



# COPAL COCOA Info

A Weekly Newsletter of Cocoa Producers' Alliance

Issue No. 297

18<sup>th</sup> – 22<sup>nd</sup> Aug. 2008

## ICCO Daily Cocoa Prices

	ICCO daily price (SDRs/tonne)	ICCO daily price (US\$/tonne)	London futures (£/tonne)	New York futures (US\$/tonne)
18 <sup>th</sup> Aug	1688.51	2651.43	1457.33	2616.33
19 <sup>th</sup> Aug	1732.78	2721.54	1492.67	2694.33
20 <sup>th</sup> Aug	1721.60	2702.93	1495.00	2660.00
21 <sup>st</sup> Aug	1825.01	2875.05	1575.00	2833.67
22 <sup>nd</sup> Aug	1811.43	2856.14	1576.33	2826.33
<b>Average</b>	<b>1756.00</b>	<b>2761.00</b>	<b>1519.00</b>	<b>2726.00</b>

## Up-coming Events

- 71<sup>st</sup> General Assembly and Council of Ministers Meetings, 8<sup>th</sup> – 12<sup>th</sup> September 2008, Punta Cana, Dominican Republic
- National Academies Cocoa Symposium 2008, 28<sup>th</sup> – 30<sup>th</sup> October 2008, Kumasi, Ghana

## In the News (from Newspapers worldwide)

### Health and Nutrition

- Cocoa flavanols improve brain blood flow
- Cocoa flavanols may help retain memory
- Researchers link cocoa flavanols to improved brain blood flow
- Cocoa may help ward off Dementia, Stroke
- In the News... Cocoa butter not the answer for Stretch Marks
- Hot chocolate could help brain activity
- Cocoa compound boosts brain's blood flow
- Chocolate lovers cross to dark side
- Chocolate Prescription Receives A+ Rating for 72% Dark Chocolate Product
- Cocoa May Help Blood Flow In Brain
- Dark chocolate
- Dream of the Future: Chocolate as Brain Food
- Cocoa Flavanols May Help Retain Memory
- The Science of Aphrodisiacs
- Could Viagra Be an Antidote for Women's Sexual Dysfunction?
- Heart to Heart Talk

### Production and Quality

- Ivorian Cocoa Graft Probe may Hit Season - Shippers
- Cameroon Cocoa off 7-year Highs as Supplies Rise
- Aussie chocolate on the way
- Cocoa purchases up 10,483 Tonnes
- Ivorian Cocoa officials say no evidence of damage to main crop
- Ghana cocoa purchases up at 11,127 T by Aug 7
- Nigeria July cocoa arrivals climb 35 pct yr-on-yr
- E.Ivorian cocoa farmers see big crop, but fear disease
- ICO raises cocoa deficit forecast
- Cocoa and Coffee season launched in Cameroon
- Boost for cocoa farmers
- Cocoa acreage to double by 2011-12: DCCD – production
- Nigerian cocoa price flat despite lull in trading

### The Market

- Uganda Business News: Cocoa prices up
- Coffee rises to One-Week High as Dollar declines; cocoa climbs

- Sweet opportunity in Cocoa
- Cocoa prices slip on strengthening dollar
- Cocoa prices surge as weak dollar spurs buying

### Processing and Manufacturing

- Cadbury to focus on chocolate manufacturing "Centres of Excellence"
- Hershey Company raises price of chocolate bar
- Bittersweet chocolate plant upgrades

### Business & Economy

- Cocoa farmers want their bonuses
- US: Barry Callebaut to transfer cocoa liquor production from Swedesboro to Eddystone
- Nigerian cocoa price flat despite lull in trading
- Cocoa farmers appeal for quick payment of bonuses
- Boost for Cocoa industry: As Prez inaugurates multi-billion-cedi warehouse complex
- Cocoa prices surge as weak dollar spurs buying
- Produce exporters urged to export good quality Cocoa
- Kufuor inaugurates GH¢24m cocoa warehouse
- Ivorian cocoa prices firm for early main crop beans
- Cocoa "Bullish factors going into harvest"
- High cocoa costs continue to plague industry

### Labour Issues

- Child Labour in Cocoa Industry

### Environmental Issues

- Climate change Ghana's threat to cocoa production

### Others

- Ivory Coast cocoa farmers face pesticide shortage
- Kufuor calls for ECOWAS initiative to fight disease
- Nigeria to comply with EU regulation on pesticides
- Latest Quarterly Bulletin of Cocoa Statistics
- Increase in funds for COCOBOD scholarship
- Boost for Cocoa industry: As Prez inaugurates multi-billion-cedi warehouse complex
- Commodities come roaring back

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- ✓ LONDON AND NEW YORK FUTURES MARKETS UPDATE
- ✓ SPOT PRICES
- ✓ NEWS
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Cocoa Producers' Alliance

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 18th Aug 2008**

Month	Opening Trans	Settle	Change	Daily High	Daily Low	Volume
Sep 2008	1445	1441	1	1450	1437	1,221
Dec 2008	1451	1453	4	1459	1448	2,466
Mar 2009	1459	1458	7	1460	1454	951
May 2009	1462	1461	5	1462	1458	110
Jul 2009	1463	1463	2	1464	1460	245
Sep 2009		1464	-2			0
Dec 2009		1468	-2			0
Mar 2010		1473	-2			0
May 2010		1474	-2			0
Jul 2010		1465	-2			0
<b>Average/Totals</b>		<b>1462</b>				<b>4,993</b>

**Tuesday 19th Aug 2008**

Month	Opening Trans	Settle	Change	High	Low	Volume
Sep 2008	1445	1482	41	1484	1435	1,518
Dec 2008	1455	1490	37	1493	1447	5,415
Mar 2009	1460	1493	35	1495	1454	1,965
May 2009	1461	1495	34	1498	1460	77
Jul 2009	1462	1497	34	1497S	1460	30
Sep 2009	1460	1497	33	1460	1460	23
Dec 2009		1500	32			0
Mar 2010		1505	32			0
May 2010		1509	35			0
Jul 2010		1500	35			0
<b>Average/Totals</b>		<b>1497</b>				<b>9,028</b>

**Wednesday 20th Aug 2008**

Month	Opening Trans	Settle	Change	High	Low	Volume
Sep 2008	1491	1482	0	1495	1463	541
Dec 2008	1501	1493	3	1505	1468	3,544
Mar 2009	1505	1495	2	1505	1471	515
May 2009	1497	1497	2	1497S	1489	94
Jul 2009		1500	3			0
Sep 2009		1500	3			0
Dec 2009		1503	3			0
Mar 2010		1509	4			0
May 2010		1513	4			0
Jul 2010		1504	4			0
<b>Average/Totals</b>		<b>1500</b>				<b>4,694</b>

**Thursday 21st Aug 2008**

Month	Opening Trans	Settle	Change	High	Low	Volume
Sep 2008	1494	1564	82	1567	1491	1,386
Dec 2008	1502	1573	80	1574	1501	9,542
Mar 2009	1502	1575	80	1577	1502	1,811
May 2009	1507	1577	80	1578S	1507	299
Jul 2009	1515	1579	79	1580S	1514	38
Sep 2009	1519	1579	79	1584	1518S	1,275
Dec 2009		1582	79			0
Mar 2010		1588	79			0
May 2010		1592	79			0
Jul 2010		1583	79			0
<b>Average/Totals</b>		<b>1579</b>				<b>14,351</b>

**Friday 22nd Aug 2008**

Month	Opening Trans	Settle	Change	High	Low	Volume
Sep 2008	1561	1557	-7	1563	1542	3,137
Dec 2008	1573	1574	1	1575	1558	5,409
Mar 2009	1575	1578	3	1577	1562	1,441
May 2009	1575	1577	0	1577	1565	207
Jul 2009	1572	1579	0	1572	1568	28
Sep 2009		1579	0			0
Dec 2009		1582	0			0
Mar 2010		1588	0			0
May 2010		1592	0			0
Jul 2010		1583	0			0
<b>Average/Totals</b>		<b>1579</b>				<b>10222</b>

<b>Average for the week</b>		<b>1579</b>				<b>8658</b>
						<b>43,288</b>

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

**Monday 18th Aug 2008**

Month	Open	Price	Change	High	Low	Volume
Sep 2008	2619	2609	12	2635	2598	4698
Dec 2008	2611	2606	19	2625	2594	12474
Mar 2009	2626	2610	16	2627	2604	2222
May 2009	2620	2611	16	2620	2609	591
Jul 2009	2625	2618	17	2629	2618	146
Sep 2009	2622	2616	11	2625	2616	30
Dec 2009	2615	2620	18	2620	2614	146
Mar 2010		2622	20	2622	2622	10
May 2010		2631	23	2631	2631	
Jul 2010		2631	23	2631	2631	
<b>Average/Totals</b>		<b>2618</b>				<b>20317</b>

**Tuesday 19th Aug 2008**

Month	Open	Price	Change	High	Low	Volume
Sep 2008	2626	2676	67	2708	2540	207
Dec 2008	2602	2671	65	2702	2582	2338
Mar 2009	2603	2674	64	2704	2594	204
May 2009	2595	2673	62	2695	2595	17
Jul 2009	2608	2679	61	2702	2607	26
Sep 2009	2606	2676	60	2676	2604	11
Dec 2009	2608	2683	63	2705	2608	9
Mar 2010		2687	65	2687	2687	
May 2010		2689	58	2689	2689	
Jul 2010		2689	58	2689	2689	
<b>Average/Totals</b>		<b>2680</b>				<b>2812</b>

**Wednesday 20th Aug 2008**

Month	Open	Price	Change	High	Low	Volume
Sep 2008	2680	2658	-18	2706	2610	582
Dec 2008	2686	2659	-12	2699	2627	5,308
Mar 2009	2693	2662	-12	2696	2632	1,133
May 2009	2678	2658	-15	2678	2633	86
Jul 2009		2665	-14	2665	2665	54
Sep 2009		2662	-14	2662	2662	30
Dec 2009		2668	-15	2668	2668	5
Mar 2010		2675	-12	2675	2675	
May 2010		2674	-15	2674	2674	
Jul 2010		2674	-15	2674	2674	
<b>Average/Totals</b>		<b>2666</b>				<b>7198</b>

**Thursday 21st Aug 2008**

Month	Open	Price	Change	High	Low	Volume
Sep 2008	2698	2824	166	2849	2698	146
Dec 2008	2688	2841	182	2850	2674	3,873
Mar 2009	2700	2836	174	2844	2686	785
May 2009	2690	2833	175	2841	2690	162
Jul 2009	2808	2838	173	2844	2808	5
Sep 2009	2840	2839	177	2844	2821	
Dec 2009	2852	2848	180	2853	2848	1
Mar 2010		2851	176	2851	2851	
May 2010		2851	177	2851	2851	
Jul 2010		2851	177	28 51	2851	
<b>Average/Totals</b>		<b>2841</b>				<b>4972</b>

**Friday 22nd Aug 2008**

Month	Open	Price	Change	High	Low	Volume
Sep 2008	2800	2790	-34	2804	2790	21
Dec 2008	2841	2812	-29	2849	2779	11,918
Mar 2009	2814	2813	-23	2840	2790	1,381
May 2009	2793	2811	-22	2832	2792	323
Jul 2009	2802	2817	-21	2817	2802	52
Sep 2009		2817	-22	2817	2817	24
Dec 2009	2815	2823	-25	2823	2815	300
Mar 2010		2826	-25	2826	2826	
May 2010		2826	-25	2826	2826	
Jul 2010		2826	-25	2826	2826	
<b>Average/Totals</b>		<b>2816</b>				<b>14019</b>

<b>Average for the week</b>	<b>2816</b>				<b>12330</b>
<b>Total for the week</b>					<b>49,318</b>

**Spot Prices [US\$ per tonne]**

	18 <sup>th</sup> August	19 <sup>th</sup> August	20 <sup>th</sup> August	21 <sup>st</sup> August	22 <sup>nd</sup> August
Main Crop Ghana, Grade 1	3065	3129	3117	3299	3270
Main Crop Ivory Coast, Grade 1	2913	2976	2964	3146	3117
Main Crop Nigerian, 1	2896	2958	2946	3128	3099
Superior Arriba	2929	2994	2982	3164	3135
Sanchez f.a.q.	2941	3008	2996	3178	3149
Malaysian 110	2593	2658	2646	2828	2799
Sulawesi f.a.q.	2848	2913	2901	3083	3054
Ecuador Cocoa Liquor	4422	4550	4529	4839	4790
Pure Prime Press African Type Cocoa Butter	7427	7621	7587	8106	8024
10/12% Natural Cocoa Press Cake	1068	1095	1090	1165	1153

Source: Cocoa Merchants' Association-

# News

## Health and Nutrition

### **Cocoa flavanols improve brain blood flow**

Methuselah Foundation, DC

By Randall Parker

August 18, 2008

The purpose of this post is to provide you with health advice that you will enjoy following. Too many forms of health advice are joyless. Use cocoa powder without guilt.

McLEAN, VA (August 18, 2008) – Cocoa flavanols, the unique compounds found naturally in cocoa, may increase blood flow to the brain, according to new research published in the *Neuropsychiatric Disease and Treatment* journal. The researchers suggest that long-term improvements in brain blood flow could impact cognitive behavior, offering future potential for debilitating brain conditions including dementia and stroke.

In a scientific study of healthy, older adults ages 59 to 83, Harvard medical scientists found that study participants who regularly drank a cocoa flavanol-rich beverage made using the Mars, Incorporated *Cocoapro*® process had an eight percent increase in brain blood flow after one week, and 10 percent increase after two weeks.

In this first-of-its-kind study, the researchers found both short and long-term benefits of cocoa flavanols for brain blood flow, offering future potential for the one in seven older Americans currently living with dementia. When the flow of blood to the brain slows over time, the result may be structural damage and dementia. Scientists speculate that maintaining an increased blood flow to the brain could slow this cognitive decline.

I see from Googling that Mars sells this high flavanol chocolate under the *CocoaVia* brand. Some comments on the web say it is bitter. That is why flavanols get removed by most chocolate companies from chocolate during processing. But I'll put up with the bitter (more likely drown the bitter in honey) for the health benefits. Worth a try.

### **Cocoa flavanols may help retain memory**

Improvements in brain blood flow could impact cognitive behavior

OfficialWire, NY

By UPI NewsTrack

8/19/2008

MCLEAN, VA — (OfficialWire) — 08/19/08 -- People ages 59 to 83 who drank a cocoa flavanol-rich beverage had an 8 percent increase in brain blood flow after one week, U.S. researchers said. The study, published in the journal *Neuropsychiatric Disease and Treatment*, said cocoa flavanols -- the unique compounds found naturally in cocoa -- may increase blood flow to the brain.

Harvard medical scientists said researchers suggest long-term improvements in brain blood flow could impact cognitive behavior, offering potential defense against debilitating brain conditions including dementia and stroke. When the flow of blood to the brain slows over time, the result may be structural damage and dementia. Scientists speculate that maintaining an increased blood flow to the brain could slow this cognitive decline.

### **Researchers link cocoa flavanols to improved brain blood flow**

*New study suggests cocoa compounds could hold promise for*

EurekAlert (press release), DC

August 18, 2008

McLEAN, VA – Cocoa flavanols, the unique compounds found naturally in cocoa, may increase blood flow to the brain, according to new research published in the *Neuropsychiatric Disease and Treatment* journal. The researchers suggest that long-term improvements in brain blood flow could impact cognitive behavior, offering future potential for debilitating brain conditions including dementia and stroke.

In a scientific study of healthy, older adults ages 59 to 83, Harvard medical scientists found that study participants who regularly drank a cocoa flavanol-rich beverage made using the Mars, Incorporated *Cocoapro*® process had an eight percent increase in brain blood flow after one week, and 10 percent increase after two weeks.

In this first-of-its-kind study, the researchers found both short and long-term benefits of cocoa flavanols for brain blood flow, offering future potential for the one in seven older Americans currently living with dementia. When the flow of blood to the brain slows over time, the result may be structural damage and dementia. Scientists speculate that maintaining an increased blood flow to the brain could slow this cognitive decline.

"The totality of the research on cocoa flavanols is impressive. This is just one more study adding to an increasing body of literature connecting regular cocoa flavanol consumption to blood flow and vascular health improvements throughout the body," said Harold Schmitz, Ph.D., chief science officer at Mars, Incorporated, which has supported research on cocoa flavanols for more than 15 years. "Though more research is needed, these findings raise the possibility that flavanol-rich cocoa products could be developed to help slow brain decline in older age."

#### The Body of Evidence

Contrary to statements often made in the popular media, the collective research demonstrates that the vascular effects of cocoa flavanols are independent of general "antioxidant" effects that cocoa flavanols exhibit in a test tube, outside of the body. While research aimed at studying the potential role of cocoa flavanols in the context of blood vessel and circulatory function continues, a number of previously published studies already suggest that the consumption of cocoa flavanols can have important beneficial effects on the function of the body's network of blood vessels. The body of research not only suggests that cocoa flavanols may provide a dietary approach to maintaining cardiovascular function and health, but also points at new possibilities for cocoa flavanol-based interventions for vascular complications associated with cognitive performance, skin health and age-related blood vessel dysfunction.

#### Future Cocoa Flavanol Research Directions

For more than 15 years, Mars, Incorporated has conducted and/or supported a significant portion of the research undertaken in the field of cocoa flavanols and reported new insights in peer-reviewed scientific literature. Working in collaboration with top research institutions around the world, Mars, Incorporated continues to lead the way in exploring the nutritional and medical potential of cocoa flavanols. Mars' commitment to rigorous scientific research of cocoa and flavanols is evidenced by more than 100 peer-reviewed research publications and more than 80 patents held by the company. Mars also developed and patented the breakthrough process called *Cocoapro*® that helps retain more of the naturally occurring flavanols in cocoa. The high-flavanol cocoa powders made using the *Mars Cocoapro*® process are thoroughly characterized in terms of nutrient content, as well as standardized with respect to flavanol level and flavanol profile. Through the newly created Mars Botanical division, Mars will continue to develop and apply industry-leading analytical techniques and standards to further investigate the biomedical potential of cocoa flavanols. For more information on the many research studies on cocoa flavanols, visit [www.healthycocoa.com](http://www.healthycocoa.com).

*Source: Sorond FA, Lipsitz LA, Hollenberg NK, Fisher ND. Cerebral blood flow response to flavanol-rich cocoa in healthy elderly humans. Neuropsychiatric Disease and Treatment. 2008;4:433-440.*

#### About Mars, Incorporated

Mars, Incorporated, headquartered in McLean, Virginia is a family-owned company with a strong commitment to science-based research. With more than 15 years of research into the health effects of cocoa flavanols, and decades of research invested into improving the cocoa plant and farming techniques, Mars, Incorporated has become the global leader in cocoa research. For more information, visit [www.cocoapro.com](http://www.cocoapro.com). For more information about the Mars, Incorporated cocoa sustainability program, visit [www.cocoasustainability.mars.com](http://www.cocoasustainability.mars.com).

#### About Mars Botanical

Mars Botanical, headquartered in Rockville, Maryland, is a newly-established division of Mars, Incorporated. The mission of Mars Botanical is to further develop leading edge science and technologies in the field of phytonutrients with the goal of creating new plant-derived products aimed at improving human health, and do so in a sustainable way that helps both farming communities and their local environment. Mars, Incorporated scientists and colleagues at leading research institutions are dedicated to unlocking the full nutritional and medical potential of cocoa flavanols. For more information, visit [www.marsbotanical.com](http://www.marsbotanical.com).

## Cocoa may help ward off Dementia, Stroke

Oneindia, India

By: ANI

19/08/2008



A new study has shown that cocoa flavanols, the naturally occurring compounds in cocoa, may increase blood flow to the brain, thus offering future potential for dementia and stroke.

In the study involving older adults ages 59 to 83, Harvard medical scientists found that the participants who regularly drank a cocoa flavanol-rich beverage made using the Mars, Incorporated Cocompro process had increased the brain blood flow by 8 pct after one week and 10 percent increase after two weeks.

Scientists believe that maintaining an increased blood flow to the brain could slow the cognitive decline in debilitating brain conditions "The totality of the research on cocoa flavanols is impressive. This is just one more study adding to an increasing body of literature connecting regular cocoa flavanol consumption to blood flow and vascular health improvements throughout the body," said Harold Schmitz, Ph.D., chief science officer at Mars, Incorporated. "Though more research is needed, these findings raise the possibility that flavanol-rich cocoa products could be developed to help slow brain decline in older age," he added.

Contrary to previous study results, vascular effects of cocoa flavanols are independent of general "antioxidant" effects that cocoa flavanols exhibit in a test tube, outside of the body. The body of research not only suggests that cocoa flavanols may provide a dietary approach to maintaining cardiovascular function and health, but also points at new possibilities for cocoa flavanol-based interventions for vascular complications associated with cognitive performance, skin health and age-related blood vessel dysfunction. *The study is published in the Neuropsychiatric Disease and Treatment journal.*

## In the News... Cocoa butter not the answer for Stretch Marks

Examiner.com

August 19, 2008



Stretch marks. They're one of those things that soon-to-be moms dread and are always looking for something to help eliminate even before the first one appears. Despite the fact that you might have heard cocoa butter lotion would help, a new study says that's not the case. A new report on Yahoo! Health says:

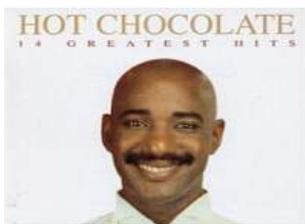
Overall, 45 percent of cocoa butter-treated women developed stretch marks compared with 49 percent of women given placebo lotion. Although the percentage is slightly lower in the cocoa butter group, from a statistical standpoint, the difference was not considered significant, meaning that it may have simply arisen by chance. There was also no difference between the groups in the severity of their stretch marks.

So what can you do to fight stretch marks? There are reports that a Duke University study found a Vitamin C fluid called Cellex-C Serum can help - but only if used before the onset of the first sign of a stretch mark around 6-12 weeks of pregnancy. You can read more about that [HERE](#). But other studies have not been done to check that research.

## Hot chocolate could help brain activity

NewsLite, UK

August 20, 2008



Drinking hot chocolate could stimulate increased brain activity, research has found. The experts also believe future advances (presumably not a new marshmallow flavor hot chocolate) could help in the treatment of debilitating brain conditions including dementia and strokes.

Harvard medical scientists, studying people aged 59 to 83, found that those who regularly drank a cocoa flavanol-rich had an eight percent increase in brain blood flow after just one

week. Scientists speculate that maintaining an increased blood flow to the brain could slow the cognitive decline of dementia when the --flow of blood to the brain slows over time.

"This is just one more study adding to an increasing body of literature connecting regular cocoa flavanol consumption to blood flow and vascular health improvements throughout the body," said Harold Schmitz, Ph.D.

"Though more research is needed, these findings raise the possibility that flavanol-rich cocoa products could be developed to help slow brain decline in older age."

The research is published in the *Neuropsychiatric Disease and Treatment* journal, though not with a recipe for the ultimate Belgian hot chocolate.

### **Cocoa compound boosts brain's blood flow**

<< *Flavanols in Cocoa May Help Treat Stroke, Dementia* >>

By Kelley Colihan

Aug. 21, 2008

It's news we all want to hear -- that eating chocolate is good for you. Well not quite, but an ingredient in some chocolates is showing promise in promoting blood flow to the brain. The ingredient is flavanols, which are nutrients found in cocoa. Flavanols are considered to act as antioxidants and anti-inflammatories on cells. These chemicals can protect cells and tissue from damage, which in turn protects against heart disease and cancer.

The research and similar studies were funded by Mars Inc., the maker of Snickers and other foods. "The totality of the research on cocoa flavanols is impressive. This is just one more study adding to an increasing body of literature connecting regular cocoa flavanol consumption to blood flow and vascular health improvements throughout the body," according to news release comments from Harold Schmitz, chief science officer at Mars. Schmitz says that flavanol-rich drinks or foods could be created to help slow brain decline as people age.

This study rounded up 34 healthy 59- to 83-year-olds. The average age was 72. None of the participants was a smoker or had diabetes or high blood pressure. The participants were asked not to take in any caffeine, alcohol, or chocolate for at least 12 hours before being tested. The participants were told to drink a special cocoa drink twice a day. Some drank a high-flavanol drink (450 milligrams). The other group got a low-flavanol drink (18 milligrams).

Study members drank their cocoa and then came to a hospital where researchers used ultrasound to see how well blood was flowing in the brain, specifically in the middle cerebral artery.

#### Flavanol and Blood Flow

After one week, blood flow measures increased 8% in the group that got the flavanol-rich drinks. After two weeks that went up to a 10% increase. When comparing participants drinking the high-flavanol cocoa to those who drank the low-flavanol cocoa, there was an increase in measured blood flow. The researchers write that flavanols could have a "promising role" to treat brain conditions such as stroke and dementia. *The findings are published in the journal Neuropsychiatric Disease and Treatment.*

### **Chocolate lovers cross to dark side**

Sydney Morning Herald, Australia

Caroline Marcus

23 Aug 2008



Cocoa boost ... dark chocolate.

It was once the chosen treat of seniors but now Australians of all ages are embracing dark chocolate, lured by its reputed health benefits.

Some doctors and dietitians are recommending a moderate intake of the bittersweet dark chocolate for heart health and its high levels of antioxidants.

Sales of dark chocolate have grown by close to 40 per cent since last year, research by manufacturer Lindt found. The \$80 million national market has been boosted by the addition of exotic flavours such as chilli.

Cadbury's Old Gold, which has the biggest share of the market at 41 per cent of dark chocolate block sales, has doubled its sales numbers since 2002. "There is a growing number of people attracted to the dark chocolate segment, helped by the perceived benefits from the high antioxidants in chocolate with a high cocoa content," a Lindt spokeswoman said. Sydney dietitian Kate Marsh recommends some clients eat a small amount of dark chocolate daily. The cocoa in dark chocolate is rich in flavonoids, which have been scientifically linked with a reduced risk of heart disease. Flavonoids are also found in fruit, vegetables, tea and red wine. Milk chocolate contains significantly fewer flavonoids. White chocolate contains no cocoa. The higher the cocoa grading, the healthier it is, so dark chocolate labelled "85 per cent" cocoa is a better choice than "75 per cent".

Ms Marsh said dark chocolate could benefit people with high blood pressure, diabetes and high cholesterol. "Most people have the impression that they need to cut it out, particularly if they have high cholesterol, and studies do not show that at all," Ms Marsh said. "Even having a few squares of chocolate can have a significant blood pressure-lowering effect." However, she warned that dark chocolate was still high in saturated fat so it should be consumed in moderation, particularly for those watching their weight.

Anna O'Halloran, 19, a University of Sydney science student, said dark chocolate "is not as processed, it's probably better sugar and it's got a richer flavour". "Among my older friends, particularly people I work with and especially one friend who lives in Switzerland, they rate dark chocolate much higher and refuse to eat milk chocolate."

### **Chocolate Prescription Receives A+ Rating for 72% Dark Chocolate Product**

PR.com (press release), NY - 21 Aug 2008

Chocolate Prescription, a manufacturer and wholesaler of gourmet chocolate products made with 72% dark chocolate (cocoa) that is packaged in daily one ounce doses, received an A+ rating from Gourmet Food PR. Ryan Montague of Gourmet Food PR awarded high marks for the chocolate's balanced smoothness, quality, and overall packaging and presentation. goal of providing a daily dose of chocolate so consumers can eat dark chocolate in moderation every day without guilt

Dallas, TX, August 21, 2008 --(PR.com)-- Chocolate Prescription received an A+ rating from Gourmet Food PR (<http://www.gourmetfoodpr.com/product-review-chocolate-prescription-gourmet-chocolate/>) for its 1 Week and 4 Week Prescriptions of 72% dark chocolate (cocoa) bars. Chocolate Prescription launched its product this past year with the simple goal of providing a guilt free and delicious way to follow the doctor's orders to eat a moderate amount of dark chocolate every day for your health. Gourmet Food PR awarded high ratings for the product's gift-quality packaging and the overall smoothness and quality of the chocolate.

"Chocolate Prescription gets an A+ for stunning packaging and presentation, a deliciously balanced chocolate product, and a truly unique concept with enormous growth potential. Great product for anyone looking to manage their sweets intake, and one of the best gift items we've seen in years!" stated Ryan Montague, Gourmet Food PR's president.

Ryan added, "The first thing that came to mind when reading 'dark chocolate' . . . was that the chocolate must be very bland and/or bitter. Within seconds of eating the first bite, those concerns were instantly erased from our minds. Chocolate Prescription obviously uses high quality gourmet chocolate and ingredients to create this silky smooth dark chocolate. Surprisingly, there wasn't much bitterness at all - as was expected. At the same time, it wasn't too sweet and loaded with sugar, creating a perfect happy-medium."

Numerous medical journals have published several reports that attribute health benefits to dark chocolate. The Journal of the American Medical Association reported that dark chocolate, when taken in the appropriate quantities, has lowered blood pressure. Mauro Serafini, PhD, of Italy's National Institute for Food and Nutrition Research in Rome, has also released a report that sites the powerful antioxidant qualities of dark chocolate.

"The health benefits of dark chocolate are definitely an exciting development for chocolate lovers - what a great reason to eat a favorite food every day" commented Terry Traveland, Founder of Chocolate Prescription. "Our product is not a medical solution nor do we make medical claims; we simply provide great tasting 1 oz bars of 72% cacao dark chocolate conveniently packaged for a 1 week or 4 week supply so you can indulge in moderation and possibly improve your health."

Chocolate Prescription offers its product in both a 1 Week and 4 Week Prescription of 1 oz. bars so you can get your daily dose of chocolate. You can satisfy your chocolate cravings while still managing a moderate caloric intake since each bar has just 155 calories. The product packaging is designed to be gift-quality, allowing those who discover it to consciously give a healthy version of a gift that is always well received throughout the year.

Chocolate Prescription LLC , a woman-owned business based in Plano, Texas, was founded by Terry Traveland with the goal of providing a daily dose of chocolate so consumers can eat dark chocolate in moderation every day without guilt. For more information, contact Terry Traveland at <http://www.ChocolatePrescription.com/ContactUs.asp>

### **Cocoa May Help Blood Flow In Brain**

NBC Sandiego.com, CA - 18 Aug 2008

*Chocolate Chemicals May Help With Dementia, Stroke*

Substances found in cocoa called flavanols may help increase blood flow in the brain, which could ease problems associated with dementia or strokes, according to Harvard researchers.

Story: Chocolate Good For You?

They said in a news release that people ages 59 to 83 who drank a beverage with lots of cocoa flavanols had an 8 percent increase in blood flow after one week an 10 percent after two weeks.

The drink was made using a process developed by candy maker Mars Inc., which said it has been supporting research on cocoa flavanols for 15 years. "Though more research is needed, these findings raise the possibility that flavanol-rich cocoa products could be developed to help slow brain decline in older age," said Harold Schmitz, the chief science officer for Mars.

### **Dark chocolate**

James Brennan

The National, United Arab Emirates - 19 Aug 2008

Dark chocolate is great on its own, but it's also a useful ingredient in all kinds of sweet and savoury recipes. Corbis

Up until quite recently, scientists, doctors and nutritionists, it appeared, would only ever recommend the likes of sunflower seeds, bran and lentils to ensure we maintain a healthy diet. While there's no reason to harbour grudges against any of the above, they hardly set the palate alight. But these days we've been hearing more and more about the health benefits of certain foodstuffs that frankly only the lobotomised would turn their nose up at. Thankfully, one of them is dark chocolate.

Naturally high in flavonoids – organic compounds that stimulate antioxidant activity – dark chocolate can protect the heart, increase blood flow in the arteries, lower blood pressure and even help to combat cancer. It's far more beneficial than milk chocolate, which contains fewer flavonoids due to proteins in milk that prohibit the antioxidants from flourishing. And while traditional methods of producing dark chocolate can destroy up to half the flavonoids, manufacturers such as Mars are working on ways to keep around 95 per cent of the flavonoids intact.

But before you rush out and buy a wheelbarrow to cart your daily supply of dark chocolate around with you, beware. Dark chocolate is still essentially high in fat and loaded with calories, which means it should only be eaten in small quantities, and as part of a balanced diet alongside regular exercise. Don't cry – it's better than getting none at all.

Instead of something to guzzle and feel guilty about, dark chocolate should be regarded as a delicacy to savour. Fine dark chocolate containing over 70 per cent cocoa solids can possess surprisingly complex flavours. When you break a piece it should snap resoundingly, leave a clean edge and release a waft of aromas ranging from coffee and tobacco to leather and fruit. Let the flavours unfold as it melts on the tongue, and enjoy its richness right up until the finish.

Of course, dark chocolate is great on its own, but it's also a useful ingredient in all kinds of sweet and savoury recipes – and sometimes a surprising addition to other ingredients. The Mexicans have long understood the pleasantly intriguing relationship between dark chocolate and chilli peppers. When melted and added to hot milk, cinnamon and chilli powder, dark chocolate takes on a whole new personality – a sultry and comforting drink combining sweet smoothness and fiery spice. Dark chocolate can also be added in small quantities to chilli con carne, to take away the sharp edge and imbue the dish with a velvety texture.

But while, for most humans, dark chocolate is a sweet, luxurious and potentially healthy component of our diets, spare a thought for our canine friends. All chocolate contains the bitter alkaloid theobromine, which in surprisingly small doses can cause dogs to experience seizures and, in extreme cases, death. Sorry Rex, but I'm afraid you'll have to stick with the Bonio.

### **Dream of the Future: Chocolate as Brain Food**

MedHeadlines, IL - 19 Aug 2008

As if chocolate lovers needed yet another reason to indulge guilt free, researchers from Harvard University and Mars, Incorporated, have released their findings that a naturally occurring substance in cocoa can actually bring long-term improvements to the flow of blood to the brain in ways that may have the potential of easing the damage of a stroke or slowing the progression of dementia. Currently, one in seven older Americans is battling age-related dementia.

To test their theory, the research team enlisted a group of healthy adults whose ages ranged from 59 to 83. At regular intervals over the course of the study, each participant drank a specially formulated beverage rich in cocoa flavanol, the compound thought to be responsible for the increased blood flow to the brain.

Within just one week, blood flow to the brain had increased by 8% in the study participants. After two weeks, blood flow had improved by 10%.

Describing the study as the first of its kind, the research team says it demonstrates both short-term and long-term benefits of cocoa flavanols in a way that far surpasses the beneficial effects of the antioxidants in cocoa that are getting substantial media attention of late. Since blood flow to the brain slows naturally over time, the research team suggests regular consumption of cocoa flavanol-rich foods may slow the decline in blood flow, thereby slowing the onset of age-related dementia.

Researchers used a form of cocoa derived through a special process the chocolate-candy giant, Mars, Incorporated, has formulated to contain a very high concentration of cocoa flavanols. The proprietary process, *Cocoapro*, may prove to be the basis for future development of flavanol-rich, chocolate-flavored products designed specifically for older people.

The medical journal, *Neuropsychiatric Disease and Treatment*, has published the findings of the research in its latest issue.

### **Cocoa Flavanols May Help Retain Memory**

Improvements in brain blood flow could impact cognitive behavior

by UPI NewsTrack

MCLEAN, VA — (OfficialWire) — 08/19/08 -- People ages 59 to 83 who drank a cocoa flavanol-rich beverage had an 8 percent increase in brain blood flow after one week, U.S. researchers said. The study, published in the journal *Neuropsychiatric Disease and Treatment*, said cocoa flavanols -- the unique compounds found naturally in cocoa -- may increase blood flow to the brain.

Harvard medical scientists said researchers suggest long-term improvements in brain blood flow could impact cognitive behavior, offering potential defense against debilitating brain conditions including dementia and stroke. When the flow of blood to the brain slows over time, the result may be structural damage and dementia. Scientists speculate that maintaining an increased blood flow to the brain could slow this cognitive decline.

### **The Science of Aphrodisiacs**

U.S. News & World Report, DC - 19 Aug 2008

*We've heard some flimsy claims about libido-boosting foods. But there's some sound science, too*

By Matthew Shulman

Posted August 19, 2008

They've been touted to increase sex drive, boost arousal, and put men and women in the "mood" for hundreds of years. But the skeptical consider aphrodisiacs—foods, drinks, and now cleverly marketed extracts and supplements—to be more mental than physical. A brief look at some of the more notorious of these purported libido enhancers reveals both flimsy claims and some sound science.

### **Could Viagra Be an Antidote for Women's Sexual Dysfunction?**

*What Viagra's Birthday Means to Men's Health*

*Chocolate—in Moderation—May Lower Blood Pressure*

Discuss Sexual Health

Watermelon. A study suggesting that watermelon may have Viagra-like effects on the body made headlines last month. But the findings don't exactly mean that eating watermelon can boost libido or treat erectile dysfunction. Watermelon, scientists found, contains large amounts of the plant nutrient citrulline, which is known to have beneficial effects on the cardiovascular and immune systems. The chemical can relax blood vessels and improve blood flow, in much the way Viagra's active ingredient does. But, the researchers say, it isn't as organ specific as Viagra. Also, most of watermelon's citrulline is found in the inedible rind of the fruit.

Oysters. Since ancient times, many people have considered these mollusks to be an especially potent aphrodisiac. But this reputation may have arisen simply because an oyster's shape resembles the female genitalia. (The same may be true of figs and avocado.) There's no scientific evidence that the slippery mollusks boost libido or sexual performance. However, oysters have a high zinc content, which is essential to the production of testosterone, the male sex hormone, and the maintenance of healthy sperm. Pine nuts, also considered an aphrodisiac by some, contain large amounts of zinc relative to other nuts.

Hot peppers. A group of alleged aphrodisiacs—cayenne and other chili peppers—is sometimes sold in the form of an extract, but its effect on the body may be more discomfort inducing than arousing. The fiery fruits contain varying levels of a chemical irritant called capsaicin, which, when ingested, causes an increase in heart rate and breathing, sweating, and blood flow—similar to the body's response to sexual arousal.

Chocolate. Perhaps the most famous—and most studied—of the aphrodisiacs is chocolate. A 2006 study published in the *Journal of Sexual Medicine* found that women who habitually ate chocolate on a daily basis reported higher sexual function scores than those who did not. Researchers believe this finding is a misleading artifact of chocolate eaters' tendency to be younger—and have naturally higher libidos—than people who avoid the treat. Interestingly, there was no difference between the groups in sexual arousal or satisfaction. Still, it's plausible that chocolate contains a little love mojo: The neurotransmitters serotonin and anandamide both contribute to feelings of happiness and euphoria during sex. And both are found in chocolate.

### **Heart to Heart Talk**

*Chocolate: Cardio-good?*

By Dr. Philip S. Chua

Cebu Daily News

08/18/2008

In a previous column a few years back, we reported that one person in the United States died of heart attack about every 60 seconds. The stat has almost doubled. Recent studies show that in America, one succumbs every 33 seconds to this number 1 killer in America and in many well-developed countries around the world. In the Philippines, the death toll from heart attack is about one every 7 minutes, and one out of ten Filipinos 15 years and older has hypertension (high blood pressure). Hypertension is common among heart patients and a most frequent cause of stroke. About 80 percent-85 percent of all primary hypertension are mild enough to be effectively controlled by modification in lifestyle alone, sans drugs.

#### Scary statistics

As we alluded to in the past, to put those frightening statistics in their proper perspectives and truly understand the gravity and impact of cardiovascular diseases on all of us, one person in America has already died of CVD the past 33 seconds (2500 will die today), and one individual in the Philippines will succumb to CVD in the next 7 minutes or so (about 216 this day alone). All of those two events will be happening while you are reading my column. Alarming and scary, indeed!

#### Chocolate to the rescue ?

Scientists now say that chocolate, especially the dark variety, is good for our cardiovascular system. Health experts claim that this mouth-watering, and practically “addictive and decadent” food item, improves the circulation and lowers the blood pressure. For centuries, cocoa has been used for medicinal purposes in Europe and the Americas.

The 2006 study of a team of researchers from the University of California-Davis and the university of Dusseldorf in Germany confirmed that “the compound epicatechin found in cocoa is directly linked to vasodilation and improved circulation and other hallmarks of cardiovascular function.” The flavanol-rich compound causes relaxation of constricted blood vessels (especially the arteries) “mediated by nitric oxide (NO), a key signal released by the inner lining of the arteries,” same action as Viagra, Cialis or Levitra in their ability to vasodilate (open up) and fill with blood the veins of the penis, to effect engorgement, as a treatment for erectile dysfunction. The relaxed blood vessels are less prone to clotting and blockage. This effect also leads to reduction in the blood pressure among hypertensives (persons with high blood pressure).

A separate study in Tufts University and the University of California, San Francisco, confirms the U of C and Dusseldorf findings on vasodilation and added the information that consumption (in moderation) of chocolates did not increase the lipid (cholesterol) level. Review of other studies reveals that “flavanoids from chocolates have an anti-inflammatory effect by controlling the activation of several pro-inflammatory agents in the body.” A University of Buenos Aires scientist, Cesar G. Fraga, found that there was a rise in the procyanidins in the blood following ingestion of cocoa-based foods, which protected the circulating lipids from the bad oxidation process.

Chocolates also have a cardio-protective effect via its effects on prostacyclins, which work like low-dose aspirins, with their mild anti-coagulation (blood thinner) action, preventing blood clots by reducing platelet clumping, a process that induces blood clot formation.

Procyanidin and flavanol in cocoa have significant anti-oxidant (free radical fighting) properties, which protects the heart and the vascular system, by protecting the cell membranes and minimizing the oxidation of the LDL (bad) cholesterol, thus slowing down hardening of the arteries. Oxidation in our body is a major cause of aging among human beings and other animals. (This process is akin to the oxidation that transforms a brand new car paint into an old-looking, faded, shin-less, aged appearance, and the metal parts corroded, lusterless and damaged.) This is why fruits and vegetables, which are loaded with

anti-oxidants, are strongly recommended for us to eat at least 3 times a day. Red meats, egg yolks, smoking, lack of exercise (sedentary lifestyle) have the opposite effects, besides their bad fat/cholesterol elevating properties.

Dark chocolate, which contains the highest level of cocoa (at least 60 percent), is the one that confers (almost exclusively) the best cardio-protective benefits. The flavanoids are found in cocoa beans but not in the milk, cream, sugar and other additives that make chocolates lighter or whiter. Preferred are the chocolates processed without "dutching" or alkalization, because these methods destroy a significant amount of antioxidants in cocoa. Heat also destroys these flavanoids, so chocolates that are cold-pressed are better than those "pressed with heat."

So, together with a healthy lifestyle, and in moderation, one may "sinfully" savor dark chocolate a couple of times a day without guilt ... and enjoy a happy heart. Make that two hearts, comes Valentine's Day, with or without flowers!

## **Production and Quality**

### **Ivorian Cocoa Graft Probe may Hit Season - Shippers**

Source: Reuters

19/08/2008

Abidjan, Aug 18 - A government crackdown on corruption in top cocoa producer Ivory Coast has crippled the state marketing board and may disrupt operations during the approaching main crop season, exporters said on Monday.

New officials were appointed to run the Coffee and Cocoa Bourse (BCC) after top managers were arrested in June in an anti-graft investigation ordered by Ivorian President Laurent Gbagbo, but merchants say the new team has not got down to work. "Since the start of this business, the BCC has been paralysed, too scared to take the slightest decision," said an executive with a major exporting firm in the commercial capital Abidjan.

Exporting firms have not been able to hold meetings with the BCC to discuss practical arrangements for the new cocoa season, which begins on Oct. 1. One of those tasks is the compilation of a list of officially-recognised buyers and exporters, normally published around the first week of September, the executive said. He feared that if this was not done in time, it might delay the start of main-crop exports.

Farmers expect the forthcoming main crop harvest to be bigger than last year's, and with prices on world markets just below 28-year highs at around \$2,600 per tonne <CCZ8>, cocoa shippers are keen to get up and running as soon as possible.

NO COMMUNICATION

"For the last three months, we've not had a preparatory meeting to talk about how we see it working. That's becoming quite a concern, especially as we get so close to the start of the season," said the director of a major European exporting firm in Abidjan.

If the BCC does not function smoothly, shippers will find it very difficult to work, they said. "The BCC is our main point of contact in the sector. It's the BCC which gives us access codes for the registration system, which tells us the export procedures and everything else which has to be done, but at the moment, we can't talk to them," said the director of another European export firm in Abidjan. "There is worry about what's happening in the sector at the moment because we have no information about how things are going to work practically during the upcoming campaign," he said.

Last week, five ministers were called as witnesses in the investigation. President Gbagbo, who is widely expected to seek another term in post-war elections scheduled for Nov. 30, has said the inquiry would lead to prosecutions and jail terms for those found guilty.

### **Cameroon Cocoa off 7-year Highs as Supplies Rise**

Source: Reuters

18/08/2008

Yaounde, Aug 14 - Cameroon cocoa prices have dipped from last month's 7-year high as supplies in the world's fifth-biggest grower increased, farmers said on Thursday. Cocoa was selling in the main trading centre of Kumba at 960-970 CFA francs per kg (\$2.21), down from 1,000 francs in July, said Joseph Nde, manager of Cameroon Marketing Commodities (CAMACO), a major cocoa producing and exporting company in the south west province. "There is this slight drop in prices because we are seeing many more beans today than last month. Supply is increasing slowly but steadily," Nde said.

Benchmark futures in New York <CCZ8> at \$2,727 per tonne have fallen around \$500 from last month's 28-year peak, but historically high prices have attracted unlicensed buyers to country's economic capital, Douala, looking to sell abroad.

Some farmers warned prices in Cameroon would drop sharply in the coming months as heavy rains had already damaged roads. "This will prevent many buyers coming in, and the few who dare travel the bad roads will dictate their prices to farmers," said Dickson Tambe Ashu, manager of the Mamfe Central Area Cooperative Union. Prices were steady at 800-850 CFA francs per kg, he said.

The cocoa season in the central African country runs from August 1 to July 31 of the following year, with peak harvesting and marketing from November to January. The mid-crop is harvested from May to July or early August.

### **Aussie chocolate on the way**

ABC Online, Australia  
20/08/2008

Australia's first large scale cocoa harvest is nearing completion in Far North Queensland. Processor Cocoa Australia is harvesting pods from three farms around Mossman, getting around four tonnes of dried cocoa beans. The cocoa will produce Australia's first home grown chocolate.

Cocoa Australia agronomist Terry Mather says their processing equipment needed a good test run before production ramps up next year. "The main purpose of this season is just to get the system working, so that then it is standardised," he says. "At the moment, every week we trial different approaches, whether it's duration of fermentation, the temperature, speed of drying - just tinkering with different combinations to try and standardise the approach."

### **Cocoa purchases up 10,483 Tonnes**

Peace fm Online, Ghana  
20 August 2008



Ghana cocoa purchases declared to Cocobod totaled 10,482.6 tonnes for the first five weeks of the 2008 light crop, 13 per cent up on the 9,264.5 tonnes bought in the same period a year ago, an industry source said last Friday. Purchases for the week ending July 31 were 558.6 tonnes, down on the 1,341 purchased in the 15th week of last year's light crop season and also from the previous week's 1,155 tonnes.

The significant fall in declared purchases in the fifth week was a result of the volumes of mature pods tailing off, the source said, adding that there might be an end of season increase in prices offered to farmers. Declared purchases from the preceding main season reached 663,000 tonnes, up from 559,914 tonnes last year. Cocobod had hoped this year would result in a record crop in excess of 700,000 tonnes but the smuggling of beans, especially to neighbouring Cote d'Ivoire, forced a revision of the target.

A Cocobod official estimated at the end of July that about 50,000 tonnes of cocoa from Ghana has been smuggled abroad this crop year, including around 20,000 tonnes from the current light crop. The target for the light crop is now 40,000 tonnes, down from initial expectations of 50,000-60,000 tonnes. Ghanaian cocoa commands a quality premium over Ivorian beans on international markets. But farmgate prices in Cote d'Ivoire have exceeded Ghana's fixed price. Cocobod fixes a uniform farmgate price in Ghana, whereas prices in Cote d'Ivoire fluctuate with the market, quality and on how far the beans must be transported for export.

Since February Ghanaian farmers have received a fixed 1,200 cedis/tonne while floating farmgate prices in most parts of Cote d'Ivoire have ranged between 400 and 600 CFA francs/kg for much of the past month, according to data from Cote d'Ivoire's Coffee and Cocoa Bourse (BCC). The source said that although no decision had been formally made, the government might raise farmgate prices in Ghana towards the end of the season. "The issue of real time pricing cannot be overlooked, especially when it is hurting you so badly as we are seeing now," he said.—

## **Ivorian Cocoa officials say no evidence of damage to main crop**

Bloomberg

By Pauline Bax

Aug. 20, 2008

(Bloomberg) -- Officials in Ivory Coast, the world's biggest producer of cocoa, have no evidence that prolonged rains and cold weather has damaged this year's main crop, the larger of two annual harvests that begins in October.

Farmers have expressed concern about poor weather in the southwestern region of Soubre, which accounts for a quarter of national production, and the southeast of the country. The state-controlled Bourse du Café et du Cacao, or BCC, said it's too early to determine whether the crop has been damaged. "We still have to send our technical teams to the cocoa-growing regions to look at the coming harvest," Edoukou Angoua, interim president of the BCC, said in a telephone interview today from the commercial capital, Abidjan. Inspectors will be sent out to the farms next month to collect information on the health of the crop.

Ivory Coast produces 37 percent of the world's cocoa, according to International Cocoa Organization statistics. The west African nation produced an estimated 1.39 million metric tons of the beans in the 2007-08 season, compared with 1.23 million tons a year earlier, the ICCO said.

The outlook for the main crop will be good if the sun returns and the rains don't continue, said Michel Gueya, head of a cocoa farmers' cooperative in the central cocoa-growing town of Daloa. "We're happy with the quality of the beans," Gueya said. "The rains have been good and we haven't seen any sign of diseases. But we need to wait until the end of the month to give more accurate information about the coming harvest."

Flowers, Baby Pods

Regular rains in the southwestern Soubre region have produced abundant flowers and baby pods, Madi Younga, a cocoa farmer in the town, said in a telephone interview. "But the weather is very strange," he said. "It is quite cold and there is not much sun. We hope the rains will stop within a couple of days, so that the flowers won't be damaged and there will be time to dry the beans."

Cocoa beans were moldy in some plantations in the east of the country, Yapi Ebe, a grower in the southeastern town of Aboisso, said in a telephone interview. "Some baby pods are turning black -- not because of black pod disease, but because of the cold," Ebe said. "It's difficult to dry beans in this weather."

Black Pod is a fungus that causes cocoa pods to turn black and rot. The disease spreads rapidly in periods of abundant rainfall and insufficient sunshine, according to the Web site of the Food and Agriculture Organization.

Cocoa futures for December delivery rose 6 pounds, or 0.4 percent, to 1,496 pounds (\$2,779) a ton on the Liffe exchange in London at 13:13 a.m. local time. To contact the reporters on this story: Pauline Bax in Abidjan via Johannesburg at [pmrichardson@bloomberg.net](mailto:pmrichardson@bloomberg.net).

## **Ghana cocoa purchases up at 11,127 T by Aug 7**

Reuters Ghana, Ghana

By Kwasi Kpodo

20 Aug 2008

ACCRA, Aug 20 (Reuters) - Ghana cocoa purchases declared to Cocobod totalled 11,127 tonnes for the first six weeks of the 2008 light crop, 8.9 percent up on the 10,210.5 tonnes bought in the same period a year ago, Cocobod data showed on Wednesday.

Purchases for the week ending Aug. 7 were 644 tonnes, down from 945.5 tonnes in the sixth week of last year's light crop. Many farmers were withholding stock in anticipation of increases in the producer price, an industry source said. "This is the time they keep the cocoa in their sheds because they expect higher prices," he said.

The government's producer price review committee sits between August and September, ahead of the start of the main crop in October. President John Kufuor has hinted that government is considering raising prices.

Total purchases as of Aug. 7 stood at 674,685 tonnes, comprising the light crop and 663,558 tonnes bought in the preceding 33-week main season.

## **Nigeria July cocoa arrivals climb 35 pct yr-on-yr**

Reuters Nigeria, Nigeria

By Tume Ahemba

20 Aug 2008

LAGOS, Aug 20 (Reuters) - Cocoa arrivals in Lagos, Nigeria's main export route, jumped 35 percent to 7,000 tonnes from the same month of the 2006/07 season, an average of estimates by major exporters showed on Wednesday.

The increase in Lagos cocoa arrivals in July was consistent with the trend since the strong start of the 2007/08 main crop last September in the world's number four grower. "Lagos arrivals increased slightly in July. They were higher compared to July last year," one exporter told Reuters.

The consistent rise in bean flow to Lagos is an indication the ambitious cocoa rehabilitation programme launched by the government in 2005 had achieved some success, exporters and buyers said. "Arrivals would have been higher but there was a break in supply in July unlike last year when there was no break," the Lagos-based exporter said.

Licensed Buying Agents (LBAs), who procure beans upcountry for Lagos exporters, said the break in supply last month was caused by a rise in the cost of transportation due to soaring diesel prices in the world's eighth biggest crude exporter.

Heavy rainfall in the main growing regions in July also rendered most roads impassable, making it difficult for farmers to bring their beans to the market and for buyers to convey their stock to Lagos.

## **E.Ivorian cocoa farmers see big crop, but fear disease**

Source: Reuters

21/08/2008

Abidjan, Aug 21 - Cocoa farmers in the east of world No.1 producer Ivory Coast still hope the forthcoming crop will be at least as big as this year's, but fear disease could lower bean quality, they said on Wednesday. Cocoa prices on world markets <CCc1> hit a 28-year high of more than \$3,000 per tonne in July, partly on worries about the Ivorian 2008/09 crop, but have since fallen to \$2,707 on expectations of a good harvest.

The new cocoa season begins on Oct.1, and even if tonnages are good, quality will be low, farmers said. "We will have problems with quality this year because there's a lot of disease around at the moment, which spoils the beans," said Charles Ehueni, owner of a 10-hectare cocoa plantation near Aboisso, in the south-east of the country. "Still, we have to use them because without them, there wouldn't be a good tonnage," he said.

The main threat is black pod disease, which thrives in wet conditions. "After the rains, black pod disease started to get at the pods, and I worry that it will spoil the harvest, because until now it's looked as though it's going to be a good one," said farmer Ano Kablan, who works near the border with Ghana, the world's second biggest cocoa producer. "At the start it was just a few pods which started to get the disease, but right now we are seeing more pods affected," he said.

## **FEAR OF A BLACK POD**

A combination of rain and sun in late July gave farmers hope that beans would be high in quality and abundant in quantity, but wet and cold weather in mid-August raised fears the disease would affect many plants. "The 2007/08 season was marked by very poor bean quality ... caused by humidity, and the risk for the next season is that we have the same problem, but more serious, not only has it rained but black pod disease has started to become widespread," said the commercial director of a major exporting firm in Abidjan.

Still, other farmers were more confident they would record a bumper haul in the coming season. "This year we had lots of rain when the rain was supposed to come in May and June-July, and after that, the sun came out. Everything is going well," said planter Claude Assale, whose farm in Niabale is only 13 km (8.1 miles) from the Ghanaian border. "If things stay as they are, we won't need to do anything to make the coming season a good one," he said.

Analysts expect the 2008/09 harvest to reach 1.05-1.1 million tonnes, compared with 1.05 million this year, and 904,000 tonnes in 2006/07.

### **ICO raises cocoa deficit forecast**

22 August 2008

LONDON (August 22 2008): The International cocoa Organisation (ICO) on Thursday raised its 2007/08 cocoa deficit forecast to 88,000 tonnes from a previous forecast for a deficit of 41,000 tonnes. The London-based ICO estimated the 2006/07 deficit at 293,000 tonnes. The ICO's cocoa year runs from October to September.

The ICO forecast world cocoa output in 2007/08 at 3.65 million tonnes, up from 3.38 million in 2006/07. The organisation predicted world grindings in 2007/08 at 3.70 million tonnes, up from 3.64 million in

### **Cocoa and Coffee season launched in Cameroon**

Cameroon Radio Television, Cameroon

*Olivia Tumanjong*

21/08/2008



Cocoa is one of the main cash crops, and thus an important source of income and poverty reduction in the humid forest regions of Cameroon. Like many African countries, Cameroon went through a major economic crisis in the early 1980s with a decline in international commodity prices and significant changes in macroeconomic policies.

As a consequence of Structural Adjustment reforms recommended by the Breton Woods Institutions following the economic crisis, fertilizers and pesticides subsidies to farmers were suspended; the price of cocoa was liberalized, and this marked an end to Government interventions in the cocoa sub-sector. Then, the devaluation of the CFA

Franc in the early 90s came to make things worse. Cocoa input prices soared as the prices of imported pesticides, which were considered key to the control of cocoa pests, doubled.

In addition to this, the ageing farms were certainly not turning out much in terms of yield. The farm to market roads remained degraded and middlemen continued to exploit the farmers. This led to an overall economic shock. Farmers began experiencing fluctuations in the price paid for cocoa and high cost of farm inputs.

Faced with these, most cocoa farmers were forced to come up with strategies to cope with the situation. Some of them went in for cheap local alternatives to pesticides; others abandoned their farms or simply destroyed them. The overall quality of Cameroon cocoa therefore dropped and the country which was once ranked among the first 10 best cocoa producing countries is now way beyond the 40th position. It is within this backdrop that the government of Cameroon signed a convention aimed at providing support to the commercialisation of Cameroonian cocoa.

The target, according to Minister for Trade, Luc Magloire Mbarga Atangana, is to produce and export some 300,000 tones of cocoa by the year 2015. He made this declaration in the South Provincial capital of Ebolowa, in the presence of the Vice Premier in charge of Agriculture and Rural Development, Jean Kwete during a ceremony in the course of which the cocoa season in Cameroon was declared open.

### **Boost for cocoa farmers**

Fiji Times, Fiji

August 23, 2008

THE Ministry of Primary Industries is working with cocoa farmer to boost cocoa production in the Tailevu North area. The ministry in a statement said it, through its Agriculture Department, would work with Tailevu cocoa farmers to revamp production once again.

Cocoa farming was introduced to the area in the 1970s but eventual slackened down during the years. It said interim Prime Minister Voreqe Bainimarama's visited to Namau settlement in 2007. This resulted in discussions which were aimed at rehabilitating existing cocoa plantations and reviving the industry. Senior agriculture officer (Tailevu) Saiasi Tubuna said basic farm implements and equipment for pruning were purchased at more than \$11,000. A project proposal was drawn

## **Cocoa acreage to double by 2011-12: DCCD - production**

Hindu, India

New Delhi (PTI):

23 Aug 2008

Aiming to increase production of cocoa by two-fold and reduce dependence on imports, the trade promotion body for the commodity is targeting to more than double the area under its coverage by 2011-12 by initiating promotional and awareness programmes on latest technologies. The acreage stands at 30,000 hectare and the directorate is targeting 77,000 hectares by 2011-12. "We are targeting to increase 10,000 hectare under cocoa production every year. However, this year the acreage is going to increase by 15,000 hectares," Directorate of Cashewnut and Cocoa Development Director Venkatesh N Hubballi said.

DCCD is targeting the production to touch 22,000 tons in 2011-12, from the 10,175 tons during 2006-07, he pointed out. To achieve this target, the Directorate has initiated several promotional and awareness programmes on latest technologies for the farming communities and others engaged in processing, marketing and export of the cash crop. The current cocoa production in the country is not sufficient to meet the domestic demand. Hence, India nearly imports 6,300 tons of beans along with other cocoa products to make up for the shortfall, he added. Value wise cocoa import for the year 2006-07 stood at Rs 135.05 crore, which is 19.66 per cent up, compared to the previous year's Rs 112.86 crore.

India's cocoa exports stood at mere Rs 40.11 crore, a 62 per cent growth from Rs 24.80 crore during 2005-06. Cocoa is grown primarily in the four south states of Kerala, Karnataka, Tamil Nadu and Andhra Pradesh, but to increase its production, DCCD is planning to extend its cultivation to other coastal belts like Orissa, West Bengal, Maharashtra and Pondicherry, Hubballi added.

## **Nigerian cocoa price flat despite lull in trading**

Tue 19 Aug 2008,

LAGOS (Reuters) - The upcountry price of graded Nigerian cocoa held steady at 270,000 naira per tonne in the last month despite a months-long bean supply squeeze, buyers and exporters said on Tuesday. They said many buyers shunned the market, citing poor bean quality, and high local and low export prices for the mid crop, which is also known as light crop because the beans are lighter in weight and usually cheaper than the October-March main crop. "The market was quiet, there was no appetite for buying. People who are buying light crop at that high price will later sell at a loss," a Lagos-based exporter told Reuters.

The price of Nigeria's graded cocoa -- beans certified by government produce inspectors as fit for export -- rose 4 percent the previous month as demand outstripped supply. London cocoa futures eased on a stronger dollar and general weakness across soft commodities, with the December contract <LCCZ8) down 3 pounds to 1,450 per tonne on Tuesday. Farmgate prices in the world's number four cocoa grower, dipped 4 percent to 250,000 naira per tonne in the last month on quality concerns, Licensed Buying Agents (LBAs) who procure beans upcountry for exporters said.

The price in the port city of Lagos, Nigeria's main export route, also fell 2 percent to 300,000 naira a tonne, in line with sagging global soft commodity prices, exporters said. Farmers and exporters said though the 2008 April-September mid crop output was higher than in the previous year, it fell far below their robust forecasts three months ago, leading to the tight supply in the market.

Nigeria's mid crop comes in traditionally at 40,000-50,000 tonnes when weather is good and chemicals readily available.

But exporters and growers had estimated this year's mid crop much higher at 55,000-60,000 tonnes because many more new farms with high-yield trees have matured and some aged plantations have been replanted. "Though this year's light crop is more than that of 2006/07, it has fallen short of our initial expectations. It is difficult to say what caused the drop," another Lagos-based exporter said.

Farmers in main cocoa growing regions in June embarked on a massive spraying of plantations to avert last year's outbreak of the black pod disease, but not many farmers could avoid the cost of chemicals, the Cocoa Association of Nigeria (CAN). "Many farmers cannot avoid the high cost of agro-chemicals to spray their farms," said Efun Adegbulu, president of CAN, a grouping of growers, buyers, exporters and grinders

The heavy downpours in July may have helped the fungal disease, which thrives in damp conditions, spread rapidly to many more farms, slashing mid crop output, CAN said.

## **The Market**

### **Uganda Business News: Cocoa prices up**

Wavah Broadcasting Company, Uganda, Uganda

20-08-08

Cocoa prices have hit a record high of US \$2,801 dollars per ton, an increase of close to US\$1,000 as of January this year according to the latest report from the Cocoa Producers' Alliance. The report says countries producing the crop now have a challenge of ensuring sustained output and quality so as to benefit from the price increase.

The Uganda Cocoa Exporters Association in a statement to journalists today also indicated that in spite of the challenges associated with reaching EU markets, they are still relying on the increased demand for organic cocoa believed to be in rather short supply.

This development comes at a time when several cocoa producing nations are grappling with dwindling supplies; to an extent occasioned by drastic climate change and other fungal diseases such as Black-pod, Caspid pest & VSD.

Uganda being a small producer with current volumes of approximately 9,000 metric tones, bulk cultivation of the crop in high altitude areas of Bundibugyo in South Western Uganda has reportedly guaranteed disease free cocoa.

The major Cocoa consumers the European Union and the US have challenged developing countries to ensure value addition in such ways as cocoa liquor, natural cocoa cake and cocoa butter.

### **Coffee rises to One-Week High as Dollar declines; cocoa climbs**

Bloomberg

By Yi Tian

Aug. 19, 2008

(Bloomberg) -- Coffee rose to a one-week high as a weakening dollar bolstered the appeal of U.S. commodities. Cocoa climbed the most in more than two weeks.

The dollar fell the most in five weeks against a weighted basket of the euro, yen and four other major currencies. The Reuters/Jefferies CRB Index of 19 raw materials jumped as much as 1.8 percent, led by industrial metals. "We don't see continuation of the dollar strength," said Rodrigo Costa, a vice president at Newedge USA LLC in New York. "That's helping commodities."

Coffee futures for December delivery rose 2.15 cents, or 1.6 percent, to \$1.401 a pound on ICE Futures U.S., the former New York Board of Trade. The price earlier reached \$1.4165, the highest for a most-active contract since Aug. 13.

Lower-than-expected exports from Brazil, the world's largest coffee producer, and Colombia, the third-biggest, also helped to support prices, Costa said.

From Aug. 1 to Aug. 18, exports of arabica beans from Brazil dropped 23 percent from a month earlier to 655,035 bags, the country's Coffee Exporters Council said on its Web site. Shipments in July fell 10 percent from a year earlier. A bag weighs 60 kilograms (132 pounds).

Shipments from Colombia fell 12 percent to 836,000 bags in July from a year ago, the country's National Federation of Coffee Producers said today. Production last month was 891,000 bags, down 10 percent, the group said.

Coffee futures have climbed 17 percent in the past 12 months.

Cocoa futures for December delivery rose \$65, or 2.5 percent, to \$2,671 a metric ton. The percentage gain was the biggest since Aug. 1.

Cocoa has jumped 31 percent this year, partly on diminishing bean quality in Ivory Coast, the world's biggest producer, and Ghana, the second-largest. *To contact the reporter on this story: Yi Tian in New York at [ytian8@bloomberg.net](mailto:ytian8@bloomberg.net).*

## **Sweet opportunity in Cocoa**

Elliott Wave, GA

*How Elliott Wave Analysis Makes Right Of Wrong*

By Nico Isaac

21 Aug

The number one flaw of fundamental analysis is its lack of account for human error. Think about it: If financial markets are well-oiled machines that react mechanically to outside events, it stands to reason -- If you master the system, there's no way to go wrong. In theory, all should go according to various plans. For market "x," supply shortages and demand increases cause prices to rise. Go Long. For market "y," favorable weather conditions and ample crops = a drop in prices. Go Short. In actuality, the story is quite different. In the real world, markets constantly "turn a deaf ear," "defy," and/or "shrug off" their designated fundamentals, leaving the mainstream trader with no escape.

Take, for example, the recent action in Cocoa prices. According to the usual suspects, cocoa fills the opposite seat of a seesaw with the U.S. dollar: i.e. when the greenback falls, investors take their money out of dollar-related assets and go for high-yield markets. See: August 19 news story: "Cocoa climbs As Dollar Eases. We don't see continuation of the dollar's strength... that's helping commodities." (AP) No problem there, but what about the day before? To wit: On Monday, August 18, the U.S. dollar skyrocketed to a six-month high against the euro, all the while, cocoa prices resumed their slow march UP from an August 15 bottom.

(Also note: From late March to early July, cocoa prices soared to a fresh contract high even as the dollar trended sideways off its mid-March bottom.)

(Sweet Opportunity in Cocoa. Right now, the August 21 Daily Futures Junctures introduces three labeled price charts, live video analysis, and objective insight into where cocoa prices may be in the days ahead. Get all the details.)

Let me make this perfectly clear: The Elliott Wave Principle is not flawed. But the human beings interpreting it know that sometimes, THEY are. For this reason, EWI's commodity specialist Jeffrey Kennedy always equips his Futures Junctures Service analysis with a wide array of "safety nets": namely, clearly-defined support and resistance levels to help his subscribers manage the risk.

Not to mention Jeffrey's Number One Rule of all time: No matter how confident his outlook may seem, only price action -- AND price action alone -- can confirm his wave count. Case in point: In the August 21 Daily Futures Junctures, Jeffrey revisits his earlier close-up of cocoa from the August 18 "Weekly Wrap-up." On that chart, prices stood smack dab in the middle of an upper boundary line and a lower boundary line. According to Jeffrey's Elliott wave labeling, a decisive break of the lower line would confirm a bearish wave count. Less expected was a bullish break of the upper line. (The latter scenario won out in the end)

Looking forward, the August 21 Daily Futures Junctures presents two updated charts of Cocoa that employ a new labeling of near-term price action. And, according to Jeffrey's analysis, the coming move in this softs market may set the "stage" for the most powerful wave pattern of all. So, what are you waiting for? Get instant access to the complete story -- ALONG with breaking insight into COTTON'S near-term trend -- via a risk-free subscription. Click here to get started.

## **Cocoa prices slip on strengthening dollar**

Forbes, NY

Associated Press

22.08.08

NEW YORK - Cocoa prices dipped 1 percent Friday as a strengthening dollar deterred investments in commodities. Cocoa futures for December delivery fell \$29, or 1 percent, to settle at \$2,812 per metric ton on the ICE Futures U.S., formerly known as the New York Board of Trade.

When the dollar is weak, investors often look to commodities as an inflation hedge. Industry observers expect a global cocoa shortfall for the third straight year, primarily due to unfavorable weather and rising demand.

## **Cocoa prices surge as weak dollar spurs buying**

Associated Press 08.21.08, 5:34 PM ET

NEW YORK - Cocoa prices jumped almost 7 percent Thursday after a drop in the dollar attracted new buyers seeking commodities as an inflation hedge.

Cocoa futures for December delivery rose \$182, or 6.84 percent, to settle at \$2,841 per metric ton on the ICE Futures U.S., formerly known as the New York Board of Trade.

Cocoa prices have surged 53 percent in the last year, driving up by growing world demand for chocolate, bad weather and concerns of a diseased West African crop.

Industry observers expect a global cocoa shortfall for the third straight year, mainly due to unfavorable weather and rising demand.

## **Processing and Manufacturing**

### **Cadbury to focus on chocolate manufacturing “Centres of Excellence”**

August 21, 2008

Daniel Palmer



Cadbury has today announced a \$135 million proposal to improve the productivity and efficiency of their chocolate manufacturing sites in Australia and New Zealand.

The changes will result in about 160 job losses over two years at their Claremont factory in Tasmania, with a further 145 expected to be lost in Dunedin, New Zealand and 25 in Ringwood, Victoria. Staff were informed at a meeting this afternoon after production was reportedly stopped at 4 this morning. The decision follows Cadbury’s announcement last year that they would be cutting 7,500 (15%) of their 50,000 strong workforce worldwide in coming years.

Cadbury reported in a statement that they would endeavour to improve their chocolate manufacturing operations at Dunedin, Claremont and Ringwood by developing each site into a specialist “centre of excellence”.

The Centres of Excellence will specialise in manufacturing specific types of chocolate products. Under the proposal, Cadbury would:

- \* transform its Claremont site into a centre of excellence for producing moulded chocolate blocks,
- \* create a centre of excellence for manufacturing chocolate bars at its Ringwood factory, and
- \* specialise in manufacturing assortments in Dunedin.

Rajiv Wahi, Chairman Cadbury Schweppes ANZ and President of Cadbury Schweppes Asia Pacific, reported that Australia and New Zealand will remain the central hubs of Cadbury’s Asia Pacific operations. “Our Australian and New Zealand businesses remain the cornerstone of our operations in Asia Pacific and central to our future growth ambition for the region,” he said. “Having reviewed all of the options available to us through our global operations, I am confident that the strategy being recommended today is the right option to meet our future needs, at the same time allowing us to capitalise on the efficiencies and capability available to us from within our Australian and New Zealand manufacturing operations.”

Cadbury Schweppes Managing Director Confectionery ANZ, Mark Callaghan, said the company was pleased to put forward a proposal that, if it proceeds, should assist in securing Cadbury’s manufacturing future at these three sites. “In order to compete in the extremely competitive confectionery sector in the future, we need to make changes now,” he advised. “When implemented these changes would reduce complexity, remove duplication and improve capacity, allowing us to be more innovative and responsive to consumer needs.”

Cadbury indicated that by the end of 2010, 330 fewer permanent roles will be required at the three sites. “We understand that this is a very difficult time for some of our employees. We have a long history of supporting our employees whenever we need to make changes to the business, and, if the proposal proceeds, we will ensure every affected employee receives their full redundancy entitlements, as well as comprehensive career planning and support services,” Mr Callaghan said.

Cadbury already operates a “centre of excellence” for gum manufacturing through a brand new purpose built manufacturing facility at Lad Krabang in Thailand. The company is also developing a Centre of Excellence in candy at its Scoresby plant in Victoria and has created an Asia Pacific Centre of Excellence for crumb manufacturing at Dunedin in New Zealand.

The proposal could be a part of a year of sweeping change for Cadbury Schweppes in Australia, with their beverage division currently under review. The company has advised the ACCC of a possible sale of their beverage operations (Schweppes), with the ACCC to continue monitoring the situation. If Schweppes is not sold then a demerger to separate the confectionery and beverage divisions is widely anticipated to occur.

### **Hershey Company raises price of chocolate bar**

KETK, TX - 18 Aug 2008

HERSHEY, Pennsylvania - The Hershey Company says you can expect to pay more for your favorite Hershey's treat. The company says it has been raising prices in the United States by about 10%. They say the reason for the increase is the higher cost of ingredients for their chocolate bars.

Analysts say they are surprised about the size of the cost increase because the company has historically been recession-resistant.

### **Bittersweet chocolate plant upgrades**

22-Aug-2008

CADBURY is engaging in a \$53m modernising program for its Claremont plant which will put 160 workers out of their jobs.

A total of \$135m will be splashed on the confectionary maker's three Oceanic operations in a bid to improve their efficiency and productivity by specialising their manufacturing outputs.

The upgrades will see the Hobart plant making only block chocolate, while the Victorian plant will make chocolate bars, while New Zealand's facility will take care of the assorted products.

The changes are expected to reduce complexity, remove duplication and improve capacity. Although the three sites will continue to operate, the Hobart facility will see 160 out of 700 jobs slashed.

According to the Australian Manufacturing Workers Union (AMWU), the move will devastate the local economy and the workers.

Overall, the company will take out 330 jobs out of the 2000 currently in Australia and New Zealand. It has pledged to ensure every affected employee receives their full redundancy entitlements, as well as career planning and support services.

## **Business & Economy**

### **Cocoa farmers want their bonuses**

Joy Online, Ghana

Source: GNA

19 August 2008



Cocoa farmers at Duakwa and surrounding villages in the Agona municipality, on Monday reiterated their appeal to the COCOBOD to ensure that bonuses due them are released to the licensed cocoa buying companies in respect of bonuses due farmers.

A farmer, Opanin Kwaku Mensah, who spoke to the Ghana News Agency (GNA) at Duakwa, stated that most of the farmers had not received their bonuses for cocoa beans sold at Duakwa for the 2005/06 main cocoa crop season. He said though the system for the disbursement of bonus was straight forward, the purchasing clerks of the various societies (sheds), made it cumbersome for the farmers to understand the process for payment.

Opanin Mensah alleged that due to the lack of understanding of the system, some farmers have been cheated and given only part of their bonuses. He appealed to government to ensure that the farmers were paid their due.

### **US: Barry Callebaut to transfer cocoa liquor production from Swedesboro to Eddystone**

Source: FLEXNEWS

18/08/2008

Barry Callebaut is going ahead with plans to transfer the production of cocoa liquor from its Swedesboro, New Jersey facility to its more modern factory in nearby Eddystone, Pennsylvania, the group said in a statement.

Barry Callebaut acquired the Eddystone facility from FPI at the end of 2007, as reported on FLEXNEWS. The group intends to double the plant's 25,000 tonne annual production capacity within the next two to three years. Staff at the Swedesboro plant were made aware of the decision in February, the statement read. Around 25% of them will be re-hired in Eddystone.

### **Nigerian cocoa price flat despite lull in trading**

Reuters South Africa, South Africa

By Tume Ahemba

19 Aug 2008

LAGOS (Reuters) - The upcountry price of graded Nigerian cocoa held steady at 270,000 naira per tonne in the last month despite a months-long bean supply squeeze, buyers and exporters said on Tuesday. They said many buyers shunned the market, citing poor bean quality, and high local and low export prices for the mid crop, which is also known as light crop because the beans are lighter in weight and usually cheaper than the October-March main crop. "The market was quiet, there was no appetite for buying. People who are buying light crop at that high price will later sell at a loss," a Lagos-based exporter told Reuters.

The price of Nigeria's graded cocoa -- beans certified by government produce inspectors as fit for export -- rose 4 percent the previous month as demand outstripped supply.

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### **Cocoa farmers appeal for quick payment of bonuses**

Ghana Broadcasting Corporation, Ghana

19/08/2008



A cocoa farmer

Cocoa farmers at Duakwa and surrounding villages in the Agona Municipality have reiterated their appeal to COCOBOD to ensure that bonuses due farmers, reach them.

A farmer, Opanin Kwaku Mensah stated that, most of the farmers have not received their bonuses for cocoa beans sold at Duakwa for the 2005 and 2006 cocoa crop season. He said though the system for the disbursement of bonus is straight forward, the purchasing clerks of the various societies, make it cumbersome for them, especially illiterate farmers to understand the process for payment.

Opanin Mensah alleged that due to the lack of understanding of the system, some farmers have been cheated and given only part of their bonuses. He appealed to government to ensure that the farmers are paid their due.

## **Boost for Cocoa industry: As Prez inaugurates multi-billion-cedi warehouse complex**

The Statesman Online, Ghana

Adu Koranteng ,

20/08/2008



President John Agyekum Kufuor yesterday inaugurated a 50-tonne Ghana Cocoa Board warehouse complex at the Tema industrial area with a promise to push for the attainment of a one-million tonne of cocoa production by 2010.

He said in his inaugural address that his administration would continue to pursue a massive road network development in cocoa growing areas, develop more housing schemes for cocoa farmers, while building more storage facilities to facilitate cocoa transportation.

President Kufuor however, warned officials of COCOBOD to check smuggling and promote transparency in their activities with cocoa farmers so as to bring peace and ensure a continuous growth of the cocoa industry. He said government was having consultations with the Economic Community of West African States to help tackle smuggling of cocoa within the sub-region, adding that cocoa diseases such as swollen shoot would also be combated. He further disclosed that the government had initiated a move to provide about 80 solar-power boreholes and street lights in cocoa-growing areas as part of efforts to create stable and good living conditions for cocoa farmers before he leaves office.

The President said he had authorised the Board to immediately increase the remuneration and allowances of cocoa farmers to enable them enjoy the fruits of their labour.

The Chief Executive of Cocoa Board, Isaac Osei in a speech, said the GH¢23.7million Warehouse complex was the first phase of efforts to meet storage needs. He gave the assurance that the operation of the warehouse was likely to reduce or eliminate malpractices such as short weights and short landings that had occurred in the industry's port operations over the years. "The installation of weighbridges with digital check weighing system and other facilities in support of our operations in the warehouse will improve accountability, transparency and good financial results for all Ghanaians", he said.

The five warehousing facilities were named after the best cocoa growing districts in the country. These include Sefwi Wiawso, Bonsu Nkwanta, Debiso, Enchi, Dadieso, New Edubiasi and Dunkwa-on-Offin, in the Ashanti and the Western Regions.

Deputy Minister of Finance, George Gyan Baffour, intimated that funds for the construction of a multi-million cedi 100,000 capacity warehouse facility in Takoradi for cocoa storage had been provided by his Ministry in a bid to relieve the Board of storage difficulties.

The chief of Sefwi Wiawso Traditional Area, Nana Boakye Yiadom, in a presentation, said achieving a one-million tonne cocoa production by 2010 was possible but cautioned government to be more proactive in curbing mass smuggling of cocoa from Ghana to the neighbouring countries.

## **Cocoa prices surge as weak dollar spurs buying**

Forbes, NY

Associated Press

21/08/08

Cocoa prices jumped almost 7 percent Thursday after a drop in the dollar attracted new buyers seeking commodities as an inflation hedge. Cocoa futures for December delivery rose \$182, or 6.84 percent, to settle at \$2,841 per metric ton on the ICE Futures U.S., formerly known as the New York Board of Trade.

Cocoa prices have surged 53 percent in the last year, driving up by growing world demand for chocolate, bad weather and concerns of a diseased West African crop. Industry observers expect a global cocoa shortfall for the third straight year, mainly due to unfavorable weather and rising demand.

## **Produce exporters urged to export good quality Cocoa**

Awoko, Sierra Leone

By Saffa Moriba in Kenema

21/08/08

The Produce Inspector Branch office in Kenema in the Ministry of Agriculture Forestry and Food Security has held a one day meeting on government policy on produce quality management and revenue collection for the 2008/09 produce season with produce dealers, exporters and farmers in the East of the country at the Produce Inspection office by Maxwell Khobe street in Kenema city.

Disclosing the purpose of the meeting to participants the Senior Inspector of Produce Eastern region Mohamed Sesay said the meeting which specifically targets most produce buyers and farmers was also aimed at mapping out strategies to overcome some of the problems faced by farmers in the production of these commodities. He said it is as a result of the poor quality of cocoa that is reaching the world market, which has prompted them to sit together with them to find a better solution for better cocoa this year. Mr. Sesay maintained that during the war the country was producing one of the best quality cocoa in the world but however stated that now that the war is over the country is exporting poor quality cocoa which he said is giving a bad name to the country. He stated that there should be a means of getting good quality cocoa and that cooperation should also be among exporters. He therefore called on them to pass the knowledge gained to all in order to produce good quality cocoa.

Earlier the chairman of the programme Prince Rogers who also doubles as the Agric. Officer Kenema District says the meeting was aimed at bringing all farmers, dealers and other stakeholders onboard to sensitize produce exporters and buyers on how to get good quality cocoa within the country. He said making good use of the quality control of produce in the country is the best option to smooth commodity trade. He therefore called on all and sundry to work towards that direction in the interest of all.

The Senior produce examiner Kenema district Albert Bameh in his contribution called on the farmers, exporters and as well as dealers to work towards quality produce saying that this time round they will start to destroy poor quality cocoa in the market. He employed all to do everything that lies in their capacity to try and improve on the quality of cocoa in Sierra Leone so that the country will regain its past glory before and during the war.

The Senior produce examiner S. M. Josiah who spoke on produce staff appealed to dealers and exporters to provide the inspection team in the region with mobility so that they will sensitize the farmers and agents on good quality cocoa production in the country.

In his contribution Mr. Mohamed A.D.Kargbo who is the Senior Inspector of Produce Western Area disclosed that as a government they will start controlling the export of poor quality cocoa from the top that is with the dealers, adding that most of the exporters are only focusing on quantity and not quality. He stated that exporting of poor quality of cocoa is a concern to government pointing out that he wants exporters to concentrate on quality and not quantity, as quality will earn them money and portray a good image of the country of origin.

Contributing Mr. Lamin Kosia one of the produce buyers in Kenema city said the buying of poor quality cocoa is from the buyers themselves and therefore called on all to look out for good quality cocoa from the farmers this time round, while an exporter in Kenema M.S.Dayoub called on government to levy tax on all those who buy poor quality cocoa as such measure will go a long way in solving the problem of poor quality.

Mr. S.E.Bobor the Assistant Senior Inspector of Produce Kailahun and A.B.Mustapha of Eastern Region Farmers Cooperative also made meaningful contributions. Most of the suggestion from the participants were mostly based on the sensitization and education of farmers and buying agents mainly on radio discussion programme and meeting at farm gate at chiefdom level. Mr. Steven Amara moved the vote of thanks.

## **Kufuor inaugurates GH¢24m cocoa warehouse**

Ghanaian Chronicle, Ghana

By Richard Attenkah, Tema

August 21, 2008

President John Agyekum Kufuor has commissioned a 50,000 tonnes cocoa warehouse, estimated at a cost of approximately GH¢24 million, for the Ghana Cocoa Board (Cocobod), at Tema last Tuesday. The facility has offices for the Quality Control Division, Cocoa Marketing Company Limited, and Licensed Buying Companies, with canteen facilities, as well as modern sanitary systems, meant to serve cocoa loaders and their drivers.

Five warehousing blocks, each with a 10,000 tonne capacity, which were named after Sefwi Wiawso, Bonsu Nkwanta and Dedieso in the Western North (Cocoa) region and Enchi and Dadieso in the Western South (Cocoa) region, could be found on

the premises of the facility. The warehouse also has conveyor belts, forklifts and weighbridges with digital check-weighing system, which brings the standard of the facility to international standing.

Speaking at the commissioning of the facility, President Kufuor said with the commissioning of the warehouse, the government's goal of achieving a production of one million tonnes of cocoa by the year 2010, was actively on course. "For this, government will support farmers to sustain the adoption of cocoa hi-tech practices, including mass spraying, that have proved effective in achieving the current high level production of 700,000 tonnes."

He disclosed that the government had approved Cocobod's plan to commence the construction of a 100,000 tonne capacity warehouse, estimated at a cost of US\$65 million, at Kajebri in the Ahanta District of the Western Region, effective next month. He said he had also directed Cocobod to intensify its efforts to control the Swollen Shoot Virus Disease, which continues to trouble cocoa farmers in the country. President Kufuor pledged government's support for all Cocobod's policies, aimed at sustaining continuous growth in the cocoa industry in the country.

The Minister of Finance, Mr. Kwadwo Baah Wiredu, in a speech read on his behalf by his deputy, Prof. George Gyan Baffour, appealed to Cocobod to ensure that post-harvest losses are reduced to the barest minimum. He said the construction of the warehouse was an "indication of the positive commitment of the government, to the growth of the cocoa industry," adding, "The Ministry will do all it can to support Cocobod improve upon its facilities, practices and performance for the benefit of the farmer, and other stakeholders in the industry."

Isaac Osei, Chief Executive Officer (CEO) of Cocobod, disclosed that a new quality control office, and a state of the art laboratory, equipped to carry out on site real time tests, which will enable Cocobod to adhere to new international regulations, especially those on maximum residue limits of chemicals in cocoa beans, will soon be built. "With the development of an efficient warehousing system, it is also expected that malpractices in our port operations, will be minimized if not eliminated," he said. He disclosed that in spite of the massive oil find at Cape Three Points in the Western Region, the cocoa industry would continue to be very vibrant, as cocoa farmers in the six regions of the country, would continue to depend on cocoa for their livelihood. The colourful programme was attended by farmers and chiefs, mostly from cocoa growing areas across the length and breadth of the country.

#### **Ivorian cocoa prices firm for early main crop beans**

Reuters Ghana, Ghana

By Loucoumane Coulibaly

22 Aug 2008

ABIDJAN, Aug 22 (Reuters) - Farm gate cocoa prices in Ivory Coast's main growing areas rose last week as buyers competed to pick up the first good quality beans of the new harvest, farmers said on Friday. For the second consecutive week, Coffee and Cocoa Bourse farm-gate price data were not available. London cocoa futures <LCCc2> lost ground, ending last week down at 1,449 pounds a tonne from the previous week's close of 1,467 pounds.

Workers who collect data on the ground had stopped working because they had not been paid due to an administrative glitch since senior BCC staff were arrested in an investigation into the cocoa sector, a BCC official told Reuters.

In the western region of Gagnoa, farmers said the average farm gate price rose to 400 CFA/kg (\$0.91) last week from between 250 and 300 the previous week, due mainly to the availability of good-sized, quality beans. Beans tend to be smaller during the April-September mid- crop, although towards the end of the harvest bigger beans are available as the main crop harvest gathers pace.

Farmers said competition was fierce among merchants who were buying beans in the hope of selling them when exporters resume purchases in late August or early September after the seasonal break. "Prices rose to 400 CFA/kg because the beans were big and of good quality. More and more merchants are coming to the farms," said farmer Oumar Ouedraogo, whose farm is on the outskirts of Gagnoa.

In the western region of Daloa, which produces around a quarter of Ivory Coast's national output, farmers said buyers were offering between 450 and 500 CFA francs per kg. Farmers said there were small quantities of big, good quality beans already being sold, but supplies were expected to increase in the run-up to the official open of the main crop season on Oct. 1. "Cocoa is starting to come on the market, but in small quantities so far. Prices are ranging between 450 and 500 CFA francs," said Attoungbre Kouame, who farms near Daloa.

In the western region of Meagui, farmers said prices continued to rise with merchants paying 450 to 475 CFA francs per kg, compared with 400 the previous week.; editing by Alistair Thomson and Simon Jessop)

## **Cocoa "Bullish factors going into harvest"**

Inside Futures, IL

By Jimmy Tintle of Transworld Futures

Friday, August 22, 2008

### **Fundamental Analysis**

With a combination of sun and rain in July but wet and cold in August raised fears the Black Pod disease has become more wide spread. Also among the fears is the pesticide shortage with only around 30% of the farmers needs for pesticide fulfilled in and around Daloa.

The crop may reach record size but the quality of the beans may not be as good. The farmers really have no choice but to use the poor quality beans. This will definitely move the prices with more poor quality beans in the harvest.

Emerging markets with more money, we should expect to see them consume more chocolate. Fortis Bank has also raised there expected shortfall to 29,000 tones from 6,000 in June. Due to the extra demand. This would be the third straight year of demand outweighing supply.

Ivory Coast has doubled its port registration tax on cocoa and coffee exports to 10 percent of the cost, insurance and freight (CIF) price to help cope with rising fuel prices, a presidency statement said on August 9, 2008. The port registration tax is one of a range of levies imposed on cocoa and coffee exports.

Seasonally, September and October are months of weakness for cocoa but with the mid crop ending and the outlook for the main crop unpredictable. Cocoa should if anything trend sideways or slightly lower before the turn around in November.

Now lastly, we have seen a large run up in the USD and a small drop in cocoa prices, we see a correction in the USD we should see another jump in Cocoa prices.

### Technical Analysis

March 09 contract just closed above the 100 day, 50 day and 39 day moving averages after coming close to tapping the 200 day moving average. 10 day RSI just broke above the 50 mark two days ago and stochastics are looking to the upside. Should probably see a retracement of yesterdays run up, today or in the beginning of the week.

### Trade Recommendation

The trade recommendation for Cocoa is a Bull Call Spread or a straight call. I am looking for the bull call spread more than anything just in case we get a good correction in September/October. If that happens we can look at buying the call we sold back for a profit and hold onto the one we purchased.

Buy the March 09 Cocoa 3000 call and sell the March 09 Cocoa 3300 call for 90 or \$900.00. Or buy the straight March 09 cocoa 3600 call for 100 or \$1000.00. Straight call option has unlimited profit potential and the bull call spread has a profit potential of \$2100.00 minus commissions and fees. It is a low risk to reward ratio at only 3.3 to 1.

Past performance is not necessarily indicative of future trading results. Trading advice is based on information taken from trade and statistical services and other sources which Transworld Futures believes are reliable. We do not guarantee that such information is accurate or complete and it should not be relied upon as such. Trading advice reflects our good faith judgment at a specific time and is subject to change without notice. There is no guarantee that the advice we give will result in profitable trades. All trading decisions will be made by the account holder. Futures trading involves substantial risk of loss and may not be suitable for all investors. *To contact Jimmy Tintle email is [jimmy@transworldfutures.com](mailto:jimmy@transworldfutures.com).*

## **High cocoa costs continue to plague industry**

By Laura Crowley

ConfectioneryNews

18-Aug-2008 - Confectionery manufacturers are facing increasing cost pressures as cocoa prices reach their highest in over 20 years as cocoa futures prices soared by 3 per cent.

In July, cocoa futures continued their upward spiral and swelled to £1,703 (€2,160) in London, the highest for 22 years, according to the International Cocoa Organization's (ICCO) monthly report.

The story was similar in New York, where futures achieved a 28-year high, reaching \$3,245 (€2,203) per tonne, after last month crashing though the \$3,000 barrier as demand outstripped supplies.

Meanwhile, the ICCO daily prices averaged \$2,954 (€2,005) per tonne, down by \$68 compared to the average price recorded in the previous month.

However, during this time, a major correction to the costs occurred, according to the ICCO July report, because of a “lack of purchasing interest from the processing and manufacturing sector as a result of the relatively high price of cocoa and from news related to a global slow down in the demand for cocoa beans”.

This briefly brought down cocoa futures by 15 per cent in the fourth week of July compared to their record highs at the start of the month, but it was apparent that this just signalled brief relief for manufacturers who have been struggling to cope with rising costs.

ICCO said: “It should be noted that this development in the cocoa market was not isolated. Most commodities experienced a similar price decline in July.”

#### Upward spiral of ingredient costs

These increases mirror the upward trend that has been recorded since the beginning of the 2006/07 cocoa season, with costs doubling by June 2008.

It also reflects the rise in general raw material prices witnessed across the food industry, because of high energy costs, poor harvests, growing populations and emerging markets, and diversion of grains for use in biofuels.

This period also saw some major corrections. In July and August 2007, prices dropped for a month as a result of “fundamentals” related to the cocoa market, and influenced by the start of the US subprime mortgage market crisis.

Then, this March, concern over the impact of the American financial crisis caused investment funds to reduce their risks by taking their profits from all their assets, resulting in the decrease in cocoa prices that lasted for three weeks.

#### Overcoming cost pressures

Major confectionery companies, such as Barry Callebaut, have seen profits suffer under increased input costs, leading them to respond with actions such as raising retail prices.

As cocoa prices show no signs of attaining any long term decrease, it is evermore essential for confectionery makers to develop strategies to absorb the prices.

Last month, Cadbury signalled it would take all measures necessary to deliver its 2008 performance promises, and is not taking any chances on factors that are affecting the food industry, such as high costs.

Chairman Roger Carr said: “Against a background of more challenging economic conditions, we will take whatever measures are necessary in costs, prices, organisation structure and business portfolio to underpin and deliver the performance commitments we have made for 2008 and beyond.”

And in June, confectionery giant Mars linked up with the US government and IBM in a \$10m five-year project to sequence cocoa’s double helix genome to find solutions that will relieve the risk to the cocoa supply chain, which is currently impacted by shortages, as well as to produce better chocolate.

## **Labour Issues**

### **Child Labour in Cocoa Industry**

This Day, Nigeria

By Olaolu Olusina,

08.19.2008

With the fears that the multi-billion dollar cocoa industry may have consigned the Harkin-Engel Protocol to the dustbin of history, Olaolu Olusina writes that there seems to be no end to the suffering of the poor children working in about two million cocoa farms in West Africa

For seven years, the world was fooled. Promises of great expectations by an industry that thrives on the sweat of poor African kid labourers have amounted to nothing. Reports of recent investigations have also indicated that the self-acclaimed and much flaunted efforts by the multi-billion dollar cocoa industry are simply a ruse.

Specifically, the Tulane University, United States that was commissioned by the American Government to investigate the efforts made so far in its latest report, said specific actions expected to combat child and forced labour in West Africa do not really pan out on the ground.

From every indication, the stalled Harkin-Engel Protocol, a self-policing policy, voluntarily agreed upon by the industry seven years ago, as a way of protecting thousands of children working in the numerous cocoa plantations of West Africa, may have been consigned to the dustbin of history. Yet, in the United States alone, big multinationals who use cocoa, the 'yellow pod' produced in West Africa, sell a whopping \$13 billion worth of chocolate every year, making huge profits from the sweat of poor African kids.

It would be recalled that intense media exposure of child and forced labour in West Africa which supplies 70 per cent of the world cocoa, with 40 per cent of that coming from Cote d'Ivoire, had led to the intervention of the American Congress in 2001. Americans, no doubt, love chocolate to a fault, but were not ready to continue consuming what is regarded as 'blood chocolate'. They had therefore set in motion a move that would ensure that chocolate was produced from cocoa that are free of child slavery.

Director of Save the Children Fund in Mali, Salia Kante, had painted a gory picture of the menace. "People who are drinking cocoa and eating chocolate are drinking and eating the blood of children," Kante had stated. Therefore, on June 28, 2001, the American Congress through the House of Representatives voted 291-115 to set aside funding within the Food and Drug Administration Department to develop a labelling programme for products made with cocoa.

Democrat Representative Elliot Engel who moved the motion got support from Senator Tom Harkin for the legislative action. According to Engel, "if we can have our tuna dolphin-free, we can have our chocolate slave free." The label was therefore intended to distinguish between cocoa products made with child slave labour and those that were not.

The response of the chocolate industry to the legislative threat was swift, knowing full well the impact of such legislation on its business. Former Senators, George Mitchel and Bob Dole were hired to lobby against the bill. Though they succeeded in stopping it, the industry had to accept a compromise - the Harkin-Engel Protocol of September 19, 2001 signed in Washington.

Named after US Senator Tom Harkin and Representative Elliot Engel who championed the original legislation and later spearheaded talks with the Chocolate Manufacturers Association and the World Cocoa Foundation, the Harkin-Engel Protocol was envisioned as a self-policing policy to better identify and address abusive child labour practices in the cocoa-growing areas of West Africa. The International Labour Organisation (ILO), International Union of Food and Allied Workers (IUF), the anti-slavery group, 'Free the Slaves' and the National Consumers League (NCL) were initial members of an advisory group that participated in the agreement.

These non-industries, private sector stakeholders, together with US government officials, were expected to be partners in carrying out all aspects of the protocol within the first four years with July 1, 2005 set as the initial deadline. It was an elated Representative Engel that gave a progress report on the agreement to the House on Monday, July 8, 2002, about a year after the agreement was signed.

"I am pleased with and proud of the enormous progress that has been made toward ending this terrible situation. First, let me congratulate the chocolate industry for quickly deciding to tackle this problem head on. The industry joined a number of non-governmental organisations in signing an agreement, now known as the 'Harkin-Engel Protocol', which set up a framework for dealing with the problem of child slavery in the cocoa fields.

“The protocol is a serious commitment by the stakeholders to create an historic effort to end child slavery in this industry,” he said. Expressing his joy, Engel further stated that as other members listened with rapt attention: “This effort is not just the result of the United States Congress though. Our colleagues in the parliament of Great Britain have also been working on this issue.

“On May 20, 2002, the House of Commons held what we could call a special order on the specific issue of child slavery in the cocoa fields of West Africa. During the debate, the Honorable Tony Colman of Putney quoted his constituent who is an expert on the problems of child trafficking and slavery, Professor Kevin Bales, as saying “the protocol... is a very good thing. It is the first time that an industry has taken social, moral and economic responsibility for their entire product chain. The anti-slavery movement has been seeking such an agreement for 160 years.”

Engel did not stop there as he explained further: “In January of this year (2002), the Government of Ivory Coast ratified two important international labour agreements governing child labor-conventions 138 and 182 of the ILO.

“By becoming signatories to these conventions, the Government of the Ivory Coast took a huge step toward implementing responsible labour standards for children within its own border. In part, because of this step, the Bush Administration in May 2002 granted the Ivory Coast eligibility status under the African Growth and Opportunity Act,” he stressed

While agreeing that “the problem of child slavery in West Africa is as much the responsibility of the governments there as it is our own,” Engel however affirmed: “Today, I am pleased and proud to report that Congress is a part of the movement to put an end to one of the most egregious ills in the world today—child slavery.”

But Engel and the American Congress must have been carried away, or so it seemed, by the initial enthusiasm of the cocoa industry to the protocol. Not only that, the entire world that has been watching with keen interest in anticipation of progress must have been fooled as well.

A 2002 joint study published by ILO and the International Institute for Tropical Agriculture (IITA) still found that an estimated 284,000 children on cocoa farms in West Africa were “involved in hazardous work, unprotected or have been trafficked,” mostly in farms in Cote d'Ivoire, Ghana, Cameroon and Nigeria. The July 1, 2005 initial deadline could not also be met due to what the industry referred to as the crisis in Cote d'Ivoire. Though the industry still expressed its commitment to the protocol, the new deadline of July 1, 2008 that was agreed upon narrowed down the certification to 50 per cent of cocoa from only Ghana and Cote d'Ivoire. Even at that, the new deadline had come and gone like any other day. Little or nothing is on ground to show in terms of certification and the targets set seven years ago.

Not many analysts are quite surprised at the failure. They had seen the handwriting on the wall and predicted that the industry was going to miss the deadline. Just few days to July 1, Adrienne Fitch-Frankel, Fair Trade Director of Global Exchange, a human rights organisation, had warned that “the industry is at risk of missing the upcoming deadline yet again.” She stated that “the very title of the Harkin-Engel protocol commits the industry to...’immediate action for the elimination of the worst forms of child labour.’” Fitch-Frankel also lamented that “for over seven years, children have continued to languish in slavery and consumers have waited for untainted chocolate. “It is simply sad that the chocolate manufacturers have redefined the word ‘certification’ to mean ‘data collection’, adding “Industry even titled its 2007 version of its definition a ‘certification concept.’

Fitch-Frankel said a report funded by the US Department of Labour stated that the industry's current definition of certification is a misnomer. “What industry is currently pursuing under its own definition of certification is not truly certification that there is no abusive child labour,” she said. “It is a survey to determine the prevalence of abusive child labour.”

However, rising to the defence of the cocoa industry was Emmanuel Owusu-Manu, a cocoa specialist and economist with the Cocoa Producers Alliance (COPAL), an inter-governmental organisation comprising 10 cocoa-producing countries. He told THISDAY at the headquarters of COPAL in Lagos that rights activists are taking the issue too far. He stated that distinction should be made between ‘child labour’ and ‘child work’, saying what is being termed as ‘child labour’ in most cases is actually ‘child work,’ a situation where children help their parents on the farms.

Owusu-Manu who disclosed that he grew up in Tafoe, a cocoa-growing community in Ghana, asked: “How much work can a child really do on a cocoa farm?” saying “If people don't understand how cocoa is being farmed, it is easy to believe that children are involved.” He said most of the cocoa-growing communities in Ghana have organised ‘gangs’ responsible for various assignments in the production chain. He stated that “aside the farmers and their families, if you bring any other person to do their job, such person will be resisted.”

But in the face of the intense media campaign and obvious evidence of the menace, Owusu-Manu said though nobody can dispute that child labor exists, it is in isolated cases. "Agreed that child labour exist in the fishing industry and is more pronounced, the case of the cocoa industry is simply being exaggerated," he said. "I don't know what happens in Cote d'Ivoire, but in Ghana and Nigeria, it is in isolated cases."

According to him, "the fact that we have isolated cases of an issue does not mean that things are bad," as he stressed that "even in advanced countries, we still have isolated cases." He nonetheless asked: "Why would anybody want to use child labour that is cheap?" adding "those who know about cocoa won't bring children into the farm because you won't get anything out of them. It becomes an economic issue and as such cannot be sustainable." He disclosed that "about 2005, IITA in Ibadan, Nigeria did a report on child labour and came out to say that the trend is insignificant, noting that children only work in hazardous conditions." The COPAL official also told THISDAY that "COPAL members have ratified ILO (182) Convention regarding children rights and every two years, every country gives a written report to the ILO on progress made

## **Environmental Issues**

### **Climate change Ghana's threat to cocoa production**

Ghanaian Times, Ghana 1

By Kwadwo B. Donkor

22 August 2008

Ghana stands the risk of losing its position as one of the world leading producers of cocoa if the current trends in climate change persist. According to projections of the Environmental Protection Agency (EPA), by the year 2080, the rainfall in the country will reduce by 20 to 40 per cent while the temperature will rise by 4.5oC.

William K. Agyeman-Bonsu, EPA's focal point on climate change, speaking to the Times yesterday said, "all these conditions will not be suitable for the growing of cocoa anywhere in the country." He said as a result of climate change, only the Western Region is producing the bulk of the nation's cocoa as the other regions have lost their soil fertility.

Mr Agyeman-Bonsu pointed out that the rainfall pattern in the country is already affecting maize production and by the year 2020 "it is projected that there will be a seven per cent decline in maize production." He said impact assessments by the agency over the years suggest a multi-sectoral approach to solve the menace of climate change but added that solving the issue sector by sector, "only creates more problems." Citing the fishing industry as an example, he said, it was thought that embarking on a vigorous aquaculture practice, would reduce the importation of fish to meet the domestic consumption.

However, Mr Agyeman-Bonsu, noted that large-scale aquaculture will lead to more stagnant waters, which will lead to a rise in temperature and more breeding grounds for mosquitoes and more health problems. He stressed the need for all sectors whose activities affect or are affected by the climate to collaborate their efforts such that solutions or measures adopted will not create more problems. Some of the sectors affected by the climate as agriculture, health, mining and energy, he said.

Although the agency has carried out an impact assessment of the climate on the economy, it is yet to put a cost to it. To this end, Mr Agyeman-Bonsu said, the World Bank will be hosting an economics meeting with the agency and the Ministry of Finance to do a cost assessment of the climate change impact on the nation's economy. Meanwhile, the ongoing Accra Climate Change forum is expected to come out with an African agreement for the Copenhagen conference in December, next year.

## **Others**

### **Ivory Coast cocoa farmers face pesticide shortage**

Source: Reuters

18/08/2008

Daloa, Aug 18 - Poor distribution of pesticides has left swathes of cocoa farms in Ivory Coast's centre-west heartland untreated and may reduce output in the upcoming 2008-09 season, farmers and exporters said on Monday. Coordinated programmes to treat cocoa trees against disease have resumed after a two year halt, but farmers say coverage this year was limited to just 30 percent of their requirements around Daloa, in the centre-west, due to lack of funds.

Fungicides and pesticides to control diseases such as blackpod and swollen shoot are meant to be distributed by the Fund for the Development and Promotion of Coffee-Cocoa Activity (FDPCC), which helps farmers in the world's top cocoa producer. "The fund only gives one or two boxes to treat all our fields, which total 5 hectares. With that you can only treat 2 or 3 hectares, once a year, instead of the four times you are meant to do it," farmer Denis Djedje told Reuters. "We can't achieve good production with that, even though we all chip in," he said at his farm 20 km (13 miles) from Daloa.

The FDPCC is a union funded through a 25 CFA franc (\$0.056) levy on each kilogram of cocoa sold and aims to improve production as well as working conditions in the cocoa industry.

During a visit to farms around Daloa, farmers told a Reuters reporter the distribution of pesticides covered just 30 percent of their needs. Bunches of green pods were visible on trees, along with flowers and buds. But, from the trees shown to Reuters by farmers, volumes appeared to be roughly half the amounts that were seen in the record seasons of 2003-2004 and 2004-2005. "This year's production might be good, but if we had treated our fields when we should have done, i.e. in June and July, we might be having a greater production," said Julien Dali, a grower at Ouragahio, 25 km (16 miles) from the town of Gagnoa.

Farmers in the Sinfra area complained in particular about swollen shoot while elsewhere blackpod has been a problem.

## CRISIS

Ivory Coast is emerging from a civil war sparked by a failed 2002 coup against President Laurent Gbagbo. The worst fighting ended after a few months, but the country remained split for years into a rebel-held north and government-controlled south.

Although the cocoa industry was not greatly affected, insecurity and informal taxation by armed men on all sides drove costs up and undermined the confidence of farmers to expand.

A crack-down on graft has also created uncertainty in the cocoa sector after the detentions on corruption charges of several high-ranking industry officials.

As the country heads towards polls, which are planned for November but risk being again delayed, one exporter called for a sanguine approach to concerns about production in the Daloa region, which was one of the most affected by the war. "It may be true that we have slightly lower volumes at the beginning of the 2008/09 season, at least over the first three or four weeks, but I think things will sort themselves out," said the exporter, who is based in Daloa.

But he did share the farmers' concerns about the emergence of diseases that were not previously seen in the area. "In the long-term, we need to find a solution to the lack of pesticides, especially with the increasing strength of the diseases cocoa is facing, otherwise, if nothing is done, we risk having some difficult seasons if nothing is done," he said.

### **Kufuor calls for ECOWAS initiative to fight disease**

Accra Daily Mail, Ghana

By Administrator

21-08-2008



President Kufuor

President John Agyekum Kufuor has called for an ECOWAS initiative to combat the swollen shoot disease, a major threat to the sub-region's cocoa industry.

Inaugurating a GHC 23.7 million Ghana Cocoa Board (COCOBOD) Dzata Bu Warehouse Complex in Tema, he noted that the disease is a problem haunting not only Ghana but the other cocoa producing nations in the West African sub-region. He has directed COCOBOD to intensify its programme to contain it in the country.

The complex comprising of five warehousing blocks with a total capacity for the storage of 50,000 tonnes of cocoa and equipped with weighbridges, conveyor belts and forklifts, the facility was built by COCOBOD to help end the seasonal congestion at the ports, where articulated trucks carrying cocoa litter the streets at the "Take-Over-Centres". It has office accommodation for the Quality Control Division of the Board, Cocoa Marketing Company Limited and the Licensed Buying Companies as well as canteen and sanitary systems.

A similar complex with a storage capacity for 100,000 tonnes and estimated to cost 65 million dollars has been programmed to be constructed at Kajebril in the Ahanta West District of the Western Region. President Kufuor said work on this would begin next month. With such modernization, the government is expecting high level efficiency and accountability. He announced that 100 selected cocoa and sheanut communities had been earmarked for supply of good drinking water through the provision of solar-powered pumps within the next two months.

Out of this, the Western Region would have 30, Ashanti, 15, Brong-Ahafo, Eastern, Central and the Northern regions, 10 each, with the rest, Volta, Upper East and Upper West, benefiting from five each. In addition, President Kufuor said there would be the installation of solar street lights in 350-400 other cocoa communities in deprived areas. Both projects would be implemented on pilot basis and would be replicated in subsequent years. He re-affirmed his government's support for the various policy interventions of the COCOBOD aimed at sustaining continued growth of the country's cocoa industry, mentioning among these improvements in payment of remuneration to farmers, bi-annual bonus payments, nationwide pest and disease control and cocoa high-tech practices.

Professor George Gyan Baffour, Deputy Minister of Finance, asked the Board to ensure that post-harvest losses are reduced to the minimum. Additionally, operations in the warehouse should be properly managed to ensure best book-keeping practices and efficiency.

Mr. Isaac Osei, Chief Executive Officer of the COCOBOD, gave an assurance of their determination to sustain the enviable quality of the country's cocoa. To this end, a new Quality Control Office and a state-of-the-art laboratory equipped to carry out on site real tests would be built on the premise of the Dzata Bu Warehouse. This, he said, would enable the Board to adhere to new international regulations especially those on maximum residue limits of chemicals in cocoa beans.

### **Nigeria to comply with EU regulation on pesticides**

Vanguard, Nigeria I

Written by xxxxxxxxx

22 August 2008

The Minister of State for Agriculture and Water Resources, Mr Ademola Seriki, has said that the Federal Government would fully comply with the new EU pesticide legislation.

From Sept. 1 the new legislation, tagged "Regulation 149/2008/EC", which seeks to harmonise Minimum Residue Levels (MRLs) for all consumables in all EU member\_states, will become effective. The legislation has been laid down to regulate presence of pesticide residues (MRLs) in food products.

Speaking while receiving the Secretary-General of the Cocoa Producers' Alliance (COPAL), Mr Sona Ebai, Seriki said that Nigeria had taken the necessary action to avoid the rejection of Nigerian cocoa in the international market. "Nigerian government cannot afford to lag behind in the exercise because rejection of our cocoa would cause untold hardship to all players in the cocoa value chain and loss of revenue generation to the country," he said.

The minister said the government had set up an inter\_ministerial committee, comprising representatives of the key stakeholders, to examine the issue and make adequate recommendations. They include the ministries of Agriculture and Water Resources and Commerce and Industry, NAFDAC, SON, COPAL, Cocoa Research Institute of Nigeria (CRIN), importers of chemicals and cocoa farmers.

According to him, the government has approved 10 pesticides recommended by the committee. Seriki noted that cocoa remained the highest foreign exchange earner for the country after petroleum and gas, with an annual revenue of more than 300 million dollars. "National cocoa rehabilitation programme has resulted to an increase in production from 170,000 tonnes in 2005 to 340,000 in 2006," he said. Ebai said with the compliance, Nigeria had moved a step ahead of countries like Ghana and Cameroon.

He urged the government to ensure adherence to the use of the approved pesticides, the sensitisation of cocoa farmers as well as the introduction of good agricultural practices. "COPAL member\_countries which include Nigeria, export 80 per cent of their cocoa produce to Europe. Therefore, we have a lot at stake and need to be very careful and vigilant," he said.

Ebai said COPAL had resolved that each member country must take an inventory of its cocoa production before the Sept. 1 deadline for proper identification. He also advised that NAFDAC and SON should analyse all cocoa under the export procedure guidelines for it not to be rejected as well as take inventory of technological capacity. He added that because of the cumulative effect of chemicals in the soil, there should be soil analysis of all the cocoa producing areas. Ebai said that any discovery of high level of pesticide contamination should be immediately reported to the World Trade Organisation (WTO).

The Secretary-General advised that Nigeria should not allow itself to be "caught in the web" as cocoa had been "doing very well" in the International market in the last three years. "The production deficit has been consistent and in the world market, we have achieved N353,849 (3,000 dollars) a tonne in the New York stock market, a price we had not achieved in the last 30 years," he said.

## Latest Quarterly Bulletin of Cocoa Statistics

Source: International Cocoa Organization

22/08/2008

Aug 21 - The International Cocoa Organization today releases its revised forecasts for the current 2007/08 cocoa year of world production, grindings and stocks of cocoa beans, summarized below. The data published in Issue No. 3 - Volume XXXIV - Cocoa year 2007/08 of the Quarterly Bulletin of Cocoa Statistics, reflect the most recent information available to the Secretariat as at the beginning of August 2008.

### Summary of revised forecasts and estimates

Cocoa year (Oct-Sep)	2006/07	2007/2008		Year-on-year change	
	Revised estimates	Previous forecasts a/	Revised Forecasts		(Per cent </>
	(thousand tonnes)				
World production	3 380	3 740	3 646	+ 266	+ 7.9%
World grindings	3 639	3 744	3 698	+ 59	+ 1.6%
Surplus/deficit b/	- 293	- 41	- 88		
End-of-season stocks	1 583	1 533	1 495	-88	- 5.6%
Stocks/Grindings ratio	43.5%	40.9%	40.4%		

Notes:

a/ Forecasts published in Quarterly Bulletin of Cocoa Statistics, Vol. XXXIV - No. 2 - Cocoa year 2007/08

b/ Surplus/deficit: net world crop (gross crop adjusted for loss in weight) minus grindings

Totals and differences may differ due to rounding.

## Increase in funds for COCOBOD scholarship

Source: GNA

Friday, 22 August 2008

President John Agyekum Kufuor has announced an increase in funds for the Ghana Cocoa Board (COCOBOD) Scholarship Scheme from 1.5 million GH cedis to two million GH cedis to widen the circle of beneficiaries.

The scheme instituted for wards of the country's cocoa farmers, he noted, was significantly contributing to the human resource development of the nation.

President Kufuor was inaugurating the refurbished Cocoa House, the Head Office of the COCOBOD located on the Kwame Nkrumah Avenue in Accra.

An amount of 6.5 million GH Cedis was spent to refurbish the six-storey complex with a state-of-the-art gymnasium facility, Close-Circuit Television Cameras (CCTV) and a network of computers.

Cocoa House, which was built at a cost of nearly two million Gold Coast Pounds and officially inaugurated by Ghana's first President Osagyefo Dr Kwame Nkrumah in November 1960, for over 40 years did not see any significant maintenance, thereby losing its shine.

President Kufuor used the occasion to pay glowing tribute to cocoa farmers for sustaining the national economy and said he was happy with the consistent increase of their share of the price on the international market from 46 per cent in the year 2001 to about 72 per cent in the current crop season.

Also heart-warming was the fact that COCOBOD twice in the year paid bonuses to the tune of 32 million GH cedis to them, he said.

In line with the national policy of ensuring value addition to the raw cocoa beans through local processing of at least 40 per cent of the annual output, he outlined steps taken to attract investments in this direction.

These include granting of requisite permission for importing essential plant, machinery, equipment and accessories and the exemption from payment of customs import duties on these.

President Kufuor gave assurance of the Government's resolve to help to eliminate all forms of child labour in the cocoa sector. He said it was supporting on-going programmes put in place by the COCOBOD.

Already field-staff of the Board are engaged in activities to sensitize the farming community on the dangers of child labour.

Mr Kwadwo Baah-Wiredu, Finance Minister, said the refurbishment symbolised the government's determination to ensure that the infrastructure base of the country was improved and expanded.

He noted that the various policy interventions put in by the Government were paying off as evidenced from the almost doubling of cocoa production since the 2001.

The Chief Executive Officer of the COCOBOD, Mr Isaac Osei, said the refurbishment was in tune with the government's agenda on the restoration of all national monuments.

### **Boost for Cocoa industry: As Prez inaugurates multi-billion-cedi warehouse complex**

Adu Koranteng , 20/08/2008

The Statesman Online, Ghana - 20 Aug 2008

President John Agyekum Kufuor yesterday inaugurated a 50-tonne Ghana Cocoa Board warehouse complex at the Tema industrial area with a promise to push for the attainment of a one-million tonne of cocoa production by 2010.

He said in his inaugural address that his administration would continue to pursue a massive road network development in cocoa growing areas, develop more housing schemes for cocoa farmers, while building more storage facilities to facilitate cocoa transportation.

President Kufuor however, warned officials of COCOBOD to check smuggling and promote transparency in their activities with cocoa farmers so as to bring peace and ensure a continuous growth of the cocoa industry.

He said government was having consultations with the Economic Community of West African States to help tackle smuggling of cocoa within the sub-region, adding that cocoa diseases such as swollen shoot would also be combated.

He further disclosed that the government had initiated a move to provide about 80 solar- power boreholes and street lights in cocoa-growing areas as part of efforts to create stable and good living conditions for cocoa farmers before he leaves office.

The President said he had authorised the Board to immediately increase the remuneration and allowances of cocoa farmers to enable them enjoy the fruits of their labour.

The Chief Executive of Cocoa Board, Isaac Osei in a speech, said the GH¢23.7million Warehouse complex was the first phase of efforts to meet storage needs.

He gave the assurance that the operation of the warehouse was likely to reduce or eliminate malpractices such as short weights and short landings that had occurred in the industry's port operations over the years.

"The installation of weighbridges with digital check weighing system and other facilities in support of our operations in the warehouse will improve accountability, transparency and good financial results for all Ghanaians", he said.

The five warehousing facilities were named after the best cocoa growing districts in the country. These include Sefwi Wiawso, Bonsu Nkwanta, Debiso, Enchi, Dadieso, New Edubiasi and Dunkwa-on-Offin, in the Ashanti and the Western Regions.

Deputy Minister of Finance, George Gyan Baffour, intimated that funds for the construction of a multi-million cedi 100,000 capacity warehouse facility in Takoradi for cocoa storage had been provided by his Ministry in a bid to relieve the Board of storage difficulties.

The chief of Sefwi Wiawso Traditional Area, Nana Boakye Yiadom, in a presentation, said achieving a one-million tonne cocoa production by 2010 was possible but cautioned government to be more proactive in curbing mass smuggling of cocoa from Ghana to the neighbouring countries.

### **Commodities come roaring back**

In reversal of recent trend, prices of oil, gold and corn show strong gains as fears of more weakness in the U.S. economy send dollar sinking.

CNNMoney.com By David Goldman, CNNMoney.com staff writer

August 21, 2008

NEW YORK (CNNMoney.com) -- Oil up nearly \$6. Gold higher for third time this week. A bushel of corn trading a buck more than it did a week ago.

Commodity futures surged on Thursday, as the dollar switched into reverse from its weeks-long rise.

The dollar tumbled against the euro, pound and yen on fears of further weakness in U.S. financial institutions. That sent investors flocking to commodities, which are often used as hedges against inflation.

"The falling dollar seems to be the primary catalyst for the fall in commodities," said David Hightower, editor of the commodities analysis newsletter The Hightower Report. "There are inflation buyers who are scared by paper problems at Lehman, Fannie and Freddie, so they're using commodities as a flight-to-quality investment."

Track latest commodity prices

The headliner was crude oil, which gained more than \$5 to bounce back to \$120 - a level it hasn't seen in weeks.

But natural gas futures also bumped higher, rising about 2% even as a weekly supply report from the U.S. Energy Information Administration released Thursday indicated that stockpiles of the commodity grew last week.

"The bull market is not gone for energy," said Hightower. "Demand is still strong, especially after prices fell to \$111."

Metals prices also soared. Gold prices, which rose in only one session from July 15 through last Friday, rose for the third day this week.

The shiny commodity gained \$22.70 to settle at \$833 an ounce. Silver also rose 5% Thursday in New York trading, while platinum gained 6% and copper added 4%.

On the Chicago Board of Trade, corn prices gained 25 cents to \$6.20 a bushel. Corn roared back after falling about \$3 since mid-July to just over \$5 a bushel last week.

Futures of soybeans and oats rose 3%, while wheat and ethanol both added about 4%. Cocoa added 7% Thursday.

It may be awhile before the price changes hit consumers. For instance, despite the recent slide in cocoa, Hershey (HSY, Fortune 500) raised prices by 11% Friday, citing a spike in prices earlier in the year for ingredients such as cocoa, corn sweeteners, sugar and peanuts. The candy maker also said it expects commodity prices to increase in 2009.

Commodity bubble hasn't burst yet

Commodities had tumbled in the past month as the dollar rallied all the way to a 6-month high against the euro set last week. But the greenback's comeback was mostly due to a weakening of European economies - not strengthening of the U.S. economy. As a result, signs of further weakness at home sent the dollar down by around 1% against most major currencies Thursday.

If the dollar returns to a slump, commodity prices may soar, especially as speculators experience prices a several-month lows.

"Wall Street analysts keep saying the commodity bubble has burst, but the bubble isn't over because demand is still strong," Hightower said. "Demand is going to get even better when we have a big drop in prices."

Gold loses glimmer

# TIT BITS

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

## **London soft commodities rise**

LONDON (August 19, 2008): Sugar, coffee and cocoa futures rose on Monday with other commodities, but slipped from highs as the dollar recovered some lost ground against the euro. A report from Czarnikow aided the bullish tone in sugar, as the merchant predicted a shift to a 3.3 million tonne global deficit of the sweetener in 2008/09 from a 9.4-million-tonne surplus in 2007/08 due to falling output and rising consumption.

## **London soft commodities recover**

LONDON (August 20, 2008): Soft commodity markets clawed back early losses on fund and industry short-covering on Tuesday but worries over global economic growth and demand as well as a stronger dollar capped the upside. Sugar, coffee and cocoa futures slipped early as oil prices eased and the dollar rallied to a fresh six-month high against the euro.

## **US MIDDAY: coffee, cocoa ease**

NEW YORK (August 20, 2008): Arabica coffee trading on ICE Futures US edged down in quiet trade on Tuesday, while cocoa also eased on a stronger dollar and general weakness across soft commodities, traders said. December was down 0.65 cent at \$1.3730 per lb by 8:55 am EDT (1255 GMT), trading from \$1.3690 to \$1.3800.

## **London soft commodities steady**

LONDON (August 21, 2008): Robusta coffee futures were flat on light rollover business, trade selling and two-way investor dealings on Wednesday, and the immediate outlook for prices appeared to be sideways, dealers said.

## **US MIDDAY: coffee up, cocoa down**

NEW YORK (August 21, 2008): Arabica coffee trading on ICE Futures US managed to hold on to modest gains in sleepy dealings early Wednesday, while cocoa lost some ground due to weakness on the charts, traders said. December was up 0.95 cent at \$1.4105 per lb by 9:18 am EDT (1318 GMT), moving between \$1.3985 and \$1.4115.

## **Nigeria July cocoa arrivals climb 35 percent**

LAGOS (August 21, 2008): cocoa arrivals in Lagos, Nigeria's main export route, jumped 35 percent to 7,000 tonnes from the same month of the 2006/07 season, an average of estimates by major exporters showed on Wednesday. The increase in Lagos cocoa arrivals in July was consistent with the trend since the strong start of the 2007/08 main crop last September in the world's number four grower.

## **London soft commodities rally**

LONDON (August 22, 2008): Soft commodity futures rallied on fund buying and short covering into producer selling on Thursday as the drop in the dollar and rise in oil prices stoked renewed investor interest across the commodities complex. Participants who had gone short in a recent commodities sell-off, piled back into commodities, spurred on by the slide in the dollar.

## **US MIDDAY: coffee, cocoa soar**

NEW YORK (August 22, 2008): Arabica coffee trading on ICE Futures US and cocoa futures roared to two-week tops on Thursday as funds bought commodities across the board in response to a slide in the dollar, traders said.

## **ICO raises cocoa deficit forecast**

LONDON (August 22, 2008): The International Cocoa Organisation (ICO) on Thursday raised its 2007/08 cocoa deficit forecast to 88,000 tonnes from a previous forecast for a deficit of 41,000 tonnes. The London-based ICO estimated the 2006/07 deficit at 293,000 tonnes. The ICO's cocoa year runs from October to September.

## **Cameroon cocoa output up**

EBOLOWA (August 22, 2008): Cameroon produced a record 187,355 tonnes of cocoa in 2007/08 (August-July), up from a revised figure of 183,297 tonnes the previous year, the country's cocoa and Coffee Interprofessional Board (CCIB) and National Coffee and cocoa Board (NCCB) said on Wednesday.