COPAL COCOA *Info*

A Weekly Newsletter of Cocoa Producers' Alliance

Issue No. 274 **10th – 14th March 2008**

Cocoa Producers' Alliance

ICCO Daily Cocoa Prices

	ICCO daily price (SDRs/tone)	ICCO daily price (US$/tone)	London futures (#/tone)	New York futures (US$/tone)
10th March	1700.33	2761.43	1409.33	2727.67
11th March	1732.98	2822.88	1445.33	2788.33
12th March	1739.23	2830.25	1434.33	2805.67
13th March	1797.26	2944.63	1484.00	2918.67
14th March	1797.18	2939.47	1496.67	2891.67
Average	**1753.00**	**2860.00**	**1454.00**	**2826.00**

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Do your health a favour, drink Cocoa everyday

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

Monday 10th March 2008

Month	Open	Price	Change	High	Low	Volume
Mar 2008	1342	1355	-1	1357	1334	22,218
May 2008	1380	1397	3	1398	1373	18,261
Jul 2008	1417	1435	3	1438	1411	3,419
Sep 2008	1393	1396	-1	1399	1371	6,803
Dec 2008	1393	1398	-2	1400	1370	2,584
Mar 2009	1378	1377	-2	1378S	1378S	13
May 2009		1383	-3			0
Jul 2009		1391	-3			0
Sep 2009		1399	-3			0
Dec 2009		1412	-3			0
Totals		**1394**				**53298**

Tuesday 11th March 2008

Month	Open	Price	Change	High	Low	Volume
Mar 2008	1355	1377	22	1381S	1355	13,342
May 2008	1402	1432	35	1434	1396	17,692
Jul 2008	1439	1470	35	1471	1432	4,607
Sep 2008	1414	1434	38	1435	1414	157
Dec 2008	1402	1434	36	1434	1402	534
Mar 2009	1399	1414	37	1415S	1395	393
May 2009	1406	1421	38	1412	1402	24
Jul 2009	1416	1430	39	1425	1414	51
Sep 2009		1438	39			0
Dec 2009		1451	39			0
Totals		**1430**				**36800**

Wednesday 12th March 2008

Month	Open	Price	Change	High	Low	Volume
Mar 2008	1363	1383	6	1419	1363	2,032
May 2008	1442	1422	-10	1449	1402	9,827
Jul 2008	1475	1462	-8	1485	1445	4,705
Sep 2008	1444	1419	-15	1445S	1407	304
Dec 2008	1444	1418	-16	1444	1404	155
Mar 2009	1401	1398	-16	1414S	1390	114
May 2009	1403	1404	-17	1419S	1398S	15
Jul 2009	1427	1413	-17	1428S	1407	182
Sep 2009		1421	-17			0
Dec 2009		1434	-17			0
Totals		**1417**				**17334**

Thursday 13th March 2008

Month	Open	Price	Change	High	Low	Volume
Mar 2008	N/A	N/A	N/A	N/A	N/A	N/A
May 2008	1428	1475	53	1488	1,426	7,749
Jul 2008	1468	1517	55	1522	1,466	2,844
Sep 2008	1429	1460	41	1470	1429	1,126
Dec 2008	1429	1455	37	1465	1429	1,250
Mar 2009	1430	1436	38	1447	1428S	2,325
May 2009	1442	1441	37	1446	1437S	272
Jul 2009	1447	1451	38	1470	1444S	881
Sep 2009	1464	1461	40	1472	1462	233
Dec 2009		1474	40			0
Totals		**1474**				**0**

Friday 14th March 2008

Month	Open	Price	Change	High	Low	Volume
Mar 2008	N/A	N/A	N/A	N/A	N/A	N/A
May 2008	1475	1487	12	1525	1465	7,787
Jul 2008	1515	1529	12	1567	1502	3,206
Sep 2008	1465	1474	14	1504	1452	1,338
Dec 2008	1459	1454	-1	1489	1444	599
Mar 2009	1448	1436	0	1474S	1426	503
May 2009	1440	1441	0	1454S	1440	188
Jul 2009	1488	1451	0	1490S	1440	257
Sep 2009	1487	1460	-1	1499	1453	95
Dec 2009	1477	1474	0	1477	1477	5
Mar 2010		1474	0			0
Totals		**1468**				**13978**

Average for the week	**1466**				**30353**
Total for the week					**121,410**

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

Monday 10th March 2008

Month	Open	Price	Change	High	Low	Volume
Mar 2008	2732	-	34	2732	2732	6
May 2008	2702	-	51	2782	2702	8902
Jul 2008	2748	-	69	2795	2748	934
Sep 2008	-	-	-	-	-	-
Dec 2008	2769	-	59	2770	2769	-
Mar 2009	2751	-	-	2755	2751	-
May 2009	2752	-	-	2755	2752	-
Jul 2009	2769	-	50	2770	2769	-
Sep 2009	-	-	-	-	-	-
Dec 2009	-	-	-	-	-	-
Totals						**9842**

Tuesday 11th March 2008

Month	Open	Price	Change	High	Low	Volume
Mar 2008	-	-	-	-	-	-
May 2008	2779	-	27	2806	2779	8785
Jul 2008	2805	-	25	2818	2798	960
Sep 2008	-	-	-	-	-	-
Dec 2008	-	-	-	-	-	-
Mar 2009	-	-	-	-	-	-
May 2009	-	-	-	-	-	-
Jul 2009	-	-	-	-	-	-
Sep 2009	-	-	-	-	-	-
Dec 2009	-	-	-	-	-	
Totals						**9745**

Wednesday 12th March 2008

Month	Open	Price	Change	High	Low	Volume
Mar 2008	-	-	-	-	-	-
May 2008	2797	-	42	2818	2797	7252
Jul 2008	2820	-	41	2826	2811	1116
Sep 2008	-	-	-	-	-	-
Dec 2008	-	-	-	-	-	-
Mar 2009	-	-	-	-	-	-
May 2009	-	-	-	-	-	-
Jul 2009	-	-	-	-	-	-
Sep 2009	-	-	-	-	-	-
Dec 2009	-	-	-	-	-	-
Totals						**8368**

Thursday 13th March 2008

Month	Open	Price	Change	High	Low	Volume
Mar 2008	2911	-	-12	2929	2910	9096
May 2008	2945	3196	-10	2945	2922	2376
Jul 2008	-	2886	-	-	-	-
Sep 2008	-	2898	-	-	-	-
Dec 2008	-	2891	-	-	-	-
Mar 2009	-	2846	-	-	-	-
May 2009	-	2838	-	-	-	-
Jul 2009	-	2839	-	-	-	-
Sep 2009	-	2853	-	-	-	-
Dec 2009		2879				
Totals		**2902**				**11472**

Friday 14th March 2008

Month	Open	Price	Change	High	Low	Volume
May 2008	2911	3214	-18	2971	2859	11923
Jul 2008	2945	2904	-18	2983	2873	4243
Sep 2008	2948	2915	-17	2978	2878	905
Dec 2008	2913	2909	-18	2935	2831	1158
Mar 2009	2825	2869	-23	2853	2825	173
May 2009	2830	2853	-15	2853	2830	14
Jul 2009	2912	2853	-14	2920	2833	889
Sep 2009	2913	2868	-15	2937	2857	265
Dec 2009	2947	2891	-12	2947	2876	1
Average/Total		2904.89				**2705**

Average for the week					**10533**
Total for the week					**42,132**

Spot Prices (US$ per tonne)

	10th March	11th March	12th March	13th March	14th March
Main Crop Ghana, Grade 1	3154	3209	3203	3352	3334
Main Crop Ivory Coast, Grade 1	3026	3089	3083	3232	3214
Main Crop Nigerian, 1	3012	3079	3073	3222	3204
Superior Arriba	3081	3126	3120	3269	3251
Sanchez f.a.q.	3099	3157	3151	3300	3282
Malaysian 110	2694	2774	2768	2917	2899
Sulawesi f.a.q.	2946	2984	2978	3127	3109
Ecuador Cocoa Liquor	4605	4947	4936	5201	5169
Pure Prime Press African Type Cocoa Butter	7762	7985	7968	8396	8344
10/12% Natural Cocoa Press Cake	1031	1204	1202	1266	1258

Source: Cocoa Merchants' Association

News

Health and Nutrition

What's Soy Lecithin Doing in My Chocolate?
FitSugar.com, CA
By FitSugar
03/10/2008
I've been trying to eat more chocolate, only because it has antioxidants, can lower blood pressure, and can even soothe a cough. Well, I'm also addicted, but that's beside the point. I was checking out the label of a bar I picked up and noticed soy lecithin in the list of ingredients. Is it something I should avoid? To find out read more

Soy lecithin is a food additive extracted from soybeans, and is a by-product of soybean oil. Only a small amount (about one percent of the weight of the food) is added to chocolate to keep the cocoa and cocoa butter from separating. It's not bad for you and actually is high in choline, which is also found in egg yolks, and has been found to be good for brain development, increased memory, and heart disease prevention. Awesome. Another reason to eat chocolate.

Fit's Tips: Soy lecithin is bad if you have an allergy to soy, since it's made from soybeans. So check labels on all products, especially candy bars, breads, cakes and other baked goods. It's used in dough to make it less sticky, and it's added to cake batter to make it spread in the pan more easily.

Taste buds rejoice as chocolate proves to have health benefits
Havelock News, NC
By Otis Gardner
March 11, 2008
In today's world, it's almost axiomatic most things good "to" you are bad "for" you. I'm sure all of us continually run into such challenges to our food preferences.

Good grief, how things have changed. I grew up in a time when Southern families used lard and bacon grease in and on about everything except banana pudding. Looking back, I can't figure how folks lived much more than 40 years, given such destructive diets.

We ate anything and everything. There were only two reasons to stop eating something you liked - you got too full to swallow or ran out of it. There were no "health" issues. You ate well and wanted everybody else to do the same. Anybody setting foot inside the house (or the porch) was bombarded with offers of food and drink. Refusals were ignored with something like, "Here's another slab of pie."

Over time, my diet has certainly "evolved." After all, I want to live to a ripe old age even if that means I might be a bit hungry. So, I've continued to eat as well as possible, but many of my old favorites have been relegated to memory. I barely recall the last time I ate a whole dozen glazed Dunkin' Donuts at one sitting. Mmmm.

Be still my heart, but there's good news. Pendulums can't always swing away from me. Every now and then it has to return, as it did with the revelation that dark chocolate has beneficial medicinal properties. Eureka!

Oh my goodness, what beautiful vistas open with that little scientific tidbit? This could be wonderful. In fact, it already is. My mind is racing. All chocolate isn't created equal. I've heard news blurbs about avoiding white chocolate and milk chocolate in favor of dark chocolate. Not to worry, I'm willing to do that. I knew that stuff was special from my very first Hershey bar.

Chocolate has a deep history, thousands of years deep. Ancient Mayans grew cacao for beverages. In fact, when they conquered other peoples, they demanded tribute paid in cacao seeds.

Spanish conquistadors took cocoa seeds back to Spain. Eventually the drink's popularity spread throughout Europe. More than five centuries later, chocolate has permeated many cultures, especially Otis Gardner's and Starbucks'.

Why write about chocolate?
This literary bonbon was put into my mind by an article in the current issue of Discover magazine. According to analysis of 3,000-year-old pottery shards from northern Honduras, scientists found evidence that those ancients fermented cacao seed pulp to make a wine-like drink.

Some of these folks were "chocoholics" in the literal sense. And, I thought that was a modern concept for us folks who like candy. Ancient people got drunk from chocolate-based concoctions. There's humor in that cup. I'm so thankful that without fermentation, cocoa has no intoxicating properties, although the beans are said to contain a trace of hallucinogens.

Holy cow, if that weret true, I would've been arrested countless times driving under the influence of Hostess cupcakes. There's no telling how many milkshakes I've chug-a-lugged in my life. It's sobering (pun intended) to imagine going on a Dairy Queen binge, waking up hungover in a cheap motel lying next to Betty Crocker. Oh, the shame of it all.

Just kidding, but there is current booze news on this subject. An outfit in Delaware is producing a beer based upon the original chocolate recipe as determined by biomolecular archaeologists. Dogfish Head Craft Brewery will bottle it. I definitely want to try it.

I've never liked beer but have always wanted to. The concept of a cold one on a hot day is pleasing to me, but I've never been able to get past the taste. One swallow is good but past that, it falls downhill fast. This cacao beer piques my interest. I'm enjoying this resurrection of chocolate as a healthy food of choice. It shouldn't be difficult for me to get back in the "chocolate" habit. Do I hear laughter?

I'll start tonight. I doubt many of you remember what a "real" cup of hot chocolate tastes like. The main ingredient is Hershey's bitter powdered chocolate in the can. You mix it with hot milk and sugar (Splenda works for me). I'll research this new Dogfish Head brew and hopefully can get my hands on a few bottles. If successful, I'll let you know how it is and where you can get it. It's probably nasty, but I'm willing to try anything that contains chocolate in any form. Does anybody but me remember chocolate covered ants? No, I'm not kidding.

Production and Quality

Belize cocoa growers to benefit from Costa Rican fund
LoveFM, Belize
By Paul Mahung
March 11, 2008
Three officials from the Toledo Cocoa Growers Association have completed a working visit to Costa Rica.
The Toledo Cocoa Growers Association officials included T.C.G.A chairman Justino Teck, vice chairman, Adolfo Tosh, and the secretary of the Toledo Cocoa Growers Association board of directors Omar Requena. Highlighs of the visit to Costa Rica was the signing of a cooperation agreement between the Tropical Agricultural Research and Higher Education Center, CATI, and the Toledo Cocoa Growers Association. The agreement was signed by Justino Teck from the T.C.G.A and doctor Jose Joaquin Campos Arce of CATI. According to Justino Teck the agreement will make available total funding of $ U.S. 350,000 from the Tropical Agriculture Research and Higher Education Center in Costa Rica to the Toledo Cocoa Growers Association during a period of four years for a cocoa project that will help me improve sustainable production of cocoa in Belize and Central America. Reporting for Love Fm News I'm Paul Mahung from Punta Gorda.

Beans for gourmet chocolate a fair trade
The New Zealand Herald
By Brian Harris
March 12, 2008
Indigenous people grew cocoa in Panama more than 2000 years ago. Now, their descendants are reviving the crop to meet world demand for high-quality chocolate.

Throughout Central America, farmers like Manuel Abrigo are planting cocoa, taking advantage of high world cocoa prices and the premium their cocoa commands. "I sowed cocoa because I saw my neighbour had it and I wanted more income, too," Abrigo, a Ngobe Indian, said in broken Spanish. His hillside farm, near the port of Almirante in western Panama, overlooks a glistening bay where Christopher Columbus dropped anchor in 1502.

Grown by the ancient Maya in Mexico and Central America long before the arrival of the Spanish, cocoa also has a long tradition with the Ngobe people, native to the Panama-Costa Rica border region, as well as indigenous communities in Belize, Guatemala and Nicaragua.

Spanish explorers recorded that indigenous people used cocoa beans as currency. Ten could buy a night with a prostitute, 100 could buy a slave, according to archaeologist Michael Coe, joint author of a book called The True History of Chocolate.

In the 1990s Abrigo and other farmers abandoned the crop when the trees were hit by fungus and world prices were low. Now gourmet chocolate companies are turning to growers in Central America to supply cocoa that can be labelled organic and "fair trade", under which companies pledge to pay third-world farmers more for their crops.

The bulk of the world's cocoa is grown in Africa, where cacao trees were imported by Portuguese colonisers in the 1800s. But human rights groups accuse producers in Ivory Coast, the world's No 1 supplier, of using the labour of child slaves.

Abrigo belongs to a 1500-farmer co-operative that sells most of its bean to a small Swiss company called Pronatec AG, which markets organic products to independent candy makers.#In southern Belize, near the border with Guatemala, a group of Mayan farmers produce cocoa beans for Green & Black's, a division of Cadbury Schweppes.

Their cocoa is shipped to Italy and mixed with orange flavour and spices to make Maya Gold chocolate, sold in Europe and the United States for US$3 ($3.80) a bar. Between 2002 and 2006, global sales of organic chocolate grew 120 per cent to US$401.3 million, less than 0.5 per cent of the world chocolate market.

But demand is enough to convince small farmers from Belize to Panama to produce more. "People calculate they could easily double their output and not have any problems with finding a market," said Eduardo Somarriba, a cocoa expert at the Costa Rica-based tropical research centre CATIE. Somarriba estimates Central America's cocoa output rose 40 per cent over the past three years to between 4000 and 5000 tonnes in the 2006-2007 harvest.

Planted area reached 21,000ha and a further 2000ha are expected to be planted this year, Somarriba said.
"Cocoa is one of the few cash crop alternatives in poor, indigenous areas," he said. US cocoa futures on the ICE exchange recently soared to a 28-year high as investment funds pour money into commodities. Higher prices help farmers boost output by investing in methods to improve crop quality and avoid fungus outbreaks.

A fungus known as "frosty pod" wiped out much of Central America's crop in the 1990s. Despite efforts to plant more cocoa, the scale of operations is still tiny on most Central American plots. Abrigo's co-operative produced just over 600 tonnes of mostly organic cocoa last year, one of their biggest harvests in decades.#By comparison, the Ivory Coast produces more than 1 million tonnes of cocoa a year. Central American farmers hand ferment their cocoa beans - the seed of a fleshy fruit - under banana leaves in hardwood boxes and dry them in the sun, a process that Green & Black's documents in its marketing.

Nigeria cocoa mid-crop still at risk despite rain
Reuters South Africa, South Africa
By Tume Ahemba
13 Mar 2008
LAGOS, March 13 (Reuters) - Nigeria's main cocoa region saw some downpours in recent weeks but the rains were not enough to repair damage already done to the mid-crop by an earlier dry and hot spell, farmers said on Thursday. Nigeria is the world's number five cocoa grower and its mid- crop comes in at around 50,000 to 60,000 tonnes per year when weather conditions are good and chemicals readily available to spray ageing and diseased plantations.

The Cocoa Association of Nigeria (CAN) said last month that a prolonged dry harmattan season had crippled some plantations in the southwest region, which accounts for about 60 percent of Nigeria's output. The harmattan is a seasonal wind that carries dust from the Sahara down across much of Nigeria.

Flowers and maturing pods died because lack of rainfall in the last two months had drained soil moisture needed to sustain them to develop for harvest from April to September. "Things have improved only a bit. We have had three showers in the last three weeks, but that is not enough. The trees have yet to bear fresh leaves," CAN president Afun Adegbulu told Reuters by telephone from Akure, capital of the main cocoa growing state of Ondo.

The light crop, also known as the mid-crop, will start late in most cocoa growing southwestern states because more rain is needed to enable trees to flower and for buds to develop into pods, Adegbulu said. "It is too early to say if there will be an

improvement in the crop because we need more rain to turn the tide and reverse the damage already done by the drought," Adegbulu said.

However, weather conditions were favourable in Nigeria's other big cocoa growing region, in the southeast near the border with Cameroon, and farmers there said they were looking forward to a good mid-crop which begins in the zone in May. "We have had rain twice this month, the pods have started shooting and the farms are looking good because there is a mix of sunshine and rain," farmer Gabriel Ogar said by telephone from Ikom in Cross River state, the region's cocoa hub.

Exporters had expected a strong light crop to make up for a shortfall in the 2007/08 main crop, which was slashed by an outbreak of the fungal black pod disease in some plantations in the southwest due to heavy rainfall before the start of the October to March season.

CAN, Nigeria's main cocoa group, is an association of growers, licensed buyers and major exporters. It estimates Nigeria's annual cocoa production at around 300,000 tonnes. (For full Reuters Africa coverage and to have your say on the top issues, visit: http://africa.reuters.com/)

Ivory Coast cocoa registrations 854,878 T by Feb 22
Reuters
By Ange Aboa; Editing by Pascal Fletcher
Mar 14, 2008
ABIDJAN, March 14 (Reuters) - Ivory Coast cocoa beans registered for export in the 2007/08 season reached 854,878 tonnes by Feb. 22, down from 864,978 tonnes by the same stage a year earlier, according to BCC data seen by Reuters on Friday.

The average cost, insurance and freight (CIF) price paid by international cocoa buyers such as Cadbury Schweppes (CBRY.L: Quote, Profile, Research) and Mars was 942 CFA francs ($2.24) per kg in the period, up from 861 CFA a year earlier, the data showed. Cocoa beans must be exported within 21 days of registration

Early Harvest For Cocoa
Modern Ghana, Ghana
By Felix Dela Klutse
14 Mar 2008

Cocoa is likely to be harvested earlier than the normal period, with yield tripling, after the introduction of some specialized nutrients.

The Chief Executive Officer of Cocobod, Isaac Osei, who disclosed this while addressing members of the Employment, Social Welfare and State Enterprises Committee of Parliament, during a visit to familiarize themselves with activities of the board, said he envisaged 350,00 tonnes of cocoa production by close of the year.

In line with the increasing capacity, he said, the services of Belgium and Cuba were been solicited for the country to start artisanal packaging of chocolate. He told the visitors that Cocobod had delved into the production of coffee and shea nuts after a decade of focusing on cocoa, adding that “a lot of research and marketing are being undertaken in that regard”.

Mr Osei further stated that his outfit had sourced $100 million for the production of cocoa this year. “A major challenge to cocoa production includes the black pod disease, and the swollen shoot which requires total removal of cocoa stumps,” he stated. To remedy the situation, he said Cocobod had developed seedlings and pods that expedited the growth of cocoa. With the introduction of the seedlings and certain nutrients, cocoa could be harvested within a period of two to three years.

The Market

Coffee, Cocoa, Sugar Post Gains
International Business Times, NY
Francis Mugenyi
11 March 2008
Robusta coffee continued gaining on Tuesday after roasters took advantage of a decline last week. Robusta coffee for delivery in May increased by 1.8 percent, or $44, to $2,560 a metric ton on London's Liffe exchange.

Arabica coffee futures for May delivery in New York increased by 2 percent, to $1.535 a pound.

Robusta coffee dropped by 8.3 percent last week, cutting its gain that had raised prices as high as 45 percent.

Coffee producers in Vietnam, the world's largest Robusta coffee grower, stopped bean sales in anticipation of higher prices, reducing roasters inventories. Coffee was also boosted by an increase in demand for commodities from investment funds, as oil futures increased as high as $109.72 a barrel.

White or refined sugar for May delivery increased by 2.6 percent, or $9, to $356.20 a ton. Sugar prices dropped by 8.2 percent, posting the highest decline in about a year.

Cocoa futures for May delivery increased by 1.6 percent, or 22 pounds, to 1,377 pounds ($2,762) a ton on the Liffe exchange. Cocoa prices have increased by 32 percent this year.

Chocolate business not what it used to be
Asbury Park Press, NJ
By Ed Johnson • STAFF WRITER •
March 12, 2008
The next time you bite into a piece of chocolate, understand that it's a lot more than milk, cocoa and sugar. Today, it's a product of political science, macro and micro economics.

There was a time when making quality candy was as simple as getting the right ingredients, creating your own formula, and then cranking it out. Not anymore.

Before you put that chocolate bunny in your child's Easter basket, Hal Gunther, owner of Old Monmouth Peanut Brittle Co. in Freehold, has had to watch the petroleum market as carefully as any Saudi sheikh, follow the ins and outs of ethanol production as well as a Midwestern politician and have a grasp of African politics that would allow him to intelligently converse with our charge d'affaires in Ivory Coast.

That knowledge, coupled with some serious cost-cutting, just might make it possible to deliver your Easter candy at a price that will be pretty close to last year's, Gunther said. Because, despite the company's name, chocolate is a big business there this time of year.

It's a far cry from the candy business that began as a sideline in a Freehold luncheonette in 1939 when Lou Dey, an old German candymaker, started making peanut brittle as a treat for customers, Gunther said. Eventually demand became so great that Dey and Gunther's future father-in-law, Warren Prest, went into the candy business in addition to flipping hamburgers, he said.

Back then, candymaking was just that. Even in 1982, when Gunther bought his father-in-law out and took over the family business, hardly a thought was given to geopolitics or the national economic picture, he said. Today, a decline in the production of crude oil or an accident at a refinery, such as the one that recently happened in Texas, have the potential to raise gasoline prices. That rise results in a fuel surcharge a truck driver will pass on to Gunther, an added expense that has to be covered.

Ethanol? That's made out of corn, and what's been an economic boon for many Midwestern farmers has hit candy makers right in the cost column, Gunther said. As more corn is converted to making fuel, there is less of it for other purposes. When that happens, the law of supply and demand kicks in, with scarcity creating price increases, U.S. Department of Agriculture statistics show.

Corn syrup is a sweetener many candy makers use in place of sugar, Gunther said. It was relatively inexpensive until the ethanol boom. "Corn syrup has gone through the roof," he said. "Last year, a tanker truck of it cost me $2,200. This year, it's $3,700." Corn is also used to feed cows. When it costs more to feed a cow, milk becomes more expensive. And a lot of that milk and corn syrup moves by tanker truck, so gasoline or diesel costs factor in again, said Wayne Baggett, a spokesman for the Department of Agriculture.

Half a world away, in Africa's Ivory Coast, there have been strikes and work stoppages in a country that produces 43 percent of the world's cocoa beans, according to the United Nations Food and Agriculture Organization. That has sparked commodity traders to buy quality cocoa beans and hold them in the hope that prices will increase. That speculation has helped cut down supplies, according to the United Nations.

In addition, many of the cocoa producers in Africa are little more than warlords who control large plantations, Gunther said. "They'll withhold the beans or actually burn them to increase prices," he said. With cocoa futures now trading at a 23-year high, even Hershey's, the giant chocolate manufacturer, announced a 14 percent price increase this month. For an overall chocolate blend, the raw product cost increases to manufacturers have reached as high as 40 percent above last year, Gunther said.

To offset that, Old Monmouth contracts well in advance for its chocolate blends. "Even if we pay a little more, it's worth it to lock in a price so I can give my customers a firm price," Gunther said. "It saves a lot of sleepless nights." So far, Gunther said, Old Monmouth has been able to keep price increases to a minimum. But it's been a feat of scheduling and production economies, he added. "Fortunately for us, we're a family-owned business. I just have to get my two sons to put more hours in and then press my wife into service," he said. "You just hire less help and extend the working hours for your family."

Gunther said he's limited in the ways to cut expenses. "We can't cut our quality," he said. "That's what brings people in. If we changed our formula to save money, it wouldn't be the product people count on us for." One way of keeping chocolate affordable is to offer smaller product packages, he said. The 24-ounce chocolate bunny used to be a big seller, and now 15- and 14-ounce variations are becoming more popular, he said. "It lets people still have the big bunny for their kids' baskets and not hit them too hard in the wallet," he said. "People still want the chocolate, but many feel the need to cut back."
Revenue constant

Still, the news hasn't been all bad. Revenue has remained constant, even if the business model has shifted, he said. "Sometimes it can be a bit of a roller coaster," Gunther said. "Fund-raising candies used to be about 65 percent of our business, but a lot of schools don't allow it anymore, so it's down to about 35 percent. But we do a lot more retail sales on the Internet from people who have moved away but still know the brand. "We had a great Valentine's Day. People came later, but then they came in droves. I'm hoping the Easter sales will do the same."

US Chocolate Sales to Remain Strong This Easter – Nielsen
Source: FLEXNEWS
14/03/2008
Chocolate confectionery sales are expected to remain strong with sales worth more than $318 million forecast for the week leading up to Easter, according to The Nielsen Company. Easter is the second best selling season for chocolate products in the US, behind Valentine's Day.

Processing and Manufacturing

Willie's wacky chocolate factory
Telegraph.co.uk, United Kingdom
09/03/2008
As our passion for high-quality cocoa intensifies, Kate Weinberg meets a dynamic entrepreneur intent on turning his estate-grown beans into Britain's best chocolate 'Hello, I'm Willie. Would you like some hot chocolate?" He's not wearing a purple frock-coat, but with an opening line like this, I'm quite ready to believe in Oompa-Loompas.Willie's wacky chocolate factory.

A Portakabin on a drab industrial estate in Devon is an unlikely setting for a real-life Willy Wonka. It's short on lollipop trees, psychedelic corridors and orangey dwarves with quiffs of green hair. But there's no mistaking the bittersweet smell of cocoa that drifts through the door. This is the chocolate factory of Willie Harcourt-Cooze, one of the first Brits since Cadbury to be growing and processing his own chocolate. "Come in, come in. Meet my wife Tania. Then straight through, please. I'm about to start roasting." I get a brief impression of a large room full of antiquated machinery before Tania hands me a double espresso-sized cup and I am whisked along to the bean room.

In the past 15 years, a love affair with high-quality chocolate has swept through Britain and Harcourt-Cooze is its new, ambitious cupid. His aim is twofold: he not only aspires to produce the best, most fully-flavoured chocolate in Britain, but also to re-invent our idea of cocoa altogether. "I have three types of beans," says Willie, briskly. "El Tesoro, from my farm in Venezuela, Carenero and Rio Caribe, which I have sourced from different parts of the country. As you can see, they look completely different." I peer closer at the unshelled beans in each tub. They look identical to me. Tania laughs: "He says that as if some of them are square. The rest of us still need labels."
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Willie pours a tray of beans through a funnel into a giant silver-coloured dome and, over the roaring sound, tells me about the journey of his chocolate from bean to bar. First, the cocoa is grown on his farm, El Tesoro, in the depths of Venezuela. Twice a year, he and Tania harvest the crop, keeping their foreman, Ricardo, and his crew buzzing on rum and hot chocolate. After a two-week process of picking the pods and fermenting and drying the beans, they transport them to the factory.

Over the past three years, Willie has sourced the mainly 1920s machinery from all over Europe. Like a classic car fanatic, he has renovated many of the parts himself, cannibalising bits from other machines and improvising as he goes along. "Those are Tania's bread bowls," he says, pointing at a small silver dome on top of one of the machines. He is just getting fired up on the subject of machinery ("I've got some places where I can get hold of a 1850s roaster," he says, lowering his voice as if giving me a hot tip at the races) when a shadow crosses his face and he jumps up and runs over to the roaster. After a second, the roar stops. "The door was open. I can't concentrate on the machines and talk at the same time," he says, almost accusingly, and becomes absorbed in pulling levers and pouring in more beans.

I take the opportunity to ask Tania how the three children, Sophia (nine), William (seven) and Eve (four) like having Willy Wonka for a father. "Of course, they're excited by Daddy making chocolate. They're young, so they've been a bit confused about it all, but the recent trip to Venezuela changed that. They've begun to pick up some Spanish, William's been helping his Dad with the machines and Eve is just a mini chocaholic. Sophia is the sensible one, like me."

And does little William want to be the next Wonka? "I have asked him whether he wants to make chocolate when he's older," says Tania. "He says he just wants to count the money, which is a huge relief. He'll be the first person in the family who is money conscious."

The roaster has started again and I glance at Willie, who is standing, hands on hips, an expression of intense concentration on his face. What is it like, I ask Tania, living with an obsessive? She looks a little guarded. "It's been stressful, like any start-up," she says. "The money is still touch and go. We've got a great product, but I couldn't go through all this again."

In a Channel 4 documentary made about them, Tania comes across as almost churlish in response to Willie's enthusiasm; in the flesh, it's clear that she acts as the perfect ballast to his character. Willie, one feels, is a balloon and she is the one holding the string.

Tania puts it rather more sensibly: "I suppose if I was as frenetic as he was, it wouldn't work out."

Observing their contrasting styles, it is odd to think that she is the one who is a direct descendant of the poet Samuel Taylor Coleridge, author of the fantastical Kubla Khan. It is Willie's family who brings farming to the equation - albeit of a quixotic kind.

Willie's father was half Burmese and, having fled Burma in the Second World War, fell in love with Willie's mother and her country, Ireland. They bought a tiny island just off the coast, but lived on the mainland, where they grew oats and wheat, kept goats and bees and cultivated a 120ft tunnel of vegetables. The island was farmed for sheep and cattle, which would swim across the icy sea to reach the mainland. "We were all dressed in hand-me-downs, had overgrown hair and were constantly inventing ways to make money. It was very much The Good Life."

Willie stops suddenly and stares at my hands: "You haven't drunk your hot chocolate." I look down in alarm. "Got caught up in the story," I say, taking a tentative sip. It tastes rich, creamy and just sweet enough. Willie scrutinises my face as if studying a suspect in a police line-up, gives a little nod and then continues.

After leaving school, he went to London and worked in bars and clubs. He was considering getting seriously involved in property, as his father had in Burma ("which would have been fine, I'm just not sure how happy it would have made me"), when, in 1996, he and Tania decided to throw in their lot and move to Venezuela. "We didn't really have a plan," says Tania, in her deadpan way. "We began by setting up some tourism - a small hotel, a restaurant and some walks through the national park. We also farmed everything that grew on the land, such as avocados, cashews and ginger. Willie made a mango and nutmeg jam that became legendary. "It just happened that the cocoa was exceptional. Our farm is between Valrhona and Amadei, so it has an excellent pedigree."

She pauses and looks at Willie. "Time for tasting, don't you think?"

We walk into another room where Tania opens a large fridge and pulls out some sealed containers. The cocoa has been mixed with a little cream and sugar, chopped into small, barrel-shaped lumps and dusted with cocoa powder. "We make them into

truffles because it's easiest for tasting the different bean flavours," she explains. "You'll see they're very distinct," says Willie, firmly. "One is very fruity, one is nutty and the other has a citrus note."

I feel nervous again. So far, Willie's passion and Tania's grounded approach to their business have disarmed me, but at the mention of "citrus notes" my inverse chocolate snobbery kicks in. I think of my rather ugly encounters with 85% cocoa Lindt over the years and my heart sinks a little.

Willie keeps his bright eyes on me as I bite into the first truffle. It is delicious: rich and with an unmistakeable zing of grapefruit. "Good," Willie nods approvingly. "That's because it's the citrus one. This one, from our farm is also very fruity, but tastes much more like berries." Again the flavour is absolutely clear: fruity, but now without the sharpness. "And this one, Carenero," he says, handing me another, "is smoother, nutty."

I steadily work my way through all the truffles I am handed, amazed at the difference between them. In my rather limited experience, chocolate only tastes different because of the amount of cocoa in it (chocolate heretic that I am: the less, the better). Apart from the sadly missed Terry's Chocolate Orange and - let me put my cards on the table here - the wonderful mint Aero, I've never thought of chocolate as having completely distinct flavours, like ice cream.

"That's because almost all the chocolate you eat, including the high-quality stuff like Montezuma, comes from three main distributors," says Willie. "They supply the cocoa in bulk and so wash out its distinctive flavours in order to make the taste more even. I want to reintroduce cocoa with all its variables and remind people that it is actually a savoury ingredient that can be used in a huge number of dishes, not just confectionery. Chocolate used to be a highly sought-after foodstuff. For the Aztecs, it was so important that they used it as currency. Cortés said: 'A soldier can walk all day on a cup of chocolate.'"

Lucky old Cortés: after five minutes of solid truffle consumption, it is all I can do to stagger over to one of the upturned tubs and take a little rest. "Even with all the good stuff that is around now, chocolate has appalling PR," says Tania. "When you don't add all the rubbish to it, cocoa is a massive super-food, crammed full of antioxidants, as well as being an appetite suppressant. During the making of the programme, I went on a chocolate diet for a couple of weeks, eating normally and using cocoa as a supplement. I dropped seven or eight pounds."

Meanwhile, Willie has ground the beans into sticky lumps and is passing them through the refiner, a machine that seems to be made up of handles and giant rolling-pins. For the first time in the process, the cocoa that appears out of the other end resembles chocolate, ironed flat and splintering into flakes. It is still very bitter to the taste. "That's because I haven't conched it yet," says Willie, his eyes very bright.
The conching machine, the last in the process, is clearly Willie's baby: a huge, copper-coloured beast with giant pistons and plastic extractor tubes that dangle like giant insect legs. For several hours (or even days, depending on the bean), the cocoa mass is gently warmed and churned by large pistons until it becomes very smooth and shiny and loses its bitterness.
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I am reminded of the scene in the 1971 film Willy Wonka & The Chocolate Factory when Gene Wilder beckons the children into the nerve centre of the factory, where chocolate streams down in waterfalls and becomes the running river that will carry Augustus Gloop away. "It's churning my chocolate," says Wonka, pointing towards the waterfall in great excitement. "It's actually churning my chocolate!"

"So that's now chocolate?" I say peering at the molten mass in the conching machine.

"No, that's chocolate liquor," Willie corrects me, impatiently. "That's what I want people to understand. It's now an ingredient that can be used in everything from gravy, casseroles and Bloody Mary, to suckling pig. If you want, you can add cream and sugar and make it into a confection."

He shows me a large cylindrical block, like a giant version of his truffles, which has been wrapped up in shiny gold paper and labelled Venezuelan Black. This is what can now be found on the shelves in Selfridges, where it was launched on Tuesday. Willie hopes that other stores will follow suit, but because of the nature of the production, the "300% cacao" blocks will remain limited and high-end. "Of course, we can't compete with the big brands on price," he says. "People will have to understand that they are buying an artisan product, something that tastes entirely different."

From the moment I first shook Willie's hand (noting the chocolate stain deep under his fingernails), I decided that he is someone who might well succeed and equally could fail, but is certain to do either spectacularly. He has all the ingredients of a man who will get what he wants - charisma, obsession and hyperactive levels of energy - but he now has to play the odds. In

the tiny factory that bristles with his passion, it's easy to bet on him, but how does a sophisticated product like his really fare on the market?

"I think the public are ready for it," says Thomasina Miers, a television chef and owner of Wahaca, a Mexican restaurant in Covent Garden. "We use high-quality cocoa as a seasoning in our sauce, mole, which is probably too complex and intense for most home-cooking. But cocoa is a hugely inspiring ingredient and can be used imaginatively, not just for good hot chocolate. It can transform a venison stew, for example."

As we say goodbye, Willie says: "If I'm still in chocolate in five years' time, I will have succeeded." For the first time that day, I don't buy it. It seems to me that the words are mouthed in an effort to temper the burgeoning empire in his head. And it's an empire that is within reach. Not fizzy lifting drinks or everlasting gobstoppers, but success with the chocolate liquor, followed by a stream of chocolate products for connoisseurs. For people, unlike me, who have no particular way of eating a crème egg.

I wish him the best of luck and he thanks me a little distractedly, before returning to his Heath Robinson-style machines, a focused look in his eye. It strikes me how easy it is to be Roald Dahl's Charlie Bucket for a day. But for Willie, the fantasy is very real. # Willie's Wonky Chocolate Factory, a four-part Channel 4 series, starts on Sunday, March 2 at 9pm.

Nestle to Open Chocolate Research Center to Meet Luxury Demand
Bloomberg
By Thomas Mulier
March 10, 2008
(Bloomberg) -- Nestle SA, the world's largest maker of dark chocolate, will open a Swiss research center that will develop new chocolate products to meet anticipated growth in demand for luxury and premium confections.

The center will employ 30 chocolatiers and will open at its factory in the Swiss town of Broc in 2009's first half, Roland Decorvet, head of Nestle Switzerland, said today at a press conference. Nestle will invest 20 million Swiss francs ($19.5 million) in the project.

Belgian chocolatier Pierre Marcolini will help advise on premium ranges at the center after forming an alliance with Nestle in December. Marcolini adds flavors such as lavender and Earl Grey tea to his confections, which are sold in shops in Brussels, Tokyo, Kuwait and New York. Vevey, Switzerland-based Nestle aims to focus on the most expensive chocolate to increase its presence in the fastest-growing part of the industry.

Nestle sells about 10 billion francs of chocolate a year, making it the world's largest chocolate maker after Mars Inc., said Petraea Heynike, head of Nestle's chocolate unit.

The 3.7 billion-franc market for luxury chocolate expanded 8 percent annually between 2004 and 2006, Nestle said, citing researcher Euromonitor. It valued the premium chocolate market at about 14 billion francs. The markets for luxury and premium chocolate may increase more than 10 percent over coming years, the maker of Cailler chocolates said.

Cocoa Prices

Higher cocoa and dairy prices are leading chocolate makers to focus on premium brands of dark chocolate, where margins are higher. Cocoa futures have gained about 40 percent in the past year.

Global demand for cocoa may rise at a slower pace this year because of higher prices, the World Cocoa Foundation forecast last week. Consumption may increase between 2 percent and 2.5 percent in the year ending this September after gaining 3 percent in the prior period, the group estimates.

Nestle, which bought the company that invented milk chocolate in 1929, sold factories in France and Italy last year to Barry Callebaut AG and agreed to buy liquid chocolate from the company. Sales of chocolate made in Switzerland rose 9 percent to a record in 2007, led by exports to the U.S., the U.K., Brazil and China, industry group Chocosuisse said in February. *To contact the reporter on this story: Thomas Mulier in Geneva at tmulier@bloomberg.net.*

Business & Economy

Nestlé to Open Chocolate Centre of Excellence
Source: Nestle S.A.
10/03/2008
Vevey, 10 March 2008 - Nestlé today announced the establishment of the Chocolate Centre of Excellence, the company's first R&D facility entirely dedicated to the development of premium and luxury chocolate. The new Chocolate Centre of Excellence, located at Nestlé's chocolate factory in Broc (Switzerland), will be operational in the first half of 2009 and will bring together both internal and external know-how of international chocolate-making professionals such as top confiseurs, sensory experts and packaging designers. The project launch was attended by Roland Decorvet, market head of Nestlé Switzerland, and Beat Vonlanthen, Minister of Economic Affairs of the Canton of Fribourg. Petraea Heynike, Global Head of Nestlé's Chocolate Strategic Business Unit, and Klaus Zimmermann, Global Head of Nestlé's R&D and Product Technology Centers, also attended.

The establishment of the new Chocolate Centre of Excellence is a further sign that Nestlé sees luxury and premium products as one of its key strategic areas with above-average growth and profit potential over the coming years. In confectionery, the strong growth of dark and premium chocolate is the most visible sign of "premiumisation", as witnessed by strong brands such as Cailler, Perugina, Baci and Nestlé Noir. It also explains Nestlé's partnership with Belgian luxury chocolatier Pierre Marcolini who will provide inspiration to the team in Broc for some of the company's future chocolate ranges.

Netherlands and Ghana sign tax treaty
Radio Netherlands, Netherlands
10 March 2008
Accra - The Netherlands and Ghana have concluded a tax treaty which means that companies no longer have to file tax forms in two countries and seriously reduces their administrative burden. Dutch companies investing in the West African country will benefit from reduced tax rates.

Deputy Finance Minister Jan Kees de Jager travelled to Accra for the signing ceremony to underline the treaty's importance. Mr De Jager said that it would provide an important boost to Ghana's development. The Netherlands is one of Ghana's most important business partners. Ten percent of the country's cocoa and aluminum production is exported to the Netherlands.

Nestle boosted by soaring prices of milk, cocoa, coffee and cereals
Times Online, UK
Carl Mortished, World Business Editor
March 14, 2008
Nestlé is making money from the soaring cost of commodities, with the Swiss multinational forcing consumers to absorb the higher price of its food products containing milk, cocoa, coffee and cereals.

The maker of popular brands such as Kit Kat and Perrier signalled “outstanding organic growth” in the first two months of this year. By the end of the year it expects to deliver an extra SwFr8 billion (£3.9 billion) in revenue. The forecast of exceptional annual sales growth of 7.5 per cent after just two months of trading is highly unusual and caused the shares to race upwards, initially gaining more than 4 per cent.

Nestlé and rival Unilever are shrugging off the burden of higher prices of raw materials, such as dairy products, cereals and vegetable oils, by using their marketing clout to force the rises on to retailers and consumers. The remainder of the price inflation is being offset by making internal cost savings.

Nestlé said: “The group was forced to advance price increases for finished goods in order to partially absorb the higher input costs . . . this accounts for a strong pricing element in the organic growth for the first two months of 2008.”

Julian Hardwick, consumer goods analyst at ABN Amro, said that the big food companies were reaping the rewards of a strategy that focuses on fast-growing products and investment in emerging markets. “They have managed to pass on higher prices and [have] been able to maintain their margins,” he said.

Last month Unilever announced fourth-quarter sales growth of more than 6 per cent and referred to an “increasing contribution from price”. The Anglo-Dutch firm said that half of its underlying sales growth came from price increases and forecast that underlying growth this year would be at the top of its 3 per cent to 5 per cent range, along with further improvements in

margin. Nestlé topped that yesterday, saying that organic growth in 2008 would be above the target of between 5 per cent and 6 per cent and that it expected to repeat last year's advance of 7.4 per cent.

Both companies have insisted that their rapid expansion has not been achieved at the expense of good business practice. Moreover, Nestlé promised to deliver a further improvement in its operating margin, which rose last year by half a percentage point to 14 per cent, and to maintain the upward pressure on prices.

Peter Brabeck-Letmathe, the chief executive, said that Nestlé would maintain "our strategy to respond immediately to exceptional cost evolutions in the commodity markets". Nestlé is heavily exposed to dairy costs – chocolate and infant formula milk powder are a big part of the business – and it has seen the price of milk powder rise 35 per cent during the past year. Dairy prices worldwide have been on a rising trend for several years because of increased consumption in the Far East and droughts in the southern hemisphere. Nestlé said that it expected the increases in the cost of raw materials to abate in the first half of the year and that prices may fall in the second half. Mr Brabeck-Letmathe said that Nestlé would be "delivering once again an improvement in the Ebit margin in constant currencies".

Labour Issues

The Darker Side of Chocolate
Ninemsn, Australia
ByDaniel Street
March 9, 2008

On the eve of Easter, Sunday highlights child exploitation and trafficking in the harvesting of cocoa for chocolate. It is estimated that in the West African nation of the Ivory Coast alone, more than 600,000 children work on cocoa fields.

Children in the cocoa fields are being exposed to dangerous practices such as the unprotected use of chemicals, carrying heavy loads, brush burning and using machetes. About half of these children do not go to school. There is also evidence of children being trafficked. The study estimated up to 12,000 children had been trafficked for cocoa in West Africa.

Police in the Ivory Coast have liberated more than 200 children in just 12 months. Tim Costello from World Vision has visited this part of Africa and has witnessed the damage to children first hand.

Ivory Coast Cocoa Warehouse Workers' Strike on for 2nd Day (DJ)
Source: Dow Jones Newswires
11/03/2008
Abidjan,
An indefinite strike of warehouse workers at Ivory Coast's main port of Abidjan slowed cocoa exports Tuesday for a second day in a row, industry sources said.

Exporters with warehouses in the Abidjan-Vridi port area were unable to find men to unload cocoa beans from trucks arriving from the bush. Business was normal for exporters and processors in San Pedro and those with warehouses in Abidjan-Yopougon or Abidjan-Anyama.

The leader of the SYTRAJOP-CI Trade Union of Private Sector Daily Workers of Ivory Coast, Fidel Dogbo, told Dow Jones Newswires workers' wanted a substantial pay rise. His trade union also organized a strike for better pay Dec 10-13. Dogbo said promises made by employers at the time had not been kept, hence the renewed, indefinite strike.

At the time, cocoa exports were hit harder by the strike as harvesting was peaking. Cocoa harvesting and exports are now in a seasonal lull as the main October-March harvest is all but over and harvesting of the April-September midcrop has yet to start.

No prevalence of worst form of child labour on Ghanaian cocoa farms
Joy Online, Ghana
12 March 2008
Stakeholders in the cocoa industry are unhappy about continuous misinterpretation, most often by the western media, of few cases of children helping their parents on family cocoa farms, to mean the worst form of child labour.

Briefing the Parliamentary Select Committee on Employment, Social Welfare and State Enterprises, the Chief Executive of Cocobod, Isaac Osei, reassured that there were enough measures in place to check any such unacceptable practice on the farms.

He said it had been a tradition to pass on cocoa farming, which had become serious business, on to younger people, who constituted the succeeding generation in the family, stressing, that did not constitute child labour as defined by the International Labour Organisation. "We are of the view that we have the responsibility to pass it on to the next generation by teaching them the trade. Of course, very mindful of their (young men's) basic rights, particularly the need for them to have good education," Mr Osei said.

He said Cocobod had established a special desk that had been running a sensitisation campaign to encourage cocoa farmers to enrol their kids in school, citing the introduction of school feeding programme and capitation grant, as well as the Board's scholarship scheme as incentives.

During the interaction, some of the MPs, who hailed from cocoa growing areas supported Mr Osei's assertion with stories of how they helped their relatives in the cocoa farm in the past, saying their work never affected their education or stifled their future potential. "I get angry when I hear those misrepresentations, especially by the western media, referring to the help we give to our parents in the cocoa farm, which is the family business, as child labour," one of the MPs, who holds a second degree, told the meeting.

The Committee also held discussions with the Cocobod management on how to sustain increased production and attract investment to expand the industry, which is the second highest export earnerfor the nation.

Mr Osei reiterated Cocobod's commitment to produce one million tonnes of cocoa by 2010 through enhanced fertilisation, expanded disease and pest control and the adoption of high yielding seeds. He briefed the Committee on the recent 26 percent raise in producer price of cocoa, saying it was to halt smuggling of the beans to neighbouring countries, following price increases in the world market.

He spoke about government's plans to locally process up to 40 percent of the total cocoa produced, saying two major factories being put up by American agri-business companies were expected to come on stream by year, in addition to the various expansion projects being undertaken by existing processing companies. The meeting also discussed plans to rejuvenate coffee and shea production to become high income earners.

Cocoa Declines as Strike continues in Ivory Coast
International Business Times, NY
Jacob Ssekitoleko
12 March 2008
Cocoa declined in London on concerns that a strike in Ivory Coast, the world's largest cocoa grower, won't affect exports of the beans used to make chocolate. Cocoa for May delivery dropped by 0.6 percent, or 9 pounds, to 1,423 pounds ($2,878) a metric ton on London's Liffe exchange. Cocoa increased by 33 percent last year after investors bought commodities to hedge inflation and the dollar declined.

There is a strike at warehouses in Abidjan, Ivory Coast, which has entered its third day. Ivory Coast contributes 41 percent share to the global cocoa output, which was forecasted to fall short of demand by 32,000 tons this year.

Robusta coffee for May delivery increased by 3.4 percent, or $87, to $2,647 a ton. White or refined sugar for May delivery, dropped by $3.60 to $352.60.

Dockers' strike blocks Ivory Coast cocoa shipments
Reuters South Africa, South Africa
By Ange Aboa
13 Mar 2008
ABIDJAN (Reuters) - A strike over pay by dock workers at ports in Ivory Coast has blocked exports of cocoa and coffee since late on Monday, exporters in the world's top cocoa producer said on Wednesday. "We can't do anything. Everything is blocked. Cocoa and coffee beans are stocked in the depots at the ports and are waiting to be loaded onto the ships," said the director of one international exporter based in the main port of Abidjan.

The union of day workers (Sytrajop-CI) called its members out on an indefinite strike on Monday at Abidjan and the western port of San Pedro to demand better working conditions and higher salaries, after talks with employers broke down. "Our bosses, the port and the government are doing nothing to sort out our situation as they promised they would in January," said union secretary Fidele Dogba. "It is an unlimited strike which affects both of Ivory Coast's ports. No dockers are at work and everything has been stopped at the ports since Monday," he said.

Lack of rain and hot weather in the West African country have brought an early end to the October-March cocoa mid-crop, meaning port arrivals have been tailing off. But exports are traditionally busy at this time of year as stocks are shipped. Weeks of on-off strikes by staff at the Coffee and Cocoa Bourse (BCC) in December and January also hampered shipments, leading to a significant backlog of cocoa by the end of January which exporters quickly cleared.

Strike blocks Ivorian cocoa exports, quality at risk
Reuters South Africa, South Africa
By Ange Aboa14 Mar 2008

ABIDJAN (Reuters) - Exports of cocoa and coffee from Ivory Coast remained blocked by a dock workers' strike on Friday and exporters said they feared the quality of beans held up at the ports could deteriorate in the humidity.

It was the fifth day of the stoppage at Abidjan and San Pedro, the two main ports of the world's top cocoa producer. The day workers' union Sytrajop-CI called its members out on indefinite strike on Monday to demand better working conditions and higher salaries, after talks with employers broke down. "We still can't do anything here. The dockers are refusing to work and are threatening to chase off any other employees who try to work," said the sales director of a European export company based in Abidjan.

Although the strike was taking place at the tail end of the October to March main crop, when arrivals at ports were falling off anyway, several thousand tonnes of cocoa and coffee were blocked aboard trucks parked by idle port warehouses. "It's true that there isn't much cocoa arriving at the moment but we're worried about the quality which is already not very good," the export company sales chief said. "With prolonged storage aboard the trucks, combined with the rain and the sun, the beans are going to heat up and rapidly rot. That's our biggest worry." he added.

A representative of the striking day workers' union Sytrajop-CI, Fidele Dogba, complained that neither the export companies nor the authorities had been in touch with the union to discuss a possible settlement to the stoppage. "We warn those who might try to use other outside workers that we'll chase them away by all means possible," he said. (For full Reuters Africa coverage and to have your say on the top issues, visit: http://africa.reuters.com/)

Verite Convenes Consultative Meeting in Efforts to Eliminate Child Labor in West African Cocoa Farming
CSRwire.com (press release)
March.14,.2008

Bringing together NGOs, industry, unions and academics to examine independent verification of cocoa farms in Ghana and Cote d'Ivoire

(CSRwire) LONDON, UK - March 14, 2008 - Verité, the US-based nonprofit that provides solutions to labor abuses worldwide through innovative corporate social responsibility, is convening a landmark one-day consultative meeting called "Why Verify? Making Cocoa Verification Count," in London, UK. The goal of this initiative is to assist in the process of eliminating the worst forms of child labor and forced adult labor in the West African cocoa industry through independent verification of the certification effort of the Harkin-Engel Protocol. The meeting on March 31, 2008, is the second consultative meeting hosted by Verité that brings stakeholders together to create a transparent, effective and credible verification process. The cocoa verification initiative to began in 2001 with the Harkin-Engel Protocol and has accelerated with the newly formed International Cocoa Verification Board (ICVB) called for in Verité's Road Map. Verité is acting as the interim Secretariat of the ICVB.

Representatives from several African NGOs, the International Labor Organization, UNICEF, Global Witness, Anti-Slavery International, trade unions, academics and many others are joining with representatives from the global cocoa industry to collaboratively discuss the challenges to independent verification and ways to strengthen this effort. The parties expect this robust dialog to result in stronger and more credible verification. The question remains, however, "Why verify?"

Information gathered during the National Surveys has already resulted in improvements for the National Plans to Combat Child Labor in both Ghana and Côte d'Ivoire, but to ensure a fully transparent process the need for independent verification remains. The larger goal of verification is to ensure that these groundbreaking nationwide efforts to assess and improve conditions on the ground are robust and that remediation efforts are based on accurate data that is effectively targeted.
Attendees will hear directly from the top government officials who have conducted the surveys that assess the impact the Harkin-Engel Protocol has on their countries. NGO panelists will address the work that they are doing on the front lines of efforts to combat child trafficking, the ways this effort impacts their work, and the very real need to ensure that the independent verifiers use child-centered interview techniques in their work.

Results from this meeting will inform the next ICVB meeting on April 3 and 4, 2008, when the Board will select verifiers. Independent verifiers will be in the fields for the first time beginning in May, 2008. This is the crucial next step in the larger effort to identify and remediate the worst forms of child labor abuses nationwide in both Ghana and Côte d'Ivoire.

To register for "Why Verify? Making Cocoa Verification Count," please fill out the brief registration form and return it to aroscoe@verite.org by March 17.

Keynote speakers at the meeting are Mme. Amouan Assouan Acquah, Special Counselor to the Prime Minister of Côte d'Ivoire and member of the ICVB, and Mme. Akosua Frema Osei-Opare, Deputy Minister, Ministry of Manpower, Youth and Employment and Member of Parliament of Ghana.

Other speakers include Evelyne Adom of Afrique Secours et Assistance, Côte d'Ivoire; Anita Sheth, Senior Analyst, Advocacy, Policy & Research of Save the Children Canada; Jeff Morgan, Director of Global Programs, Mars, Inc. and member of the ICVB; Franciska Isaaka, Founder, CENSUDI, The Centre for Sustainable Development Initiatives, Ghana; and Théodore Séka, President, RENFCAP, a Leading Capacity Building and Child Rights NGO, Côte d'Ivoire.

The conference will take place in the Exeter Suite of the Strand Palace Hotel. For reservations or directions contact: The Strand Palace Hotel, 372 Strand, London, WC2R 0JJ, England. +44 (0)20 7836 8080; http://www.strandpalacehotel.co.uk

About Verité

Verité ensures that people worldwide work under healthy, safe, fair and legal conditions and provides solutions to labor abuses worldwide through innovative corporate social responsibility. Verité works in over 60 countries to empower companies, factories, NGOs, governments, and workers to create sustainable workplace practices in the factories and communities where our consumer goods are made.

In 2007 Verité was awarded one of ten Skoll Awards for Social Entrepreneurship and named a Social Capitalist Award winner by Fast Company magazine/Monitor Group, having been recognized as one of the top organizations able to "translate their vision into action, and meet the harsh market standards of performance and accountability." For more information visit www.verite.org.

TIT BITS

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

London sugar, coffee and cocoa firm
LONDON (March 12, 2008): London white sugar futures jumped more than 2 percent to close higher on Tuesday on speculative short-covering driven by record oil prices and the weak dollar, dealers said. cocoa and coffee futures also closed higher, led by the New York ICE market and all-time high oil, reflecting more investor buying across the commodity complex.

London coffee sharply up; cocoa and sugar down
LONDON (March 13, 2008): London robusta coffee futures finished sharply higher on Wednesday, buoyed by speculative buying as the market rebounded strongly from last week's steep losses, dealers said. cocoa ended lower, weakened partly by the strength of sterling against the dollar, while white sugar also posted losses with a supply glut weighing on the market.

US MIDDAY: coffee and cocoa up
NEW YORK (March 13, 2008): Arabica coffee futures trading on ICE Futures US powered upward in early trade on Wednesday on speculative buying, while cocoa futures were within sight of the recent 28-year high, traders said. The ICE benchmark May coffee contract was up 2.20 cents at $1.5425 by 9:30 am EDT (1330 GMT), with trades spanning $1.5245 to $1.551 per lb.

Cameroon cocoa exports up
YAOUNDE (March 13, 2008): Cameroon's 2007/08 cocoa bean exports exceeded the previous season by the end of February, despite violent protests which halted port shipments and deliveries for several says, data showed on Wednesday.

Brazil cocoa arrivals up
SAO PAULO (March 13, 2008): Brazilian 2007/08 (May/April) cocoa arrivals from Bahia and other states totalled 3.50 million 60-kg bags by March 9, up 1.2 percent from the 3.46 million bags a year ago, Bahia Commercial Association said Wednesday.

New York cocoa firmer
NEW YORK (March 13, 2008): US cocoa futures settled firmer on Tuesday as fund buying returned to the market, buoying prices within sight of a recent double-top that marked a 28-year high on a continuation chart. "The volume's relatively light but its funds coming back in," one cocoa dealer said.

US MIDDAY: cocoa soars to 28-year high
NEW YORK (March 14, 2008): cocoa futures trading on ICE Futures US surged nearly 5 percent to a 28-year high early Thursday on heavy support from the strong sterling and fund buying, traders said. Arabica coffee futures were also firm on the weak dollar.

London cocoa sets 5-1/2-year high
LONDON (March 14, 2008): London cocoa futures climbed to a 5-1/2-year high on Thursday while coffee and sugar prices also advanced on a new wave of speculative and fund buying sparked partly by dollar weakness, dealers said.

Dockers' strike blocks Ivory Coast cocoa shipments
ABIDJAN (March 14, 2008): A strike over pay by dock workers at ports in Ivory Coast has blocked exports of cocoa and coffee since late on Monday, exporters in the world's top cocoa producer said on Wednesday.

Cocoa lower on profit-taking
NEW YORK (March 14, 2008): US cocoa futures settled modestly lower Wednesday on profit-taking after a volatile session in which fund buying pushed prices near the recent 28-year high at various times.