name to the face. A summit meeting was held between the Hotel Chocolat and Thorntons top brass, at which Thorntons insisted there was no master plan systematically to squish its rival's scorched caramel and whisky chocs or pomegranate truffles. Sadly, however, Colenso, a man respected in the industry, a chocolatier under huge pressure, decided to step down and the whole episode was left to wither away.

That was last August and most people, Colenso excepted, saw it as a silly-season story. What lies behind the episode, however, is something more serious - and in many ways exciting. It is a story about the changing face of chocolate on Britain's high streets, of seismic taste reinvention; a tale of how our national chocolate industry is transforming itself from an international laughing stock to one of the hottest and most innovative in the world.

Chocolate has been produced for more than 3,000 years from the beans found within the pods of the cacao plant, originally native to equatorial South America. Some say the Mayans and Aztecs made a drink called xocolatl, which means "bitter water" - chocolate became sweet only when Europeans later added sugar or honey.

The beans and pulp extracted from the pods are fermented for up to six days before the beans are dried, graded and roasted, in much the same way as coffee beans. The bean kernels are chopped into "nibs" and there are two ways to process them: one is to grind them down, add sugar, vanilla, extra cocoa butter and to keep processing until it is rendered into solid chocolate. The other is to grind the nibs into a liquor before hydraulically pressing out the cocoa butter fats. The remaining "cake" is dried and ground into cocoa powder. From this point onward the world of chocolate becomes as complex, elitist, ignorant, snobbish, elegant, weird and wonderful as the world of wine. The origin of cocoa beans and the chocolate they make is all important.

Single estate trinitario bean sourcing from, say, a highly regarded Venezuelan plantation, is something that would interest a connoisseur. Contrast that, however, with the howls of derision that a recent Marks & Spencer advertisement elicited when it boasted of its line of chocolate made from "the finest forastero beans from Ghana". The forastero is the workhorse of the cocoa bean, not very highly regarded and certainly not particularly delicious when sourced from Ghana.

The best chocolate - though this is a matter of opinion - may be single-estate, possibly South American, plain, or dark chocolate containing 65per cent or more cocoa, or at least 30per cent for milk chocolate. The less cocoa you have in your chocolate, the more sugar and milk (carbohydrates and fat) you have in it. The high street chocolate on which most of us were brought up contains 20per cent or less cocoa and up to 60per cent sugar. No wonder the French and Belgians used to shake their heads.

All that started changing in the mid-1990s, when people began to be fascinated by organic and Fairtrade chocolate and the efforts of producers such as Green & Black's. Since 1983, pioneers such as Chantal Coady, founder of Rococo Chocolates on the Kings Road in Chelsea, London, had been pushing the boundaries and educating small but growing numbers of people.

There are fewer than a dozen innovators pushing the boundaries in the UK and they are almost all based in and around London; the prices they have to charge (about £80 a kilo) for buying the best cocoa and ingredients militate against sales elsewhere.

Among the best are Richmond-based William Curley (voted chocolatier of the year for the second time running by the Academy of Chocolate, a body set up by chocolate-makers and food writers in 2005 to encourage the appreciation of fine chocolate) and Paul A. Young, based in Islington and famed for his imaginative creations - Marmite or goat's cheese-flavoured choc, anyone? Then there is Marc Demarquette in Chelsea, whose hand-made creations - including bespoke caviar and foie gras chocolates - have earned him a contract to supply Fortnum & Mason.

Others include former Harrods master chocolatier Bill McCarrick, who has taken over the Sir Hans Sloane Chocolate Studio; and Louise Nason and Keith Hurdman of Melt, whose jasmine tea truffles, which take five days to make, often earn rave reviews. "It's an exciting time to be in the business," Demarquette says. "What we are going through is like the Eighties wine explosion and British appreciation of good coffee in the Nineties. People are more curious. They are more knowledgeable and prepared to pay more for a good product."

We meet in Demarquette's tiny production facility just off Portobello Road, West London. Just he and his assistant, Maëllg Georgelln, work here and are responsible for all the output. Inside a chilled strongroom are boxes of herbs, spices and essences from the best locations around the world; lemongrass from Thailand, cassis from France, cumin from Egypt, pink pepper from Brazil, and so on. This is how the new wave of chocolatiers like to work; only the finest ingredients will do.

Arguably the most daring of the young guns is Paul A. Young, a 34-year-old chocolatier and former patissier for Marco Pierre White. He fell into chocolate in a big way after being commissioned by Rococo's Chantal Coady to make something for national chocolate week. He made a port poached-pear truffle, which was a big hit. "I think being self-taught helps. I have had no one telling me what can and can't be done," Young says. "The Marmite chocolate, for example was a challenge: I spent two months researching and making it. It was a novelty and I intended to sell it for one weekend and then forget it. That was two years ago, but my customers won't let me stop making it." All this innovation at the bottom end of the chocolate sales pyramid has had a knock-on effect at the top of it. Producers such as Mars and Cadbury have little to worry about; the total British chocolate market amounts to £2.2 billion and their sales have been barely dented. Nevertheless, Cadbury has felt the need to take a slice of the higher end by buying Green & Black's.

The real impact has been felt by those such as Thorntons, which was previously seen as the classier end of the market. It has been hit hard by the emergence - in three years - of 27 Hotel Chocolat outlets on the high street. (Hotel Chocolat had previously traded over the internet). "Thorntons didn't see them coming," says Demarquette. "You go into Thorntons and you think of Christmas and your auntie. You go into Hotel Chocolat and the place is dark and sleek and sexy."

I twice arranged to meet Barry Colenso to discuss the British chocolate market (he didn't want to talk about "the incident") but each time he got cold feet. One by one, his peers said they had found the Hotel Chocolat episode mildly funny at first, then worrying. More than one said today's chocolatiers are under as much pressure as Michelin-starred chefs to be innovative and consistent.

But will all this cut-throat behaviour and brave innovation benefit us, the consumers? Martin Christy, who set up the fine chocolate website www.seventypercent.com, believes it will - if we are discerning. "Our biggest task is to encourage people to look behind the claims that companies and supermarkets make for their chocolate," he says. "They all want to say their chocolate is made from the finest beans, or by a fine producer in Belgium. But they can achieve that with one call to the big industrial producers. They can give some specifications for the chocolate, e-mail a wrapper design and before you know it they are selling their 'own-brand fine chocolate' to consumers who have no idea where the beans have come from or that it has been made in a mass-produced fashion." So, you could say that the pressure's on us too, and a little effort to find out what we are eating will go a long way.

Research & Development

US scientific muscle behind cocoa-plant research that could boost Africa

Creamer Media's Engineering News, South Africa

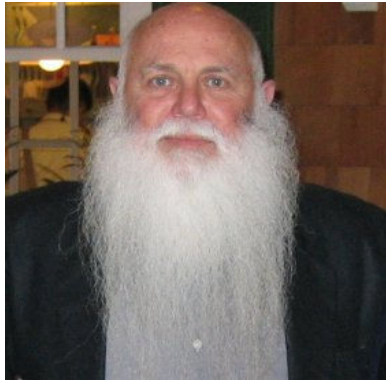
By: Guy Copans

11 July 08 - 0:00

Confectionery company Mars, software company IBM and the US Department of Agriculture- Agricultural Research Services (USDA-ARS) are combining their scientific resources to sequence and analyse the entire cocoa genome, which will allow more direct breeding of cocoa plants and a possible enhancement in the quality of cocoa.

The collaborating group anticipates that it will take about five years to complete the entire sequencing, assembly, annotation and study of the cocoa genome. Researchers at the IBTJ Watson Research Centre, in Yorktown Heights, New York, will use

their computational biology technology and expertise to develop a detailed genetic map and assemble and study the cocoa genome.



HOWARD-YANA-SHAPIRO Sequencing the cocoa genome will allow for more direct breeding of cocoa plants

"This collaboration is an opportunity for us to apply our computational biology and supercomputing expertise to improving an economically important agricultural crop," says IBM vice president technical strategy and global operations Dr Mark Dean.

"Seventy percent of the world's cocoa is produced in Africa, and this work is also a key step forward in IBM's sustained commitment and investment in, growth and development in Africa. We look forward to helping the agricultural community throughout Africa, and in other emerging markets, maximise the potential yield and viability of this important crop," he adds.

Scientists from Mars and the USDA-ARS will manage various aspects of the project at the USDA-ARS facility in Miami. IBM developed the computational biology and pattern recognition technology to develop a detailed genetic map and to assemble the sequence fragments into the complete genome sequence.

Mars global director of plant science Dr Howard-Yana Shapiro says that all three partners see this project as a way to advance cocoa science for the benefit of both farmers and the world's chocolate supply. He says that sequencing the cocoa genome will unlock the cocoa plant's genetic code, which will allow one to better identify the particular genetic traits that enable plants to produce higher yields.

Through this, he adds, the genetic traits that result in more drought and disease-resistant plants will be identified, and cocoa breeders may eventually be able to grow plants with desirable traits to produce unique, new lines of cocoa plants. "Sequencing the cocoa genome will allow for more directed breeding to create cocoa plants that are more robust, sustainable, disease and drought-tolerant. Ultimately, this research will enable farmers to grow fewer plants with higher yields, which will free up land for farmers to grow other cash crops that can benefit their livelihoods," he notes.

Mars says that genome sequencing could help eliminate much of the 'guess-work' of traditional breeding. Shapiro believes that the research holds the potential to help accelerate traditional breeding methods in farming, ultimately improving cocoa trees, yielding higher quality cocoa, increasing income for farmers, and sustaining the world's supply of cocoa and chocolate.

Mars says that this initiative will help protect cocoa plant growth in Africa, which is an important social, economic and environmental driver in the continent. Shapiro maintains that there are enough talented cocoa breeders in Africa to enable this development, and says that Mars, in collaboration with governments and non-government organizations (NGOs), is training and will continue to train farmers and breeders as new techniques and information become available.

Shapiro says that Mars does not foresee any particular challenges in the project, as all research and findings are being kept in the public domain, and any challenges that arise will serve as meaningful lessons that can help scientists and farmers better understand the cocoa plant. He adds that Mars is excited to get the research under way. "Being involved in this significant project is the dream of a lifetime for a plant breeder, and especially for someone who is interested in sustainability. The power this research holds, to improve the lives of 6,5-million cocoa farmers worldwide, is great, and Mars is thrilled to be involved in the effort," he states.

Mars and USDA-ARS have worked together during the last ten years on research projects related to improving traditional methods of cocoa breeding and reducing the threat of pest and disease to the crop around the world. While Mars and IBM worked together previously, this is the first time the three groups are partnering to yield benefits for crops, farmers and consumers, Mars notes.

Insect repellent breakthrough in PNG

Radio Australia, Australia
07/07/2008

A breakthrough in Papua New Guinea, where researchers say they believe they've found the solution to destructive insect pests, that are threatening the country's multi-million dollar cocoa and coffee industries. An insecticide, developed with oil extracted from a plant endemic to PNG, has so far proved to be potent against insects that damage cocoa and coffee crops.

Dr Topul Rali, from the University of Papua New Guinea says, the discovery is huge step forward. He's told Radio Australia's Pacific Beat program it will mean PNG won't have to rely on the help of other countries if the insecticide is made available across the agricultural sector. "Some of these chemicals are very potent against specific insects and using that patented knowledge when the plant is so plentiful in the country I think the next thing for us is to solve our own agricultural problems by using it," he said.

Environmental Issues

Chocolate's bitter sweet relationship with the rainforest

CNN International

By Matt Ford

06/07/2008

(CNN) -- "I think that in 20 years chocolate will be like caviar," says John Mason, executive director and founder of the Ghana-based Nature Conservation Research Council (NCRC). Could you survive a future without chocolate? Communities and the environment are also at stake. "It will become so rare and so expensive that the average Joe just won't be able to afford it."

The prospect of a future without a ready supply of chocolate is not a pleasant thought for anyone with a sweet tooth, but it's an even more terrifying prospect for producer countries that depend on cocoa beans for a huge portion of their GDP.

Yields are declining all across the cocoa plantations of West Africa, where two thirds of the world's supply is grown, as soils are degraded and the area able to support the crop retreats, according to Mason. "The way we farm is just not sustainable," he says. "I'm afraid by the time we wake up to that fact it will be too late. I've worked in Ghana for 25 years and I can show you huge areas that can no longer support a crop."

The problem is that cocoa is naturally a rainforest plant that grows in shady conditions surrounded by a high biodiversity, but recently hybrid varieties have been grown on cleared land as mono-cultures and in full sun. While this will give higher short term yields, the soil quickly becomes degraded and the lifespan of plants can be cut from 75 or 100 years, to 30 or less. When the trees die and the land is exhausted the farmers must move on and clear more rainforest to plant cocoa.

But the looming decline of West African cocoa is not only a problem for farmers and chocolate producers - Cadbury sources 100 percent of the beans they use for UK chocolate production from Ghana - environmentalists are increasingly concerned about the destruction of the rainforest for short-term gain.

Finding strength in a common cause

The forest is not only an important habitat in its own right, but its removal is also affecting the microclimate and changing rainfall patterns, compounding the negative effects of global warming, according to the NCRC.

But a new project seems to show that farmers, environmentalists and multinationals can find strength in their common cause. "They were worried about the future, and we were worried about biodiversity," says Dave Hillyard, Director of Program Operations for the international environmental charity Earthwatch. "We were coming together at the same point from different directions." In response to these concerns Earthwatch formed "Earthshare" in partnership with Cadbury and the NCRC.

Earthshare is a scientific research project that aims to explore ways of creating sustainable cocoa farming. Currently it works with 60 farms but negotiations are underway to scale up the initiative. "We want to understand the effect of different farming systems on the environment," says Hillyard.

Intensively farmed landscapes need a lot of inputs -- such as water and chemical fertilizers - and their fertility tends to degrade rapidly. Whereas a mixed farming landscape, where other flora can shade the cocoa trees and provide habitats for the birds, mammals, reptiles and invertebrates that both eat pests on the cocoa and help pollinate the crop, not only increases biodiversity, it reduces the need for inputs and retains its fertility.

A healthy environment seems to mean healthier cocoa.

For Cadbury, Earthshare also helps address another problem: the declining number of people wanting to be cocoa farmers. "They're coming at sustainable supply from two angles," says Mark Harper, Program Manager for Earthwatch. "It's not just

about increasing yields; it's also about decreasing the number of farmers leaving the business. "They are focused on making it a more attractive crop by improving the livelihoods of cocoa farmers, whether that's by providing better sanitation, improved access to markets to get a better price for their crop, or helping establish new revenue streams, such as eco tourism."

Changing lives at home and abroad

For Earthwatch, engaging with companies provides resources to continue their scientific research and an opportunity to affect corporate behavior. "I see our involvement with Cadbury as a journey," says Hillyard. "We have a strong desire to engage with companies who show a commitment to improving their environmental performance. "This gives us the opportunity to get our research done, and the chance to influence their behavior.. If we didn't feel like we were working towards the same goals then it would become difficult for us."

Cadbury employees also benefit from Earthshare through the opportunity to spend time in Ghana. "It's all about linking staff into their employers Corporate Social Responsibility programs, and helping them understand the way the product they produce impacts on the environment," says Hillyard. The responses of staff would seem to indicate this was working. "It was an amazing experience," says Catherine Webber, one of Cadbury laboratory managers in the UK.

"People talk about 'life changing' trips, but it really was. To go somewhere like that and see the way of life of the farmers... it really put my own life in perspective and made me much more environmentally aware and less materialistic."

"It was one of the best business experiences I've had," says David Fleisher, a Cadburys employee in the USA. "That's saying something from almost a 30-year career."

Earthshare is also involving young Ghanaian scientists, engaging them in the work and adding to the skills they have learned at university. Earthwatch run similar projects with Starbucks in Costa Rica, looking at smallholder coffee production, and the agri-business Syngenta, studying how creating larger field margins and increasing biodiversity can in turn increase the number of insect pollinators and, ultimately, bring larger yields.

But whether or not schemes such as this can halt the decline of cocoa in West Africa remains to be seen. "We cannot rely on governments to sort this out," says the NCRC's John Mason. "Companies must engage with the problem. Good on Cadbury for supporting research that is not always bringing in good news."

But while the scale of the problem is huge, Mason remains positive that if the right steps are taken soon, a permanent collapse of the cocoa crop is avoidable. "The funny thing is we can reverse this," he says. "It will cost, certainly, but we can do it. The carbon trading market may be one way of making it more affordable, paying farmers for retaining biodiversity as a carbon offset. We need to make these links. "Sometimes I feel like a lonely voice, and more people need to engage with these problems, soon. Otherwise, I fear my grandchildren may only ever know the taste of artificial chocolate."

Confectioners, environmentalists come together for cocoa farmers

SmartBrief, DC

07/07/2008

Declining cocoa yields in West Africa, where two-thirds of the world's supply is grown, are of concern to environmentalists and chocolate companies alike. Some confectioners, such as Cadbury, are partnering with environmental groups to ramp up sustainable farming. CNN (07/07)

Others

Côte d'Ivoire: Ivorian Leader out to clean Country's Cocoa Sector

AllAfrica.com, Washington

Hamadou Tidiane Sy

9 July 2008

To many in Abidjan the news came as a shock. In less than two weeks, late June, a spate of arrests took place in Cote d'Ivoire with the most powerful players in the strategic cocoa sector sent to jail one after the other, all accused of corruption and embezzlement of public funds, mismanagement and forging documents. In Cote d'Ivoire, cocoa is what oil or gold is to other nations.

In 2007, according to estimates from the World Cocoa organisation, Cote d'Ivoire produced 37.4 per cent of the total 3.5 million tonnes harvested in the world, this represents 1.3 million tonnes. In comparison, the second producer, Ghana only harvested half the same quantity with 720 thousand tonnes, and it is believed that some of the Ghanaian product is indeed from

Cote d'Ivoire and has been sold in Ghana by traffickers, profiteering from the six-year crisis the francophone neighbour has been going through.

In any case Cote d'Ivoire still remains the world's largest producer of cocoa and the product remains a strategic component of the nation's economy. Thus touching such a critical sector was no easy game, and shaking its key players could have serious consequences for the national economy, but also some social and political impact.

For President Laurent Gbagbo, who undertook an important restructuring of the cocoa sector when he came to power, this meant he was admitting his own failures, as all the detained people were put at the top of organisations he helped create.

Five organisations

In total they were five organisations, and none of these has been properly managed. As a result, many of the arrested people were considered as close allies of the president and at times members of his own ruling Ivorian Patriotic front (FPI). The exact amounts embezzled or misappropriated, are not known yet, but they are accounted in hundreds of billions of FCFA (millions of US dollars).

In this list, one case stands as an outstanding one, the "**Fulton affair**", in which the managers of the Coffee-Cocoa Regulatory Fund are allegedly reported to have embezzled more than 100 billion FCFA (or more than \$238.5 million) which was to be used to buy a chocolate factory in the United States, to bring some added value to a vital sector for the nation's economy.

Almost a year ago, the Ivorian media reported the "Fulton" story and a couple of Ivorian journalists were taken to court, accused of publishing false reports. In fact, before he resolved to take the matter seriously and act accordingly, the media have been reporting over and over again the scandalous manner in which the country's cocoa money was misappropriated by those in charge of developing and managing this crop which is the pillar upon which the country's economy is built. For now, the president seems confident, particularly as he is now applauded by the international community for his anti-corruption efforts.

Cocoa farmers warned against the use of unapproved agro-chemicals

Modern Ghana, Ghana

By GNA

09 July 2008



The Chief Executive of Ghana Cocoa Board (Cocobod), Mr Isaac Osei had warned cocoa farmers against the use of unapproved agrochemicals in spraying their cocoa farms. He explained that, the country had approved only three agro-chemicals for the spraying of cocoa farms because many of the unapproved ones leave chemical residues in the cocoa beans, which could threaten the external marketing of the cocoa beans.

Mr Osei gave the warning at a durbar of cocoa farmers and purchasing clerks from Kyebi and surrounding communities at Kyebi on Tuesday as part of his tour of the Eastern Region. He said the cocoa sacks are free and advised cocoa farmers not to pay for any cocoa sack supplied to them and warned those cocoa purchasing clerks who were selling the sacks to the farmers to stop the practice. Mr Osei said government had supplied mosquito nets to be given to cocoa farmers free and said government would be introducing solar torch lights to be sold to cocoa farmers.

Mr George Anto-Boateng, the Director of Scholarships of Cocobod explained that, the number of Cocobod scholarships allocated to the regions and any cocoa growing area depend on the volume of cocoa beans sold by farmers in that cocoa growing area. He said Cocobod normally allocates 1,700 scholarships for children of cocoa farmers depending on their Basic Education Certificate Examination (BECE) results and allocate another batch of 800 scholarships to the Senior High Schools for children of cocoa farmers with good academic performance. Mr Anto-Boateng said this year Eastern Region had 156 scholarships, which were distributed to the various cocoa growing areas in the region depending on the cocoa production in each area.

The East Akim Municipal Chief Executive, Mr Emmanuel Victor Asihene in a welcoming address assured the cocoa farmers that no government would muster courage to change all the good programmes, which is being initiated for them by the government. He explained that the greatest problem in governance is to get the governed to appreciate the efforts of leadership and therefore expressed his appreciation of the decision of the Chief Executive of Cocobod to go round the country to meet the cocoa farmers at durbars to explain issues to them.

Ghana has Capsid-Bug Cocoa Pest 'Under Control,' Regulator Says

Bloomberg

By Rachel Graham

July 9, 2008

(Bloomberg) -- Ghana, the second-largest producer of cocoa, has brought the capsid-bug pest "under control" through a campaign of spraying trees with insecticide, according to the country's industry regulator. "They don't pose much of a problem anymore in Ghana," K. Obeng Adjinah, head of Cocoa Disease and Pest Control at the Ghana Cocoa Board, or Cocobod, said in an interview yesterday in London.

"The capsid bug is under control."

Cocoa rose to \$1,800 a metric ton July 1 on London's Liffe exchange, the highest since at least 1989, partly on concern pests such as capsid would curb production in West Africa. Ghana has been expanding the area it sprays for the bugs and black-pod disease since it began paying for insecticide in 2001, and as it seeks to increase its crop 63 percent to 1 million tons by 2010.

Ghana's cocoa output fell 17 percent to 614,000 tons, or 18 percent of world production in 2006-07, because of a lack of rain, the International Cocoa Organization said on its Web site.

Black pod is a fungal disease that rots pods and beans and thrives in humid conditions, while capsid bugs feed on leaves. "The area we are spraying against black pod is increasing every year," Adjinah said at presentation organized by Cocobod in London. "Once it gets hold, it becomes endemic and you cannot eliminate it completely."

Cocobod is also working on developing varieties resistant to swollen shoot disease, which can kill a tree in three years, along with ways to detect the virus that causes it more quickly. The virus is carried by the mealy bug, which has a waxy shell that repels insecticide, Adjinah said.

Swollen Shoot

"We are on course to solve it," said Henry Dzahini-Obiatey, who recently finished a doctorate on the disease at the U.K.'s Reading University after working for Cocobod since 1998. "We have already identified which trees are resistant and which are tolerant," he said at the presentation.

Another approach is barrier cropping, involving planting a perimeter of disease-resistant crops such as citrus and oil palm around the cocoa trees to be harvested, Dzahini-Obiatey said. Cocoa prices have also surged this year on rising demand for chocolate from emerging economies and increased fuel charges that pushed up farming, shipment and processing costs.

Ivory Coast fuel hikes seen hurting cocoa farmers

Source: Reuters

10/07/2008

Abidjan, July 9 - A sharp increase in fuel prices in Ivory Coast, the world's top cocoa producer, will mean lower farmgate prices paid to cocoa farmers for their beans, exporters said on Wednesday. They feared cocoa growers would bear the brunt of Monday's government-decreed increase in fuel and diesel prices, by 29 and 44 percent respectively, as buyers, hauliers and exporters tried to offset mounting transport costs.

Like many African countries, Ivory Coast was forced to raise fuel prices because of soaring world oil prices. "It's inevitable. The increase in the price of fuel, especially diesel, will have an impact on all sectors, including the cocoa industry, as the cost of transport will rise," the sales director of a cocoa export company said on Tuesday. "If the cost of transport increases, that means a reduction in the farmgate price as it's all the charges in between that determine this final price," he added.

Cocoa farmgate prices in Ivory Coast's main growing areas were mostly up during the week July 1-6 due to the scarcity of beans and strong demand from grinders and exporters. They remained mostly above the non-binding indicative price for cocoa of 500 CFA francs (\$1.20) a kg that the Coffee and Cocoa Bourse (BCC) marketing body has kept for the July to September period, unchanged from the previous April-June period. The increase in the price of diesel in Ivory Coast from 545 to 785 CFA francs per litre, would force transporters to adjust their rates, another buyer for a European exporter said. "At the moment, the average transport cost is 15 CFA francs per kilo but I expect this price to rise above 30 CFA francs in the coming weeks," he added.

The hike in transport costs came as the cocoa industry was beginning to feel the benefits of a campaign by Ivory Coast's army chief to crack down on extortion by the military. Farmers and traders had said the dismantling of roadblocks and arrests of several soldiers and policemen in the last month had led to reduced costs in payouts during transport of beans. The newly

appointed head of the BCC also anticipated reduced farmgate prices as a result of the fuel price hikes. But Edoukou Kouadio Angoua said this highlighted the need for a system, within the private sector, to maintain price stability for farmers who are vulnerable to swings in national and international markets.

Ivory Coast liberalised its cocoa sector in 2000, ending a system of guaranteed prices and scrapping the state-run CAISTAB which controlled the sector, but leaving in place a system of agencies and subsidies to promote and regulate production. "There are the financial means for private stabilisation," Angoua said, without elaborating. "We need to think about the way, the method and the system that we want ... we will discuss (this) with the government."

Champagne wishes and chocolate dreams

Cocoa Beans May Become as Rare and Expensive as Caviar. Why?

Daily Green

By Annie Bell Muzaurieta

09/07/2008



You rely on a steady stream of buzz-inducing chocolate to get you through the afternoon. Countries that produce cocoa, such as Ghana, rely on the crop for their economies. The decline of cocoa crops is a lose-lose situation.

CNN reports that cocoa crop yields are declining all over West Africa. The article says this is due to soil degradation and because areas able to support the crop are retreating.

One farmer from Ghana is quoted in the article: "The way we farm is just not sustainable. I'm afraid by the time we wake up to that fact it will be too late." John Mason, executive director and founder of the Ghana-based Nature Conservation Research Council adds, "I think that in 20 years chocolate will be like caviar. It will become so rare and so expensive that the average Joe just won't be able to afford it."

How did this happen?

According to the article, the issue is that cocoa is naturally a rainforest plant that grows in shady conditions surrounded by a high biodiversity. Recent hybrid varieties, however, have been grown on cleared land and in full sun.

This benefits farmers in the short run, producing higher yields. But soil quickly becomes degraded and instead of living 75 to 100 years, plants last 30 years or less. Then, when cocoa trees die, farmers have to clear more land for new crops.

Mason says the problem is huge but reversible: "The funny thing is we can reverse this. It will cost, certainly, but we can do it. The carbon trading market may be one way of making it more affordable, paying farmers for retaining biodiversity as a carbon off-set. We need to make these links."

It's worth noting Cadbury, maker of the famed Creme Egg, sources 100 percent of the beans they use for UK chocolate production from Ghana.

Ruminations on Chocolate

Tribune de Genève, Switzerland

10/07//2008



It's hard to imagine Switzerland without chocolate, that ubiquitous symbol of national culinary achievement. And yet, it may happen sooner rather than later - perhaps even in my lifetime, since, apparently, the unsustainable methods of farming being used to grow the crop will soon result in a worldwide shortage. This information is new to me - although I grew up in Ghana, where one of our primary exports is cocoa beans, I hadn't quite realized that our national crop was in danger. My family have been cocoa farmers for decades, and my grandmother still lives off the proceeds of several cocoa farms that have been passed down from generations before. She doesn't physically work on them, not anymore, but rather employs paid labor to harvest and dry the crop, and then sell large sacks of it to the Cadbury agent conveniently located on the main street of the village where she lives.



I haven't been to the farms in ages - since we lived in the city when I was growing up, I have only been to see them a couple of times, when I was much younger. Once, my parents left my brother and I with my grandmother during a school vacation, and we were excited to live with her for a few weeks and discover "village life". Our understanding of what this would comprise was very much compromised by the Enid Blyton books we had read, and we looked forward to exploring caves, going on long walks in "pastures", petting the occasional docile cow, and drawing water from the riverside, where we would also wash our clothes, naturally. I was about eight years old at the time, and the reality of living in a village was far harsher than I could bear. We missed electricity, we missed television - the only one around was a small black-and-white set placed in a central location, and which every neighbour clustered around in the evenings to watch the news. It was here that we caught the Sunday night showing of Captain Planet, but not much else was interesting.

There was no running water, and while we didn't have to physically fetch the water ourselves, we still went with the village children who did to the stream, where we were bitten by myriad vicious little insects. We scratched the bites raw. We didn't care for the food - no rice, no milk, and certainly not enough hot chocolate - and going to the farm was a hot, humid, sweaty endeavor through what seemed like miles and miles of rainforest. And if we had thought the insects by the stream were vicious, the very well-fed ones in the rainforest were downright terrifying, and I burst into tears when another child our age - a boy - playfully dropped a praying mantis onto my lap. Seeking to comfort us, my grandmother bought envelopes and stamps, and we proceeded to write down our woes to our parents. The letters were effusive, and we waxed poetic about how much we appreciated living in the city, and how absolutely miserable it was to be in the village. That weekend, my mother came to visit, and after one look at our weeping sores from the insect bites, we were whisked back home, where we eventually received the letters we had mailed, and read them with our parents over cups of steaming hot chocolate.



My favorite memory of that brief week, however, was planting cocoa trees with my grandmother. She allowed us to help pat the little seedlings into place, promising that when they were large trees and started bearing fruit, we would be able to support ourselves and pay our university tuition fees with the profits from selling the cocoa beans. This never happened, of course - there were lots of trees but not all that many, and cocoa prices didn't rise quite as high as she had envisioned. Still, this little anecdote helps to illustrate the relationship between cocoa farmers and their crop: a purely fiscal one. It's a very unique relationship in that your average cocoa farmer, at least in Ghana, has absolutely no personal use for what he grows. As children, we would occasionally suck the sweet fleshy pulp off the cocoa beans in a freshly-cracked pod, but the novelty of this soon wore off, as having too much of it could make one ill - like any other sweet fruit, really. We always made sure not to discard the precious beans afterwards, throwing them onto the pile to be fermented, dried, and carried off to be sold. As for chocolate - my grandmother never had any in her house. We would sometimes bring over tins of Nestlé's Milo (a preparation for making hot chocolate that seems to be sold everywhere but the U.S. and Europe), but that was about it. I wasn't surprised when I read an article sometime ago in which the author was astonished that the cocoa farmers he met had never seen, let alone tasted, a bar of Cadbury's chocolate (in the UK, 100% of the cocoa for Cadbury's chocolate is sourced from Ghana).



Considering how poorly cocoa farmers are compensated for their crop, it is not surprising that some would use unconventional and unsustainable methods to increase short-term yields, without regard for the longer-term ecological consequences. Cadbury also seems to be surprised and disappointed that the children of cocoa farmers do not want to take up their parents' professions. Having seen firsthand how hard my grandmother has worked to eke a living off her farms, I have never once considered cocoa farming amongst all the other hare-brained career options I have contemplated and summarily discarded over the years. I haven't bought much chocolate in the past year myself, simply because a lot of the more popular bars contain dairy products. Now I have another reason to seek out fair-trade, organic dark chocolate. If only the regular supermarkets would carry it.

TIT BITS

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

Oil prices surge to record high, cocoa nails historic peak

LONDON (July 06, 2008): The price of oil set a record high above 146 dollars a barrel this week owing to falling reserves of US crude, simmering tensions over Iran and a weak dollar, traders said.

US MIDDAY: cocoa dips

NEW YORK (July 08, 2008): US cocoa futures trading on ICE Futures finished down more than 8 percent Monday, on heavy long-liquidation off last week's climb to 28-year highs while the strong dollar added pressure. Benchmark September cocoa contract closed down \$256, or 8.2 percent, at \$2,880 a tonne, in an exceptionally wide trading range from \$3,079 to \$2,871, a low since June 10.

Ivorian cocoa arrivals seen 1,256,000 tonnes by July 6

ABIDJAN (July 08, 2008): cocoa arrivals at ports in Ivory Coast reached 1,256,000 tonnes from October 1, 2007 to July 6, 2008, compared with 1,146,320 tonnes received in the same period last year, exporters said on Monday in a rough weekly estimate. Exporters estimated around 15,000 tonnes arrived at the West African state's ports from June 30 to July 6, up from 8,093 tonnes in the same period of the previous season.

US MIDDAY: coffee sinks, cocoa up

NEW YORK (July 09, 2008): Arabica coffee futures fell nearly 4 percent on ICE Futures in early trade Tuesday on continued long liquidation, while US cocoa futures turned higher as manufacturers took advantage of Monday's steep fall. September arabica contract down 4.20 cents or 2.9 percent at \$1.391 per lb by 9:21am EDT (1321 GMT) after falling 3.6 percent to a low at \$1.381.

US MIDDAY: coffee, cocoa slip

NEW YORK (July 10, 2008): Arabica coffee futures continued lower in early trade Wednesday, on continued long liquidation, while US cocoa futures were down in sideways dealings following the recent drop from 28-year highs. ICE Futures US September arabica contract down 1.35 cents at \$1.4105 per lb by 9:10am EDT (1310 GMT), dealing \$1.396 to \$1.427. The rest down 1.25 to 2.60 cents. September volume at 3,414 lots by 9:12 am.

US MIDDAY: coffee, cocoa ease

NEW YORK (July 11, 2008): Arabica coffee and US cocoa futures moved lower in early trade Thursday in quiet dealings, while both markets were range-bound after dropping sharply earlier in the week.