



# COPAL COCOA *Info*

A Weekly Newsletter of Cocoa Producers' Alliance

Issue No. 235

11<sup>th</sup> – 15<sup>th</sup> June 2007

Cocoa Producers' Alliance

## ICCO Daily Cocoa Prices

	ICCO daily price (US\$/tonne)	London futures (£/tonne)	New York Futures (US\$/tonne)
11 <sup>th</sup> June	1943.02	1027.33	1868.67
12 <sup>th</sup> June	1937.78	1020.67	1865.00
13 <sup>th</sup> June	1938.49	1022.33	1865.33
14 <sup>th</sup> June	2008.96	1061.67	1932.00
15 <sup>th</sup> June	2034.80	1067.00	1966.33
<b>Average</b>	<b>1973.00</b>	<b>1040.00</b>	<b>1899.00</b>

## Up-coming Events



## In the News (from Newspapers worldwide)

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- Could Cocoa be the Next Penicillin?
- Cocoa's heart benefits given another boost

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- Farmers told to ferment cocoa to meet international standards

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### Labour Issues

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- Advocacy group raises spectre of 'blood chocolate'
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- COCOBOD scholarships for children of cocoa farmers
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- ✓ **ORDER FORM - 14<sup>TH</sup> INTERNATIONAL COCOA RESEARCH CONFERENCE**

*Have you had your cocoa today?*

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

**Monday 11th June 2007**

Month	Opening Trans	Settle	Change	Daily High	Daily Low	Volume
Jul 2007	1000	1015	9	1016	996	3176
Sep 2007	1020	1032	8	1034	1015	3714
Dec 2007	1025	1035	7	1037	1021	1304
Mar 2007	1030	1039	6	1042S	1025	342
May 2008	1035	1046	6	1048S	1035	75
Jul 2008	1045	1054	7	1046	1043S	5
Sep 2008		1061	6			0
Dec 2008	1063	1070	6	1063	1063	4
Mar 2008		1080	6			0
May 2009		1088	6			0
<b>Totals</b>		<b>1052</b>				<b>8,620</b>

**Tuesday 12th June 2007**

Month	Opening Trans	Settle	Change	High	Low	Volume
Jul 2007	1014	1007	-8	1022	1003	1999
Sep 2007	1030	1026	-6	1041	1023	2917
Dec 2007	1041	1029	-6	1041	1025	953
Mar 2007	1043	1034	-5	1044	1031	326
May 2008	1040	1041	-5	1042S	1040	33
Jul 2008	1059	1049	-5	1059S	1049S	87
Sep 2008		1056	-5			0
Dec 2008	1065	1065	-5	1065	1065	10
Mar 2008		1075	-5			0
May 2009		1083	-5			0
<b>Totals</b>		<b>1047</b>				<b>6,325</b>

**Wednesday 13th June 2007**

Month	Opening Trans	Settle	Change	High	Low	Volume
Jul 2007	1007	1008	1	1013	1004	4481
Sep 2007	1028	1028	2	1033	1023	4333
Dec 2007	1027	1031	2	1036	1027	773
Mar 2007	1034	1035	1	1041S	1033	1248
May 2008		1042	1			0
Jul 2008		1050	1			0
Sep 2008		1057	1			0
Dec 2008		1066	1			0
Mar 2008		1076	1			0
May 2009		1084	1			0
<b>Totals</b>		<b>1052</b>				<b>10,835</b>

**Thursday 14th June 2007**

Month	Opening Trans	Settle	Change	High	Low	Volume
Jul 2007	1009	1047	39	1047	1008	4763
Sep 2007	1028	1069	41	1069	1027S	7682
Dec 2007	1033	1069	38	1068S	1030S	1805
Mar 2007	1039	1071	36	1070	1038S	1095
May 2008		1078	36			0
Jul 2008		1086	36			0
Sep 2008	1084	1093	36	1084S	1084S	2
Dec 2008		1102	36			0
Mar 2008		1112	36			0
May 2009		1120	36			0
<b>Totals</b>		<b>1085</b>				<b>15,347</b>

**Friday 15th June 2007**

Month	Opening Trans	Settle	Change	High	Low	Volume
Jul 2007	1046	1047	0	1061	1042	1252
Sep 2007	1067	1068	-1	1079	1063	6,442
Dec 2007	1070	1065	-4	1077	1062S	2,456
Mar 2007	1065	1068	-3	1079	1065	1,051
May 2008	1082	1075	-3	1082	1082	4
Jul 2008		1083	-3			0
Sep 2008	1098	1090	-3	1098	1098	2
Dec 2008		1099	-3			0
Mar 2008		1109	-3			0
May 2009		1117	-3			0
<b>Totals</b>		<b>1082</b>				<b>11,207</b>

<b>Average for the week</b>	<b>1090</b>					<b>10467</b>
<b>Total for the week</b>						<b>52,334</b>

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

**Monday 11th June 2007**

Month	Open	Price	Change	High	Low	Volume
Jul 2007	1825 1830	1839	17	1842	1821	17734
Sep 2007	1853 0	1867	18	1869	1849	16288
Dec 2007	0 0	1895	19	1898	1878	768
Mar 2008	0 0	1919	19	0	0	90
May 2008	0 0	1934	18	0	0	0
Jul 2008	0 0	1951	17	0	0	37
Sep 2008	0 0	1968	17	0	0	0
Dec 2008	0 0	1983	17	0	0	1
Mar 2009	0 0	2013	27	0	0	0
May 2009	0 0	2033	27	0	0	0
<b>Totals</b>		<b>1940</b>				<b>34918</b>

**Tuesday 12th June 2007**

Month	Open	Price	Change	High	Low	Volume
Jul 2007	1848 1849	1836	-3	1849	1827	10692
Sep 2007	1879 0	1866	-1	1879	1851	6863
Dec 2007	1905 <sup>B</sup> 1910 <sup>A</sup>	1894	-1	1903	1885	819
Mar 2008	0 0	1918	-1	0	0	344
May 2008	0 0	1934	0	0	0	52
Jul 2008	0 0	1951	0	0	0	27
Sep 2008	0 0	1968	0	0	0	2
Dec 2008	0 0	1983	0	0	0	183
Mar 2009	0 0	2003	-10	0	0	0
May 2009	0 0	2023	-10	0	0	0
<b>Totals</b>		<b>1938</b>				<b>18982</b>

**Wednesday 13th June 2007**

Month	Open	Price	Change	High	Low	Volume
Jul 2007	1835 0	1837	1	1850	1832	10293
Sep 2007	1865 0	1865	-1	1877	1860	10203
Dec 2007	0 1895 <sup>A</sup>	1893	-1	1895	1895	332
Mar 2008	0 0	1916	-2	1917	1917	513
May 2008	0 0	1931	-3	0	0	200
Jul 2008	0 0	1949	-2	0	0	101
Sep 2008	0 0	1967	-1	0	0	2
Dec 2008	0 0	1982	-1	0	0	0
Mar 2009	0 0	2002	-1	0	0	0
May 2009	0 0	2022	-1	0	0	0
<b>Totals</b>		<b>1936</b>				<b>21644</b>

### Thursday 14th June 2007

Month	Open	Price	Change	High	Low	Volume
Jul 2007	1847 0	1903	66	1905	1847	10637
Sep 2007	1875 1880	1932	67	1935	1875	14956
Dec 2007	1899 <sup>B</sup> 0	1957	64	1957	1936	1396
Mar 2008	0 0	1982	66	1975	1953	546
May 2008	0 0	1997	66	0	0	43
Jul 2008	0 0	2015	66	0	0	8
Sep 2008	0 0	2032	65	0	0	0
Dec 2008	0 0	2047	65	0	0	102
Mar 2009	0 0	2067	65	0	0	0
May 2009	0 0	2087	65	0	0	0
<b>Totals</b>		<b>2002</b>				<b>27688</b>

### Friday 15th June 2007

Month	Open	Price	Change	High	Low	Volume
Jul 2007	1910 1912	1904	1	1927	1900	6480
Sep 2007	1932 1940	1933	1	1955	1926	10925
Dec 2007	1957 <sup>B</sup> 1960 <sup>A</sup>	1959	2	1970	1959	6659
Mar 2008	0 0	1983	1	1999	1993	415
May 2008	0 0	1998	1	0	0	102
Jul 2008	0 0	2016	1	0	0	40
Sep 2008	0 0	2034	2	0	0	100
Dec 2008	0 0	2049	2	0	0	5082
Mar 2009	0 0	2069	2	0	0	0
May 2009	0 0	2089	2	0	0	0
<b>Totals</b>		<b>2003</b>				<b>29803</b>

<b>Average for the week</b>	<b>2030</b>				<b>33259</b>
<b>Total for the week</b>					<b>133,035</b>

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

	11 <sup>th</sup> June	12 <sup>th</sup> June	13 <sup>th</sup> JUNE	14 <sup>th</sup> June	15 <sup>th</sup> June
Main Crop Ghana, Grade 1	2261	2258	2259	2325	2336
Main Crop Ivory Coast, Grade 1	2151	2148	2149	2215	2235
Main Crop Nigerian, 1	2131	2128	2129	2195	2215
Superior Arriba	2601	2598	2599	2665	2650
Sanchez f.a.q.	2134	2131	2132	2198	2220
Malaysian 110	1846	1843	1844	1910	1945
Sulawesi f.a.q.	1909	1906	1907	1973	2006
Ecuador Cocoa Liquor	3218	3213	3215	3330	3608
Pure Prime Press African Type Cocoa Butter	5351	5343	5346	5538	5586
10/12% Natural Cocoa Press Cake	883	881	882	913	863

Source: Cocoa Merchants' Association

# News

## Health & Nutrition

### **Cocoa Powder Reduces Cholesterol Levels**

by Kyle Bradley

06/13/2007

SAITAMA, Japan—Polyphenols in cocoa powder such as catechins and procyanidins may contribute to a reduction in “bad” low-density lipoprotein (LDL) cholesterol, an elevation in beneficial high-density lipoprotein (HDL) cholesterol, and the suppression of oxidized LDL, according to research published in *The Journal of Nutrition* (137:1436-1441, 2007). A study from Food and Health R&D Laboratories here evaluated plasma LDL cholesterol and oxidized LDL concentrations following the intake of different levels of cocoa powder in normocholesterolemic and mildly hypercholesterolemic humans. The comparative, double-blind study examined 160 subjects who ingested either cocoa powder containing low-polyphenolic compounds (placebo-cocoa group) or 3 levels of cocoa powder containing high-polyphenolic compounds (13, 19.5 and 26 g/d for low-, middle- and high-cocoa groups, respectively) for four weeks. Blood samples were collected at baseline and four weeks after intake of test beverages for plasma lipid measurement.

Plasma oxidized LDL concentrations decreased in the low-, middle- and high-cocoa groups compared with baseline. A stratified analysis performed on 131 subjects with LDL cholesterol concentrations of 3.23 mmol/L or higher at baseline showed decreases in plasma LDL cholesterol, oxidized LDL, and apo B concentrations, while plasma HDL cholesterol concentration increased relative to baseline in the low-, middle- and high-cocoa groups.

### **Could Cocoa be the Next Penicillin?**

Sylvia Hubbard

Thursday, June 14, 2007

Epicatechin, a compound found in cocoa, may be the key to reducing stroke, heart failure, and cancer. The ingredient could one day be ranked in importance alongside penicillin and anesthesia, according to Norman Hollenberg, a professor of medicine at Harvard Medical School.

The *Futurist* magazine reported that Hollenberg studied the Kuna, an island-dwelling group of people in Panama. The Kuna drink up to 40 cups of cocoa a week and Hollenberg found they had a much lower rate of heart disease than Panamanians who lived on the mainland and drank less cocoa. In fact, the mainlanders' rate of heart disease was 1,280 percent higher than the Kuna, and they also had a 630 percent higher risk of dying from cancer. "If these observations predict the future, then we can say without blushing that they are among the most important observations in the history of medicine," Hollenberg told the journal *Science & Industry*.

Epicatechin is a flavanol – an antioxidant compound found in wine, tea, and chocolate that has been found to help blood vessels relax and improve blood flow. Hollenberg believes this not only gives cardiovascular health a boost, but may also help reduce the risk of Alzheimer's by getting more blood to the brain. But don't start gulping cocoa. Most commercially available cocoa drinks have had the epicatechin removed because it's bitter. Still, experts say it may be possible to remove it from cocoa and manufacture it as a dietary supplement. "We all agree that penicillin and anesthesia are enormously important," said Hollenberg. "But epicatechin could potentially get rid of four of the five most common diseases in the Western world. How important does that make epicatechin? I would say very important."

### **Cocoa's heart benefits given another boost**

Source: *Journal of Nutrition*

14/06/2007 - Consumption of the polyphenol-rich cocoa may cut cholesterol levels, says a new study from Japan that adds to the ever-growing body of science supporting the potential heart health benefits of chocolate. The new study, published in the *Journal of Nutrition*, followed the effects of different levels of supplementation of cocoa powder on cholesterol levels of 160 normocholesterolemic and mildly hypercholesterolemic humans. "The results suggest that polyphenolic substances derived from cocoa powder may contribute to a reduction in LDL cholesterol, an elevation in HDL cholesterol, and the suppression of oxidized LDL," wrote lead author Seigo Baba from Meiji Seika Kaisha Ltd and collaborators from Ochanomizu University.

High levels of LDL cholesterol in the blood increase the risk of cardiovascular disease (CVD) which causes almost 50 per cent of deaths in Europe, and is reported to cost the EU economy an estimated €169 billion (\$202

billion) per year. Baba and co-workers randomly assigned the subjects to receive a containing low-polyphenolic compounds (placebo-cocoa group) or three different levels of cocoa powder - 13, 19.5, and 26 grams per day - for four weeks. In all three high-polyphenol cocoa groups, blood levels of oxidised LDL concentrations decreased compared with levels observed at the start of the study. Oxidation of LDLs is thought to play an important role in the development of atherosclerosis or hardening of the arteries. Increasing LDL's resistance to oxidation is thought to possibly delay the progression of the disease. Certain polyphenols present in a wide variety of plants have long been known to inhibit LDL oxidation.

Separate analysis using data from 131 subjects who had elevated LDL cholesterol levels of 3.23 mmol/L at baseline - the normal/ desirable LDL level is reported to be less than 2.6 mmol/L (100 mg/dL). In these subjects, blood levels of LDL cholesterol, oxidized LDL, and apoB concentrations decreased, while levels of HDL cholesterol increased, relative to baseline levels in all three cocoa groups. ApoB is the main apolipoprotein of LDL cholesterol and is responsible for the transport of cholesterol to tissues. In high concentrations it has been linked to plaque formation in the blood vessels, although the mechanism behind this is not clear.

The study adds to a wealth of other studies reporting potential benefits of polyphenol-rich cocoa products against a wide range of conditions including blood pressure, diarrhoea, breast cancer prevention and decreasing the effects of aging on the brain. The chocolate industry has however already profited from the wave of positive health effect of cocoa, with producers increasingly highlighting polyphenol content on their labels.

CocoaVia, from Mars, and Acticoa, by Barry Callebaut, both boast high polyphenol content and are marketed as healthy options. The Mars Nutrition for Health & Well-Being is a new range from the confectionary giant aimed at consumers who want to be healthy but are reluctant to give up chocolate completely.

## **Production & Quality**

### **COCOBOD focuses on farmers health**

Source: GNA

10-Jun-2007

The Ghana Cocoa Board (COCOBOD) is to continue to offer the necessary assistance to meet the health needs of cocoa farmers operating in the remote areas of the country. The Chief Executive of COCOBOD, Mr Isaac Osei, said apart from the Board's contribution to the education of wards of cocoa farmers, it was also firmly focusing on the health needs of the farmers and their dependants. He was speaking at a health walk and medical outreach programme organized for over 1,000 farmers in Agona Otsekorang and surrounding communities in the Swedru District of the Central region.

The programme forms part of activities being held to celebrate the Board's 60th anniversary. COCOBOD was established in 1947. Mr Osei said the Board had plans to construct two clinics, while work on a health facility for the Sankore community would be completed and handed over soon. He used the occasion to advise farmers to adopt good agronomy practices in order to ensure the premium quality of the cocoa beans, for which the country was highly rated.

Mr Ben Mensah, District Chief Executive for Agona, urged the farmers to take advantage of the National Health Insurance Scheme instituted by government to meet their health needs. He said through the payment of the yearly premium, farmers and their children could be treated for various sicknesses free of charge.

### **Farmers told to ferment cocoa to meet international standards**

Source: GNA

10-Jun-2007

Mr Theophilus Kinsley Bentum, Wassa Amenfi District Manager, Produce Buying Company (PBC) has expressed concern about the manner in which some cocoa farmers ferment their cocoa beans. He explained that, instead of the normal fermentation period of seven days that brings out good aroma and quality beans to meet acceptable international standards, some farmers ferment their beans between four and five days.

Mr. Bentum was addressing a farmers' forum at Wassa Akropong where over 130 farmers were awarded. The forum was jointly organized by the Produce Buying Company, the Amenfiman Rural Bank and Sidalco Limited, dealers in Sidalco cocoa liquid fertilizer to award deserving cocoa farmers for their outstanding performance last year. The occasion was also used to introduce Sidalco Cocoa liquid fertilizer and also educate them on its application.

Mr. Bentum explained that, the continuous use of cocoa farmland over the years leads to loss of natural nutrients of the soil and therefore calls for a booster to ensure good yield. He recommended Sidalco Cocoa Liquid Fertilizer which he said has been approved by the Cocoa Research Institute of Ghana and the Cocoa Marketing Board as efficacious. Mr. Bentum however urged the technical officers of Sidalco Limited to reach out more to the farmers to educate them on its application.

Mr. Samuel Darko, an agronomist, Sidalco Limited spoke at length about how the Sidalco cocoa liquid fertilizer was applied. Mrs. Gifty Lamptey, Managing Director of Sidalco Limited expressed gratitude to the cocoa farmers for patronizing the fertilizer and urged them to pay back loans arranged for them at the Amenfiman Rural Bank. Twelve societies and 130 individuals were given awards ranging from television sets, bicycles, sound systems and Sidalco products.

## **Processing & Manufacturing**

### **Asia cocoa grinders scramble for good quality beans**

Reuters

June 10 2007

SINGAPORE -- Asian cocoa grinders are struggling to get good quality beans, even though supplies have slowly improved in Indonesia's main growing island of Sumsatra after a delayed harvest, dealers said on Friday.

In the product market, butter ratios were steady at 2.60 to 2.61 times London futures for nearby shipments. The price of butter, a key ingredient for chocolate, is determined by multiplying the ratio with related contracts in London. "A lot of grinders might have waited for the main crop to start, hoping to get better quality beans. Now that the crop has been delayed, it's difficult to get good beans unless they are prepared to pay a very high price," said a dealer in Singapore. "People are using the beans to meet whatever previous requirements. Bean stocks are declining while there are always regular purchases of butter," he said. Grinders in Malaysia, Singapore, China and Europe buy beans from Indonesia, the world's third-largest cocoa producer after Ivory Coast and Ghana. Daily arrivals of beans from plantations to the main export port of Makassar in South Sumsatra rose to 1,500 tonnes this week from 1,000 tonnes last week but good beans are difficult to find.

Incessant rains this year delayed harvests in Sumsatra to May from April, causing cocoa pods to turn black and mouldy and the beans in them to shrink. "We've been offered beans at a discount of \$100 under New York. That's very expensive," said a grinder in Malaysia, which is Asia's largest grinder. The discount was also heard at \$110 under New York's July contract but it was even smaller than last week's \$180 on a free-on-board basis, reflecting difficulties in getting good quality beans. The New York Board of Trade benchmark July contract dropped \$30 to \$1,845 a tonne on Thursday in technically driven trade. "We have to slow down and we don't dare to sell too much product. It's even difficult to get beans from our own estates because of poor harvesting," said the grinder in Malaysia.

Malaysia also grows cocoa but production is not enough to meet demand from local grinders. Production has declined in recent years mainly because of poor weather and the shift to oil palm, whose prices reach record-highs this year. "The harvest is about to end and it's not going to be good. There's a pod borer outbreak and the beans are flat," said a dealer in Tawau, a main growing district in the state of Sabah on Borneo. The worm-like pod borer eats cocoa beans. The harvests started in Tawau in April. The next crop is expected to start in October. Malaysia expects annual grinding capacity to rise 33 percent to 360,000 tonnes by 2010 from 270,261 tonnes last year, the commodity minister, Peter Chin, said in March. The country expects cocoa production to rise around 5 percent in 2007 from an estimated 30,000 tonnes in 2006 by teaching small growers better farming practices and increasing the area planted with the crop.

IVORIES cocoa: Ivory Coast's government and rebels plundered the cocoa sector to fund a 2002-2003 civil war and history could repeat itself if a new conflict erupts because no safeguards have been put in place, a study said on Friday. The report by anti-graft campaign group Global Witness said President Laurent Gbagbo squeezed more than \$58 million dollars from the cocoa industry to fight rebels during the brief civil war. The rebels themselves garnered a further \$30 million a year by smuggling a proportion of the crop grown in the north of the former French colony, which they have controlled since the war.



## **Labour Issues**

### **International groups to target child farm labour**

*dpa - Deutsche Presse-Agentur T*

Jun 11, 2007,

Geneva - An international agreement aimed at reducing the huge number of children working in agriculture worldwide was signed Tuesday. The International Labour Organization (ILO) joined five international agricultural organizations including the Food and Agriculture Organization and the International Fund for Agricultural Development in the agreement to create a global partnership to tackle child labour in agriculture.

Up to 132 million youngsters aged five to 14 are used to cultivate essential crops such as cereal, sugar, cocoa, coffee and tea, according to the ILO. Many are forced to work long hours and are deprived of education, robbing them of a decent future, the ILO said. 'Through a concerted effort we can reach the target of ending the worst forms of child labour by 2016,' ILO Director-General Juan Somavia said in welcoming the agreement.

Many children do work which threatens their lives, limbs, health or general well being as they face hazards such as handling toxic pesticides and using dangerous tools. The partnership will work to promote existing laws on child labour and put the issue on the political agenda for governments.

### **Advocacy group raises spectre of 'blood chocolate'**

By Charlotte Eyre, [www.confectionerynews.com/news](http://www.confectionerynews.com/news)

14/06/2007 - A UK-based pressure group campaign against companies that buy cocoa from the Ivory Coast has accused the industry of funding conflict and civil unrest. The campaign has brought the issue into the public limelight, putting pressure on companies to find alternate sources of supply. It is similar to the pressure put on the diamond industry which has been accused of getting "blood diamonds" from Liberia. "Cocoa in Côte d'Ivoire is the same as timber or diamonds were in Liberia", said the report's diplomatic source in Abidjan.

Several chocolate companies have responded to the campaign by publicly disputing the claims made last week by UK-based Global Witness. In its report Global Witness names companies such as Archer Daniels Midland (ADM), Cargill and Barry Callebaut and claims that revenues from the Ivory Coast's largest industry are providing massive revenues for the warring government and the rebel group Forces Nouvelles (FN).

The FN have accrued around €23m (US\$30m) in cocoa revenues from their self imposed cocoa tax, while the government has used at least (US\$30m) of cocoa profits to fund the war effort, the group claims. By trading with the Ivory Coast, chocolate companies are actually slowing down progress towards a peace agreement, the report claims.

Global Witness advises chocolate companies to be more diligent in their choice of cocoa suppliers, saying that: "The chocolate industry has a responsibility to ensure that the products it sells are conflict-free. Companies should use their influence to ensure that money from cocoa levies is not misused or diverted." The report accuses multinationals of being passive traders in the government-controlled zone, and failing to question the misuse of taxes and levies paid to the government by cocoa bodies.

Global Witness proposes that cocoa exporting companies operating in the country should publish information on the origin of the cocoa they buy, carry out due diligence on purchases, monitor their supply chain and try to ensure that they are not inadvertently providing money for warring factions. In reaction chocolate companies have started a public relations campaign to clear their names. Several chocolate companies claim that they are not passive contributors to the conflict, and that they have taken many pro-active steps in ensuring that their products are sourced and manufactured in an ethical way.

ADM stated on the 7 June that they are committed to an ethical cocoa trade in Africa, recently investing in a cocoa factory in Ghana. "We will be processing cocoa closer to the farmers and providing local jobs to the community," said Mark Bemis, president of ADM Cocoa.

Barry Callebaut recently expanded operations in Africa, and Patrick De Maesenaire, chief executive officer, claimed in February that international companies play a vital role in "contributing to Africa's economic development."

ADM, Cargill and Barry Callebaut are also all members of the World Cocoa Foundation, which aims to encourage sustainable cocoa production in West Africa and to help 150,000 farmers and their families over the next five years.

The scheme, which is funded by the US Agency for International Development (USAID) and industry heavyweights Hershey, Cadbury and Mars, claims to be committed to ethical trading and production. Global Witness itself admits that cocoa products usually contain blends of cocoa and this makes it difficult for manufacturers to determine where the cocoa originally came from. It cites the example of Unilever, which sells about 1bn units of its Magnum ice cream brand each year. Only 10 per cent of the cocoa used in Magnum brand comes from the Ivory Coast, making it difficult for Unilever to trace the ingredients.

The Ivory Coast is the world's biggest producer of cocoa, accounting for 40 per cent of world production in 2006. Cocoa is the main economic resource of the country, representing on average 35 per cent of the total exports value. Global Witness reports that more than 90 per cent of Ivorian cocoa is exported to Europe and North America, with 60.1 per cent of exports going to the EU in the growing season 2005-2006.

## **Others**

### **Divine Chocolate announces first dividend for Kuapa Kokoo farmers**

Source:ExecDigital June News

12/06/2007

Divine Chocolate, the first farmer owned, Fair Trade chocolate company, recently announced of its sister company's first dividend distribution.

Divine Chocolate Ltd's largest shareholder is Kuapa Kokoo, the Ghanaian farmers' cooperative from which it buys all its cocoa. Kuapa Kokoo owns 45% of the ordinary shares in Divine Chocolate Ltd and holds a further 283,605 preference shares earning interest at 7%. Kuapa Kokoo's total dividend amounts to 47,352 British pounds, equivalent to over 93,000 US Dollars. "This is a significant moment in the UK company's history and I am confident the US company will celebrate a similar occasion in the coming years," said Erin Gorman, CEO of Divine Chocolate in the US. "We have seen considerable initial success breaking in to the US chocolate market and I am hopeful it will continue, as Americans fall in love with both the indulgent and delicious taste of Divine Chocolate and our mission to empower cocoa farmers."

In February of this year, Divine Chocolate launched a US company in an effort to increase the cocoa farmers' access to the lucrative chocolate market. The US chocolate market is worth over \$13 billion dollars and cocoa farmers see very little of that, but Divine Chocolate is changing the fortunes for cocoa farmers. Kuapa Kokoo owns a third of the US company; other investors include Divine Chocolate Ltd, Oikocredit, Lutheran World Relief and SERRV International.

All of the cocoa in Divine Chocolate comes from the farmers of Kuapa Kokoo and is purchased on Fair Trade terms. A Fair Trade premium is invested by Kuapa Kokoo into schools, clean drinking water, mobile medical clinics, and women's entrepreneurship projects for the significant percentage of women cocoa farmers that are Kuapa Kokoo members (60% of the national executive board of Kuapa Kokoo are women). As owners of Divine, the farmers have two seats on the Divine corporate board, a share in the profits, and a seat at the table of global trade.

Sophi Tranchell, Managing Director of Divine Chocolate Ltd says: "For many start-up companies, announcing the first dividend is a welcome stage of the company's growth. For Divine Chocolate it is a momentous occasion as it proves that with the support of British chocolate lovers we have been able to create a successful and profitable business which, through ownership, directly benefits cocoa farmers in West Africa."

Mr Ohemeng Tinyase, Managing Director of Kuapa Kokoo Ltd. and non-executive director of Divine Chocolate Ltd said, "For us, farmer ownership always made Divine Chocolate special. For the first time our members benefit as owners of a wonderful chocolate brand, and not only as suppliers of excellent fairly traded cocoa."

The decision to launch a Fair Trade chocolate company in the UK was made at the Kuapa Kokoo AGM in 1997. With the help of NGO Twin Trading, and Body Shop International, plus the support of Comic Relief and Christian Aid, Divine Chocolate Ltd (formerly The Day Chocolate Company) was launched in UK in 1998. The company tackled the difficult task of how to finance a company without handing over ownership to those who had capital. Through the intervention of the British Department for International Development, who provided a

loan guarantee, it was possible to issue one-third of the shares of Divine Chocolate to Kuapa Kokoo. The other investors were Twin Trading (53%) and Body Shop International (14%). In 2006 Body Shop international transferred its entire interest in Divine Chocolate to Kuapa Kokoo, making the co-operative the single largest shareholder. Today the balance is held by NGO Twin Trading (43%), and by Dutch international development finance institution Oikocredit (12%).

### **COCOBOD scholarships for children of cocoa farmers**

Source: GNA

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The Ghana COCOBOD will no longer approve applications for scholarships for children whose parents are not cocoa farmers, Mr Isaac Osei, Chief Executive of COCOBOD has announced. Addressing about 500 cocoa farmers in the Twifo-Heman-Lower-Denkyira district in the central region at Twifo Praso to round off a day's working visit to cocoa farmers in the district, he said the scheme was for children of cocoa farmers and would not entertain applications from any other quarters. He commended the District for producing high quality cocoa beans and appealed to the farmers not to allow cocoa clerks to buy their cocoa beans on credit. The Chief Executive warned that any clerk caught cheating cocoa farmers would be made to face the full rigours of the law.

On child labour, Mr Osei said the best legacy parents could bequeath to their children was education and appealed to cocoa farmers to ensure that they gave quality education to their children. Mr Osei assured the youth of his outfit's preparedness to support those who wished to go into cocoa production. Mr Patrick Smith-Assan, an official of the Bank of Ghana, took the farmers through the re-denomination of the cedi conversion and appealed to them to report to the police middlemen who might pose as officials of the bank to change their money for them.

### **Ivory Coast Delegation Talks Coffee, Cocoa At Ag Issues Forum**

June 15, 2007

By Andy Andrews

LANCASTER – Fifty percent of the gross domestic product of Africa's Ivory Coast comes from the export of coffee and cocoa. It's how the families sustain their economy and create jobs, according to Sen. Mike Brubaker, who introduced the delegation Thursday morning during the monthly Ag Issues Forum at the final day of Family Farm Days at Oregon Dairy.

More than three dozen agri-industry representatives were on hand to welcome Singo Maniga, president of the national chamber of agriculture, and president of Unicagra-CI, an ag cooperative involved in the export business, from the Cote d'Ivoire. Maniga, with the help of Warwick High School Graduate and Interpreter Kris Devaux, explained that the Ivory Coast exports 200,000 tons per year of coffee and cocoa, with the potential for 1.3 million tons.

The delegation, composed of Maniga and four other members, visited Pennsylvania this week to help increase the state's involvement in the importation of coffee and cocoa. "It's our goal," said Maniga, "that Pennsylvania consume all coffee and cocoa products." Maniga himself is a farmer. The Ivory Coast produces a multitude of different exports, including bananas, pineapple, and cashews as well.

Translator Kris Devaux, who was graduated top in his class, said he has lived half his life in that country and knows the language fluidly.

The Ag Issues Forum will be held in conjunction with Family Farm Days, and featured Pennsylvania Secretary of Agriculture Dennis Wolff who discussed the importance of developing good relations with non-farm neighbors. The delegation of visitors from the Cote d'Ivoire are visiting Lancaster under the auspices of Senator Mike Brubaker.

## **TIT BITS**

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

### **Hot commodities ignite 'agflation' fears in Europe**

LONDON (June 10, 2007): Red hot agricultural markets are pushing food prices up in Europe, putting central bankers on alert for a new phenomenon economists have termed "agflation". From cereals and edible oils to coffee and cocoa, many agricultural markets are at mullet-year highs on a combination of robust global demand, particularly in Asia, and weather jitters.

### **Asia cocoa grinders scramble for good quality beans**

SINGAPORE (June 10, 2007): Asian cocoa grinders are struggling to get good quality beans, even though supplies have slowly improved in Indonesia's main growing island of Slangs after a delayed harvest, dealers said on Friday.

### **New York cocoa rises on position rolling**

NEW YORK (June 13, 2007): US cocoa futures closed higher on Monday, on continued July/September position rolling, and late-day speculative and index fund buying following three straight days of weak settlements, traders said.

### **New York cocoa closes with little change**

NEW YORK (June 14, 2007): US cocoa futures settled little changed in sideways trade on Tuesday, with position rolling out of July into September ahead of the front-month's first notice day on June 21 the dominant feature, traders said.

### **Ghana cocoa purchases down**

ACCRA (June 14, 2007): cocoa purchases declared by private buyers to Ghana's Cocobod industry regulator reached 567,908 tonnes between October 13 and May 24, an industry source said on Tuesday. That compared with 594,089 tonnes declared in the first 32 weeks of last season's main crop, which began on October 7, 2005.

### **New York cocoa mostly lower**

NEW YORK (June 15, 2007): US cocoa futures settled mostly lower on Wednesday after a rangebound session dominated by continued July/September position rolling, traders said. "We're getting a lot of rollovers right now because of the first notice period for July cocoa on (June) 18th, and that's why we're in this narrow range here," one trader said.

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