

COPAL COCOA *Info*

A Weekly Newsletter of Cocoa Producers' Alliance



Issue No. 307

27th – 31st October 2008

Cocoa Producers' Alliance



UP-COMING EVENTS

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

In the News (from Newspapers worldwide)

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ICCO Daily Cocoa Prices

| | ICCO daily price (SDR/tonne) | ICCO daily price (\$US/tonne) | London futures (£/tonne) | New York futures (\$US/tonne) |
|--------------------------|---------------------------------|----------------------------------|-----------------------------|-------------------------------------|
| 27 th October | 1353.06 | 1999.90 | 1311.33 | 1969.33 |
| 28 th October | 1353.48 | 2005.98 | 1309.67 | 1987.67 |
| 29 th October | 1459.02 | 2174.00 | 1355.67 | 2142.00 |
| 30 th October | 1422.42 | 2138.50 | 1339.33 | 2102.67 |
| 31 st October | 1415.62 | 2106.86 | 1331.33 | 2078.33 |
| Average | 1401.00 | 2085.00 | 1329.00 | 2056.00 |

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

Monday 27th October 2008

| Month | Opening Trans | Settle | Change | Daily High | Daily Low | Volume |
|-----------------------|---------------|-------------|--------|------------|-----------|--------------|
| Dec 2008 | 1279 | 1302 | 4 | 1322 | 1271 | 2,144 |
| Mar 2009 | 1298 | 1310 | 8 | 1325 | 1275 | 2,387 |
| May 2009 | 1300 | 1322 | 10 | 1333S | 1292 | 248 |
| Jul 2009 | 1332 | 1332 | 8 | 1347 | 1301 | 304 |
| Sep 2009 | 1317 | 1337 | 5 | 1352S | 1314 | 346 |
| Dec 2009 | 1329 | 1344 | 3 | 1353 | 1323 | 161 |
| Mar 2010 | | 1356 | 3 | | | 0 |
| May 2010 | | 1361 | 3 | | | 0 |
| Jul 2010 | | 1361 | 3 | | | 0 |
| Sep 2010 | | 1361 | 3 | | | 0 |
| Average/Totals | | 1339 | | | | 5,590 |

Tuesday 28th October 2008

| Month | Opening Trans | Settle | Change | High | Low | Volume |
|-----------------------|---------------|-------------|--------|------|------|--------------|
| Dec 2008 | 1310 | 1299 | -3 | 1335 | 1299 | 1,795 |
| Mar 2009 | 1319 | 1309 | -1 | 1342 | 1308 | 3,650 |
| May 2009 | 1330 | 1321 | -1 | 1350 | 1324 | 291 |
| Jul 2009 | 1336 | 1331 | -1 | 1360 | 1330 | 191 |
| Sep 2009 | 1345 | 1339 | 2 | 1370 | 1345 | 98 |
| Dec 2009 | 1357 | 1348 | 4 | 1365 | 1357 | 90 |
| Mar 2010 | | 1361 | 5 | | | 0 |
| May 2010 | | 1366 | 5 | | | 0 |
| Jul 2010 | | 1366 | 5 | | | 0 |
| Sep 2010 | | 1366 | 5 | | | 0 |
| Average/Totals | | 1341 | | | | 6,115 |

Wednesday 29th October 2008

| Month | Opening Trans | Settle | Change | High | Low | Volume |
|-----------------------|---------------|-------------|--------|-------|-------|---------------|
| Dec 2008 | 1300 | 1345 | 46 | 1292 | 1292 | 4,357 |
| Mar 2009 | 1317 | 1356 | 47 | 1297 | 1297 | 6,335 |
| May 2009 | 1315 | 1366 | 45 | 1315S | 1315S | 838 |
| Jul 2009 | 1330 | 1376 | 45 | 1330 | 1330 | 336 |
| Sep 2009 | 1338 | 1385 | 46 | 1334 | 1334 | 345 |
| Dec 2009 | 1392 | 1395 | 47 | 1372S | 1372S | 91 |
| Mar 2010 | | 1408 | 47 | | | 0 |
| May 2010 | | 1413 | 47 | | | 0 |
| Jul 2010 | | 1413 | 47 | | | 0 |
| Sep 2010 | | 1413 | 47 | | | 0 |
| Average/Totals | | 1387 | | | | 12,302 |

Thursday 30th October 2008

| Month | Opening Trans | Settle | Change | High | Low | Volume |
|-----------------------|---------------|-------------|--------|-------|-------|--------------|
| Dec 2008 | 1353 | 1326 | -19 | 1362 | 1322 | 3,624 |
| Mar 2009 | 1369 | 1341 | -15 | 1374 | 1338 | 2,972 |
| May 2009 | 1369 | 1351 | -15 | 1371 | 1350 | 79 |
| Jul 2009 | 1364 | 1361 | -15 | 1370S | 1360 | 32 |
| Sep 2009 | 1373 | 1369 | -16 | 1380 | 1373 | 77 |
| Dec 2009 | 1379 | 1379 | -16 | 1393 | 1379S | 14 |
| Mar 2010 | | 1392 | -16 | | | 0 |
| May 2010 | | 1397 | -16 | | | 0 |
| Jul 2010 | | 1397 | -16 | | | 0 |
| Sep 2010 | | 1397 | -16 | | | 0 |
| Average/Totals | | 1371 | | | | 6,798 |

Friday 31st October 2008

| Month | Opening Trans | Settle | Change | High | Low | Volume |
|-----------------------|---------------|-------------|--------|-------|-------|-------------|
| Dec 2008 | 1318 | 1322 | -4 | 1347 | 1312 | |
| Mar 2009 | 1335 | 1331 | -10 | 1355 | 1327 | 3,086 |
| May 2009 | 1344 | 1341 | -10 | 1363S | 1339 | 415 |
| Jul 2009 | 1360 | 1351 | -10 | 1372S | 1350 | 198 |
| Sep 2009 | 1366 | 1357 | -12 | 1380S | 1366S | 10 |
| Dec 2009 | 1372 | 1367 | -12 | 1375 | 1372 | 16 |
| Mar 2010 | | 1379 | -13 | | | 0 |
| May 2010 | | 1384 | -13 | | | 0 |
| Jul 2010 | | 1384 | -13 | | | 0 |
| Sep 2010 | | 1384 | -13 | | | 0 |
| Average/Totals | | 1360 | | | | 3725 |

| | | | | | | |
|-----------------------------|-------------|--|--|--|--|---------------|
| Average for the week | 1360 | | | | | 6906 |
| | | | | | | 34,530 |

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

Monday 27th October 2008

| Month | Open | Price | Change | High | Low | Volume |
|-----------------------|------|-------------|--------|------|------|--------------|
| Dec 2008 | 1950 | 1956 | -21 | 1974 | 1881 | 9,544 |
| Mar 2009 | 1947 | 1974 | -25 | 1987 | 1904 | 8,041 |
| May 2009 | 2005 | 1990 | -24 | 2005 | 1927 | 502 |
| Jul 2009 | 2020 | 2006 | -26 | 2027 | 1946 | 481 |
| Sep 2009 | 2050 | 2024 | -29 | 2050 | 1962 | 573 |
| Dec 2009 | 2000 | 2039 | -35 | 2039 | 2000 | 20 |
| Mar 2010 | 2003 | 2050 | -29 | 2050 | 2003 | |
| May 2010 | | 2050 | -29 | 2050 | 2050 | |
| Jul 2010 | | 2050 | -29 | 2050 | 2050 | |
| Sep 2010 | | 2050 | -29 | 2050 | 2050 | |
| Average/Totals | | 2026 | | | | 19161 |

Tuesday 28th October 2008

| Month | Open | Price | Change | High | Low | Volume |
|-----------------------|------|----------------|--------|------|-----|----------|
| Dec 2008 | | | | | | |
| Mar 2009 | | | | | | |
| May 2009 | | | | | | |
| Jul 2009 | | | | | | |
| Sep 2009 | | | | | | |
| Dec 2009 | | | | | | |
| Mar 2010 | | | | | | |
| May 2010 | | | | | | |
| Jul 2010 | | | | | | |
| Sep 2010 | | | | | | |
| Average/Totals | | #DIV/0! | | | | 0 |

Wednesday 29th October 2008

| Month | Open | Price | Change | High | Low | Volume |
|-----------------------|------|----------------|--------|------|-----|----------|
| Dec 2008 | | | | | | |
| Mar 2009 | | | | | | |
| May 2009 | | | | | | |
| Jul 2009 | | | | | | |
| Sep 2009 | | | | | | |
| Dec 2009 | | | | | | |
| Mar 2010 | | | | | | |
| May 2010 | | | | | | |
| Jul 2010 | | | | | | |
| Sep 2010 | | | | | | |
| Average/Totals | | #DIV/0! | | | | 0 |

Thursday 30th October 2008

| Month | Open | Price | Change | High | Low | Volume |
|-----------------------|------|-------------|--------|------|------|--------------|
| Dec 2008 | 2179 | 2084 | -53 | 2179 | 2062 | 7,298 |
| Mar 2009 | 2173 | 2110 | -42 | 2185 | 2088 | 5,019 |
| May 2009 | 2195 | 2128 | -40 | 2200 | 2110 | 678 |
| Jul 2009 | 2205 | 2141 | -40 | 2210 | 2125 | 347 |
| Sep 2009 | 2185 | 2154 | -38 | 2185 | 2150 | 281 |
| Dec 2009 | 2171 | 2170 | -35 | 2172 | 2165 | 50 |
| Mar 2010 | | 2175 | -32 | 2175 | 2175 | 5 |
| May 2010 | | 2175 | -32 | 2175 | 2175 | |
| Jul 2010 | | 2175 | -32 | 2175 | 2175 | |
| Sep 2010 | | 2175 | -32 | 2175 | 2175 | |
| Average/Totals | | 2156 | | | | 13678 |

Friday 31st October 2008

| Month | Open | Price | Change | High | Low | Volume |
|-----------------------|------|-------------|--------|------|------|--------------|
| Dec 2008 | 2059 | 2053 | -31 | 2090 | 2037 | 8,069 |
| Mar 2009 | 2085 | 2077 | -33 | 2107 | 2059 | 4,021 |
| May 2009 | 2100 | 2095 | -33 | 2124 | 2078 | 263 |
| Jul 2009 | 2111 | 2109 | -32 | 2117 | 2094 | 213 |
| Sep 2009 | 2111 | 2124 | -30 | 2124 | 2111 | 77 |
| Dec 2009 | 2133 | 2142 | -28 | 2142 | 2133 | 29 |
| Mar 2010 | | 2149 | -26 | 2149 | 2149 | 4 |
| May 2010 | | 2149 | -26 | 2149 | 2149 | |
| Jul 2010 | | 2149 | -26 | 2149 | 2149 | |
| Sep 2010 | | 2149 | -26 | 2149 | 2149 | |
| Average/Totals | | 2120 | | | | 12676 |

| | | | | | |
|-----------------------------|-------------|--|--|--|---------------|
| Average for the week | 2120 | | | | 11379 |
| Total for the week | | | | | 45,515 |

Spot Prices (US \$ per tonne)

| | 27th October | 28th October | 29th October | 30th October | 31st October |
|--|------------------------------------|------------------------------------|------------------------------------|------------------------------------|------------------------------------|
| Main Crop Ghana, Grade 1 | 2434 | - | 2615 | 2562 | 2531 |
| Main Crop Ivory Coast, Grade 1 | 2299 | - | 2480 | 2427 | 2396 |
| Main Crop Nigerian, 1 | 2281 | - | 2445 | 2392 | 2361 |
| Superior Arriba | 2329 | - | 2504 | 2451 | 2420 |
| Sanchez f.a.q | 2333 | - | 2539 | 2486 | 2455 |
| Malaysian 110 | 1943 | - | 2127 | 2074 | 2043 |
| Sulawesi f.a.q | 2116 | - | 2355 | 2302 | 2271 |
| Ecuador Cocoa Liquor | 3234 | - | 3633 | 3543 | 3490 |
| Pure Prime Press African Type Cocoa Butter | 5431 | - | 5962 | 5814 | 5720 |
| 10/12% Natural Cocoa Press Cake | 893 | - | 1004 | 979 | 965 |

Source: Cocoa Merchant Association



Health and Nutrition

Does cocoa butter make your chocolate, chocolate?

CBS 11, TX

By Ginger Allen, NORTH TEXAS (CBS 11 News)

Oct 27, 2008

It's sweet, melts in your mouth and on Halloween, your children will have a lot of it. But is the candy your child brings home really chocolate, or has it been fudged? A chocolate covered controversy over ingredients has been melting in many people's mouths recently. Tim Correa, owner of the Schokolad Chocolate Factory in Plano, says there's only one true way to make chocolate. "Its cocoa, and cocoa butter, sugar, and vanilla is allowed," says Correa.

But recently, some candy companies have been fudging the recipe, replacing cocoa butter with certain vegetable oils like palm, shea and sunflower. "Cocoa butter is more expensive, but to call it chocolate...it's cocoa butter," Correa says. "If you use vegetable oil, fine, but don't call it chocolate."

The Food and Drug Administration, which sets food ingredient standards, was brought into the fight after a group of candy makers petitioned to change the standard to include the cheaper vegetable oils. Chocolate manufacturers protested, though, and so far the FDA hasn't made any changes. "This is how chocolate's made, this is what you call chocolate," Correa explains. "This you could say is something like chocolate, but you can't use them synonymously."

CBS 11 News found several candies made with the vegetable oil on North Texas store shelves. A bag of Hershey's Miniatures is a favorite Halloween treat. Some candies in the bag are made with vegetable oils palm, shea and sunflower. Mr. Goodbar lists the same oils on its ingredient list. In White Reeses, the third ingredient listed is vegetable oils.

Neva Cochran, a registered dietitian with the Dallas Dietetic Association, says consumers should look carefully at the ingredients, specifically oils like palm, which is loaded with saturated fat. "That kind of fat does raise blood cholesterol levels," Cochran says. "On some of the candies that I looked at, the palm oil is the first oil listed which means that it's there in the largest amount."

Can chocolate lovers taste the difference between a piece of chocolate made with cocoa butter and one made with vegetable oil? CBS 11 News set up a taste test in Dallas to find out. Reactions to the two chocolates varied, but the majority of people did taste some difference between the two. Most of our random testers also agreed that the taste difference didn't matter to them. "No, I still like both of them," said one taster. "It's still chocolate." For chocolatier Tim Correa, though, he says there's no question which one is better. "The chocolate we use in here is chocolate with cocoa butter and it never will have vegetable oil in it."

Hershey spokesman, Kirk Saville, issued a statement when asked about the new recipe. It read: "Hershey is chocolate. We've made the worlds best chocolate for more than 100 years. As the leader in the North American chocolate market, Hershey offers consumers far more milk and dark chocolate than any of our competitors. Our favorite iconic brands including Hershey's, Hershey's Kisses, Hershey's Bliss, Reese's Peanut Butter Cups, York and Almond Joy, just to name a few, are made with dark and milk chocolate. In fact, the vast majority of our portfolio -- about 85% -- is made with pure cocoa butter."

Nutrition Q&A: Is chocolate really good for you?

Times Online, UK

Amanda Ursell, Darl chocolate

October 27, 2008



Q. I am a chocolate lover and I keep turning to it for comfort. I try to convince myself that chocolate is a new “super-food” because I keep hearing that it's good for the heart. Can this be true? If so, how much and which chocolate is best?

As you will know, chocolate is made from cocoa beans, which naturally contain good amounts of the antioxidant super-nutrients known as flavonoids. Recent research carried out on flavonoid-rich chocolate and cocoa revealed them to have anti-clotting and anti-inflammatory effects, which in theory could help to lower the risk of heart disease.

Flavonoids also seem to stimulate our bodies to make more nitric oxide, which helps to widen and relax blood vessels, and in turn may help to lower blood pressure. Not only this, but it is possible that flavonoids also help to stop bad cholesterol from oxidising, which in practice could make it less likely for arteries to furl up.

In theory, then, eating flavonoid-rich chocolate could be good for you, although there are quite a few “buts”, the first of which involves how many flavonoids you actually get in your favourite bar of chocolate, and the second how much you need to eat to get any potential benefits.

Background

- Do my children need vitamin D supplements?
- How can I avoid the flu?
- Pros of high protein
- Can you help me to put on weight?
- How can I feel full without overeating?

According to scientists from the University of California, Berkeley, the percentage of cocoa listed on a label is not a dependable indicator of flavonoid content. A bar that is, for example, 65 per cent cocoa may not be better than one that is 55 per cent.

This is because a lot depends on the type of cocoa beans used and how they have been processed. The higher the temperature at which the beans are roasted and the longer they are fermented, the fewer heart-healthy flavonoids survive, and this is not mentioned on the pack. Even if flavonoid content is given, scientists claim that results can vary from lab to lab.

That said, the bottom line is that you are likely to get more flavonoids in a dark chocolate that lists cocoa beans, cacao, chocolate liquor or cocoa mass on its ingredient list. Milk chocolate tends to have very few flavonoids and white chocolate none.

Some manufacturers claim to use processing techniques that preserve flavonoids, but however many flavonoids chocolate packs in, research has often been done on people eating more than 100g (500 calories worth) of chocolate a day. If you are going to eat this amount every day, then you obviously need to allow for it in your daily calorie balance because gaining weight from eating too much can put a strain on your heart. You would need to walk briskly for more than an hour and a half a day to burn off 100g of chocolate.

Rather than thinking of chocolate as a superfood, you should think of it as a delicious, luxurious treat which, if you can fit it into your day without piling on the pounds (and if you stick with a 35g bar this may well be possible), will certainly not do you any harm, because flavonoids aside, although most of the fat in chocolate is saturated, more than half is an unusual type of saturated fat that does not raise bad cholesterol and may even increase levels of the protective good cholesterol.

Is chocolate good for you? The facts

- Research shows that chocolate is only moderately cariogenic. In other words, it is much less likely to cause tooth decay than standard sweets because it increases acid production only mildly in our mouths, and cocoa contains chemicals that inhibit mouth bacteria.
- Chocolate just scrapes in as a “low GI” food. In other words, it does not cause a big sugar rush after being eaten because the fat that it contains slows down the sugar absorption.
- Experts say the idea that chocolate triggers headaches and acne does not stand up to careful scientific scrutiny.
- Tea, black grape juice and some red wines also give us health-boosting flavonoids.

Cocoa Mojo Switches to Organic Palm Sugar for a healthier hot Cocoa

PR Web (press release), WA

31 Oct 2008

Cocoa Mojo organic hot cocoa mix has added of organic palm sugar to their herbal hot cocoa. Cocoa Mojo was the first organic hot cocoa mix to add Cordyceps and Ganoderma herbs for immune enhancement. When palm sugar is added to an organic herbal cocoa mixture, this natural sugar turns this traditional winter beverage into a powerhouse of natural antioxidants, vitamins, minerals and immune boosting compounds.

Evergreen, Co (PRWEB) October 31, 2008 -- EnerHealthBotanicals is re-releasing its organic hot cocoa mix called Cocoa Mojo with the addition of organic palm sugar. Cocoa Mojo was the first organic hot cocoa mix to add Cordyceps and Ganoderma herbs for immune enhancement. By using evaporated palm sugar as the natural sweetener Cocoa Mojo has lowered the glycemic index by 40% and added more nutrition to a favorite winter beverage.

This immune boosting hot chocolate cocoa comes back just in time for the winter flu season. Cordyceps and Ganoderma have long been used in china for building the immune system so it was the perfect herbal compliment for a traditional hot cocoa beverage. Darren Craddock, international herbologist and EnerHealthBotanicals spokesperson states that "The goal of adding reishi and herbs to our gourmet cocoa, Cocoa Mojo was to make it easy to get the immune enhancing herbs -- especially for kids -- during the season you need it most."

The goal of adding reishi and herbs to our gourmet cocoa, Cocoa Mojo was to make it easy to get the immune enhancing herbs -- especially for kids -- during the season you need it most. is that while your family is enjoying a great tasting hot cocoa they are building impenetrable immune systems.

Palm Sugar is made from the coconut palm (Cocos Nucifera) and has been shown to have an extremely low glycemic (GI) index rating of only 35 by the Food and Nutrition Research Institute (FNRI). This makes palm sugar one of the lowest GI unprocessed sweeteners available. By comparison, most commercial Agaves are GI 42, Honeys are GI 55 and Cane Sugars are GI 68. Palm Sugar is especially high in Potassium, Magnesium, Zinc and Iron and is a natural source of the vitamins B1, B2, B3, B6 and C.

Palm sugar is absorbed slowly into your blood stream which prevents the normal sugar spike and crash. When palm sugar is added to an organic herbal cocoa mixture, this natural sugar turns this traditional syrupy winter beverage into a powerhouse of natural antioxidants, vitamins, minerals and immune boosting compounds.

Switching sugars from rapadura sugar cane based sweetener to evaporated palm sugar adds more nutrition and lowers glycemic index. EnerHealthBotanicals made the decision to switch to evaporated palm sugar in the summer of 2008 when they located a reliable source of organic palm sugar and the new improved hot cocoa product is set to be on virtual shelves in early November. "My biggest hope," says Craddock, "is that while your family is enjoying a great tasting hot cocoa they are building impenetrable immune systems."

Production & Quality

Families urged to grow more cocoa

Solomon Star, Solomon Islands

By MOFFAT MAMU

28 October 2008

CHAIRMAN of the Commodities Export Marketing Authority (CEMA) is urging families to plant at least a thousand cocoa trees each as part of their investment. Martin Sopage was speaking during a cocoa field tour yesterday at Solomon Ilala's nursery at Lunga, opposite Taj Mahal. The tour was organised as part of the Cocoa International Day and to coincide with the visit by Managing Director of Holland Commodities International Dennis Pople and his delegation.

Mr Sopage said cocoa is a major contributor to the economy. "So far this year, cocoa earned \$58 million up to last month. Of this, \$46 million returned directly to rural farmers," he said. Mr Sopage also called on the Ministry of Agriculture and Livestock and other developing agencies to take the lead in promoting the development of this industry. "As chairman of CEMA I can assure you that through its regulatory functions we will do our best to promote the production of high quality cocoa beans for export," he said. He also said that for the last three years, CEMA has been fortunate to get assistance from European Union Micro Project II. This was used to conduct nearly 20 cocoa processing courses for about 1000 farmers and cocoa traders.

Mr Sopage said the CEMA board is convinced the cocoa industry has the potential to expand and support the local economy. A cocoa farmer himself before entering politics, Mr Sopage said cocoa and copra are the real "fuel and lubricant" of this nation's economy. "Cocoa provides sustainable remunerative form of income for the rural growers," he said.

CONSTRAINTS

This industry is however constraint by inherent and systematic problem that needs to be urgently addressed.

These are:

- Production is tapering off because the trees are old and have reached the end of their economical life. There is an urgent need to start replanting and expansion programme.
- Proper processing units and better methods of processing of cocoa beans to get high quality exportable cocoa must be found and used.
- Credit to all involved in the industry at all levels must be facilitated.
- Those who are involved in the industry must all work together to ensure that Solomon Islands cocoa is demanded by the manufacturers. We must protect our quality cocoa reputation by cooperating and collaborating rather than selfishly competing.
- The Government support for the industry is there by the investment need to increase especially when urgent replanting and expansion is one of the key objectives for the industry.
- Donors too must recognise the importance of the industry to nation building as well as direct benefits by making rural population more productive and improve the quality of their lives by involving in the cocoa industry.

Gov't says it will give \$10m to cocoa farmers

Solomon Star, Solomon Islands

By MOFFAT MAMU

29 October 2008

THE Government plans to allocate \$10 million next year to help cocoa farmers. Minister for Agriculture and Livestock Selwyn Riumana revealed this on Monday. That was when he visited the Solomon Ilala cocoa nursery at Lungga, east of Honiara. Mr Riumana said the \$10 million allocation will be included in next year's budget, which officials in his ministry are now finalising. He said the allocation will assist farmers with provision of advice and nursery of seedlings and production. The minister said his officials will visit the provinces to identify cocoa farmers engaged in nursery and provide assistance.

Solomon Ilala, who operates the cocoa nursery at Lungga, is doing so with help from Dennis Pople, managing director of Holland Commodities International. Mr Ilala said so far, he had distributed over 360, 000 seedlings to local cocoa farmers. Holland Commodities had over the years assisted exporters, farmers and even CEMA

inspectors through training, seedling supply and other assistances. Mr Pople said the cocoa industry has a good future because of its demand. He said cocoa is like gold which is coming and people can get good money out of it for their families.

Mr Pople said Solomon Islands , like other countries, still had the best cocoa beans and people should be encouraged to grow more trees.

Association plans to set up facility to collect, Dry Cocoa Seeds

Bernama, Malaysia

October 30, 2008

JELI, (Bernama) -- The Kelantan Cocoa Growers and Entrepreneurs Association plans to set up a centre to collect and dry cocoa seeds by 2010. Its chairman, Wan Ibrahim Wan Abdullah, said the aim was to help the Malaysian Cocoa Board ensure that the quality of the cocoa seeds was high when they were processed.

He said the need for such a centre was compelling when the project by its members to plant cocoa, covering 332 hectares in the state and in northern Terengganu, would be due for harvesting during the period. "All this while, the majority of cocoa growers and entrepreneurs harvest the seeds the traditional way and the quality cannot be guaranteed," he told reporters here today. Wan Ibrahim said the project, under the supervision of the Cocoa Board headquartered in Machang, Kelantan, would involve 359 growers of which 131 were from Jeli district.

Jeli has the most number of cocoa growers in Kelantan covering 174ha comprising Kampung Pasir Dusun, Kampung Bukit Jering, Kampung Air Chanal, Kampung Air Stan and Kampung Kuala Balah. He said the association would seek the state government's help to allocate a piece of land to the association to set up its cocoa plantation in the near term.

Ghana Cocoa output may rise 3% this Season, Research Body Says

Bloomberg

By Emily Bowers

Oct. 31, 2008

(Bloomberg) -- Ghana, the world's second-largest cocoa producer, may see production of the bean rise 3 percent this season, the head of the country's main cocoa research body said.

Cocoa production may rise to about 700,000 metric tons during the 2008-09 season, up from 680,000 tons in the previous period, said Yaw Adu-Ampomah, executive director of the Cocoa Research Institute of Ghana, a branch of the state-run industry regulator Ghana Cocoa Board.

Ghana has the potential to further increase production to as much as 900,000 tons a season if plans to increase fertilizer use are successful, he said in an interview yesterday in Kumasi, the country's second-biggest city. While subsidized fertilizer is now available, the response from farmers "is still low," Adu-Ampomah said.

The West African country plans to increase fertilizer use to 40 percent of farms within the next three years, up from 10 percent currently, Isaac Osei, chief executive officer of the Cocoa Board, said on Oct. 29.

Boost for Cocoa and Coffee farmers

Awoko, Sierra Leone

31 Oct 2008

The Assistant Project Manager of the Welthungerhilfe Stabex Project, Kwashi Yankson, while talking to Awoko at his Reservation Road Office in Kenema, disclosed that his organization has given a boost to Cocoa and Coffee Farmers in the Eastern Region. He said that the support to Cocoa and Coffee Producers in the three Chiefdoms in Kenema, seven Chiefdoms in Kailahun and five Chiefdoms in the Kono Districts have not only boosted the beneficiaries, but has also encouraged other people in the three Districts to grow cash crops.

The Assistant Project Manager noted that the objective of the project in the region is to increase the income of the farmers by improving the methods of production and good marketing network for the cooperatives in the three Districts. He said that the three cooperatives they are working with include Kpeya, Eastern Farmers and Millennium cocoa growers; adding that they have provided a lot of support in the three Districts like Chiefdom stores, court bari, furniture and other equipments. He further disclosed that they have given seven power tillers to the three cooperatives to help reduce the problem of transportation within the Districts. He said the entire project is being funded by the European Union (EU).

Oda Cocoa farmers educates on disease control/management

Modern Ghana, Ghana

By gna

29 Oct 2008

Mr Albert Akomaning, Oda District Cocoa Officer (DCO), has educated cocoa farmers in the area on the control and management of the black pod disease known in Twi as "Anonom". He said it was safer to plug any cocoa pod infected with the black pod on the farm, which was a safer means to increase yield.

Speaking to the Ghana News Agency (GNA) at Akim Oda in the Eastern Region on Wednesday, Mr Akomaning noted that farmers needed to prune the branches of other trees that might disturb the cocoa tree. He stressed: "You should do this during the rainy season to sustain the trees, because when done in summer, it is certain that the trees would die". Mr Akomaning touched on the good effect of some of the chemicals used for spraying cocoa farms, like the agronomy and CODAPEC and added that these chemicals were not only to facilitate the work of the spraying gang, but also a well harvested beans. He expressed worry about the quality of the cocoa beans produced by some farmers in the area and advised them to strictly follow the process of the fermentation.

Mr Akomaning said for the country to continue to sell its cocoa beans at a premium, there was the need for farmers to thoroughly dry the beans so as to achieve the needed quality. He was emphatic that the Ghana Cocoa Board's Control Unit of the Cocoa Swollen Shoot Virus Disease (CSSVD) in the Eastern Region, which detected a good number of cocoa trees infected with swollen shoot virus disease, periodically organised rallies for the farmers. Mr Akomaning said the CSSVD Control Unit's rallies for the cocoa farmers, really enhanced their skills and improved their cocoa yields. He appealed to farmers to tolerate the treatment of the virus. He noted that years back, Oda and its surrounding towns and villages could boast of high cocoa production in the Eastern Region, whereas the trend had declined due to the swollen shoot disease.

The Market

Coffee, Cocoa fall as Recession Fears deepen

Source: Reuters

27/10/2008

London, Oct 27 - Coffee and cocoa futures fell on Monday, spooked by tumbling Asian stock markets, a stronger dollar and weaker oil prices as fears over a global recession intensified. The dollar hit a two-year high against the euro as investors scrambled to shed riskier investments. Investor fears that possible further coordinated action to calm markets would not be enough to fend off a global recession sent shares from London to Tokyo reeling, while the yen continued to surge. "The strengthening of the dollar against the Indonesian and Vietnamese currencies is bringing hedging to the London market," a robusta coffee dealer said.

London January robustas fell to a 17-month low, basis second month, of \$1,598 per tonne. January stood at \$1,613 per tonne, down \$55 or 3.3 percent, in modest volume of 3,280 lots at 1142 GMT. Dealers saw support at \$1,550. ICE December arabicas were down 1.9 cents or 1.75 percent to \$1.0675 per lb. Dealers saw support at \$1.0 per lb.

London cocoa futures probed just above eight-month lows as recessionary fears dampened the outlook for soft commodities.

U.S. cocoa futures held just above Friday's 11-month lows, on pressure from index fund selling dictated by the stronger dollar. "The London market has been dragged down by New York," a London cocoa trader said. "People want to be out of New York because of the stronger dollar."

Benchmark ICE December cocoa traded down \$77 or 3.9 percent at \$1,900 per tonne, hovering just above Friday's 11-month low of \$1,867.

Cocoa farmers in the world's top grower, Ivory Coast, enter a second week of striking over prices, producers' unions said on Monday. Farmers in the important south western region around the port of San Pedro, which handles nearly half the country's output, and in the less important eastern region began disrupting deliveries of cocoa last week to press their demands for higher prices.

ICE raw sugar fell almost 2 percent, pushed lower by the stronger dollar, weak oil prices and worries over the outlook for global demand. ICE March raw sugar was down 0.19 cent, or 1.8 percent, to 10.57 cents a lb at 1205 GMT, just above Friday's four-month lows, basis front-month.

London benchmark December white sugar futures traded lower, just above Friday's 10-month low of \$294.00 per tonne, basis front-month. December was down 40 cents to \$298.30 per tonne in tiny volume of 242 lots. "The pessimism of the macro environment kept sugar on its downward trajectory," a European broker said in a report.

Cocoa Commodity Prices are affected by the US Economy

Best Syndication, CA

By StanCristian

29 Oct 2008

With the recent slump in the U.S. economy, cocoa manufacturers have experienced a downfall in their commodity pricing. The U.S. is one of the biggest consumers of cocoa, as it is the main ingredient of chocolate and chocolate drinks. The slowdown in the U.S. economy had triggered a not-so good effect in the cocoa industry all over the world.

The general outcome of the said crisis is lower demand for raw ingredients and materials, which include cocoa beans among many other items. Chocolate manufacturers are capitalizing on their reserves and are toning down their production facilities up until the storm is over.

As such, they are importing decreased quantities of cocoa beans as of the moment. The ones directly affected are actually the farmers, who are not in the position to adjust their current production. When the demand is low and the supply is high, the imbalance is usually addressed by elastic market prices.

As such, the price of cocoa beans has plummeted and would stay that way for as long as the U.S. is still in its recovery stages. While this seems to be bad news, there are some advantages that can be obtained from the situation. Since the commodity prices of cocoa is at its lowest this time of the year, big manufacturers outside the U.S. that are not totally hit by the recession can take advantage of it. It's their chance to import low-priced cocoa beans and cocoa products straight from top cocoa-producing countries like the Dominican Republic.

With good pricing, companies making chocolate bars, cakes, and beverages could easily raise their inventory level. By ordering in bulk while the price is relatively low, they will get more value for their money. Cocoa prices are expected to normalize once the U.S. economy is back on its feet, which is happening at a fairly fast pace.

The cocoa beans from the Dominican Republic are one of the best in the world. And like the rest of the cocoa bean farmers from all over, they too are hit with the same financial storm. However, their production and business processes are stable enough to withstand the crisis. While they may have to lower down the price of their cocoa beans a bit, they will surely be able to regain strength in the global cocoa market in due time.

Chocolate has been and will always be a symbol of luxury in developed countries. And what's even better about it is the fact that it is very affordable, unlike jewelry and all other items signifying luxury and wealth. So the chocolate industry is expected to recover in a fast and steady manner over time.

The current problem that cocoa farmers and chocolate manufacturers are facing right now won't last for long. The usual seamless shipping of raw ingredients and supplies will continue eventually. When the market is at its lowest point, economic policies play a very crucial role. And as far as the Dominican Republic cocoas are concerned, the future still looks great. Most of the cocoa farm owners operating in the soils of the Dominican Republic are holding office in the U.S. and in the rest of the major cities of the world. As such, you can expect that normal operations would continue despite the downturn of events. MarabelFarms - Dominican Republic raw cocoa beans for sale. Tel: (800) 919-3744

Business & Economy

Ivory Coast cocoa shipments unaffected by strike, Exporter Says

Bloomberg

By Pauline Bax

Oct. 27, 2008

(Bloomberg) -- Cocoa shipments from Ivory Coast, the world's biggest producer of the chocolate ingredient, are continuing as usual even as growers continue a strike to demand higher prices for their crop, exporters said. "There may be a strike but we don't notice it," Ali Lakiss, director of Saf-Cacao, a cocoa exporter, said by phone from the port city of San Pedro today. "I'm unloading trucks and so are all the other exporters in town."

Ivory Coast, which produces 40 percent of the world's cocoa, began harvesting the larger of its two annual crops earlier this month. Cocoa farmers began a strike on Oct. 20 to demand they be paid a minimum of 700 CFA francs (\$1.33) per kilogram (2.2 pounds) for their produce, which exporters say is too expensive. "Everybody is working," Oumahou Sawadogo, a cocoa buyer, said by phone from San Pedro today.

Last week, growers blocked roads in San Pedro and prevent trucks carrying cocoa from unloading at the port, slowing exports. "We want to meet the authorities to tell them exporters should pay 700 CFA francs," Joseph Yao Kouame, president of the National Union of Individual Cocoa Producers and Cooperatives, said by phone from San Pedro. *To contact the reporters on this story: Pauline Bax in Abidjan via Johannesburg at pmrichardson@bloomberg.net.*

Ivorian cocoa strike extends, Ghana buyers move in

Reuters South Africa, South Africa

By Loucoumane Coulibaly

28 Oct 2008



ABIDJAN (Reuters) - Unlicensed cocoa buyers from neighbouring Ghana crossed into Ivory Coast to take advantage of an ongoing Ivorian cocoa strike while exporters wait for deliveries to load on ships, farmers said on Tuesday.

Farmers in the southwestern region around the port of San Pedro, which handles nearly 50 percent of output from the world's biggest grower, and also in the east, began blocking cocoa deliveries last week as they hold out for higher prices. "The strike continues," said Joseph Yao Kouame, head of the SAPICOCI union. "In the bush we are making sure that beans aren't leaving."

Cocoa merchants in Abidjan and San Pedro, the West African country's two ports, have said the strike is disrupting their schedules. "There are no trucks this morning because of the strike," said a purchasing manager with a European exporting firm in Abidjan on Tuesday. "We have our factories, we have our targets, and we are well behind those targets," he said. "We have met only 27 percent of our targets for October." Port-side arrivals of beans ready for shipment are less than half their level at this time last year, at around 63,000 tonnes from October 1-26, down from 167,292 tonnes.

Cocoa merchants from Ghana, the world's No. 2 grower, were crossing the border to attempt to illegally buy Ivorian cocoa at higher prices than licensed buyers are offering. "There are lots of Ghanaian buyers who are slipping into the region to buy at 600-650 francs, but still farmers aren't too enthusiastic about selling," farmer Joseph Amani said. The striking farmers want buyers to pay the full 700 CFA francs per kg reference price set earlier this month by the government and the committee that manages the industry, but which traders say is well above market levels.

In the east of the country, a less important growing region than the southwest but still a major source of cocoa, there were signs some farmers had responded to recent attempts by traditional chieftains to broker a deal. "After the king's appeal for calm, strikers have lifted some barriers and some of them have begun loading to sell in Abidjan, particularly those who have received money from exporters," Amani said.

Cocoa Farmers Short-Changed?

Poor farmers want their bonuses paid on time

Graphic Online, Ghana

28 Oct 2008

Reports that cocoa farmers at Duakwa and surrounding villages near Agona Swedru in the Central Region, have appealed to the Ghana Cocoa Board (COCOBOD) to ensure that funds released to the Licensed Cocoa Buying Companies in respect of bonuses reach them have got observers worried. One of the fundamental developments in Ghana's cocoa industry has been the increased prices paid to farmers, which have led to increased production over the years.

With the improved conditions of farmers, the Ghana Cocoa Board (COCOBOD) has recorded improved production and record levels of investments. Cocobod has also managed to secure loans for the sector, all aimed at improving cocoa production, a mainstay of the Ghanaian economy. But with news that the sector could be saddled with corruption, many observers fear for the future.

Opanin Kwaku Mensah, a cocoa farmer, has told the Ghana News Agency (GNA) at Akim Oda where he has a cocoa farm, with another farm at Duakwa, that most of the farmers had not received their bonuses for cocoa beans sold at Duakwa for the 2005/06 and the 2006/07 main crop seasons. According to him, even though the system for the disbursement of bonus was straightforward, some Purchasing Clerks (P/Cs) of the various societies, somehow, have found a way to make the process cumbersome for the farmers, especially the illiterates among them.

Therefore, some of his colleagues do not even understand the process fully. Consequently, according to Opanin Mensah some farmers are totally cheated, or given a fraction of their due bonuses. According to the farmer, the COCOBOD is aware of the situation and therefore he is surprised the agency still remains unconcerned about "farmers' plight in this regard". Apart from the late payment of bonuses, there is fear that some purchasing clerks have adjusted their weighing scales in order to cheat farmers as well.

A news report by the GNA claimed that cocoa farmers at Gye Wani Nkwanta near Akim Oda in the Birim Central Municipality, have accused Purchasing Clerks (PCs) of the various Licensed Cocoa Buying Companies (LCBs) in the area of cheating them, by adjusting their weighing scales. The problem of late payment of bonuses seems to be widespread and observers fear that with the industry already suffering from the effects of smuggling, any action that will put farmers at a disadvantage could further worsen the problem of smuggling of the beans to neighbouring countries.

Labour Issues

Ivorian Cocoa Strike Goes into Second Week - Unions

Source: Reuters

27/10/2008

Abidjan, Oct 27 - Cocoa farmers in the world's top grower Ivory Coast continued a strike over prices into a second week, producers' unions said on Monday. Farmers in the important south western region around the port of San Pedro, which handles nearly half the nation's output, and in the less important eastern region began disrupting deliveries of cocoa last week to press demands for higher prices.

Environmental Issue

Hot, dry weather helps Ivory Coast cocoa crop

Reuters Ghana, Ghana

By Loucoumane Coulibaly

Mon 27 Oct 2008

ABIDJAN, Oct 27 (Reuters) - Hot and dry spells in Ivory Coast's main cocoa growing regions in the past week continued to slow the spread of black pod disease, farmers and analysts said on Monday. Across the world's No. 1 producer, farmers said signs of new attacks of the destructive fungal infection were scarce and the weather during October would help many pods on trees to grow well until December. "New attacks of black pod disease

are rare because it's very hot," said farmer Marcel Aka, whose farm is on the outskirts of Daloa, a region which produces a quarter of Ivory Coast's national output. "There hasn't been any rain this past week."

Black pod disease, which thrives in the wet, has been rife in plantations during August and September, prompting exporters to forecast shipments from the world's top grower would be as much as 8 percent lower than last year. In western regions of Soubre, Meagui and in coastal regions of San Pedro and Sassandra, farmers and analysts reported at least two downpours mixed with sunny spells.

Farmers said the bulk of harvest would be brought in between November and mid-December. "It's rained twice and the sun is shining, which is good," said farmer Koffi Kouame, whose farm is near Soubre, at the heart of the cocoa belt.

In southern regions of Divo and Agboville farmers were expecting at least two downpours in November to allow good development of the crop until January.

The 2008/09 marketing season, which started late after the sector's administrative bodies were reorganised pending a corruption investigation, has been disrupted by a farmers' strike which entered its second week on Monday [ID:nLR279022]

Research and Development

African scientists, researchers asked to help improve quality of cocoa

Ghana News, Ghana

Oct. 28, 2008

Kumasi, GNA - President John Agyekum Kufuor has asked African scientists and researchers to help improve the quality of cocoa beans and products in order to increase its consumption. He said it was through research that medicinal and nutritional benefits of cocoa could be realised to increase the consumption of cocoa products globally.

President Kufuor made the appeal in an address read for him by Mr Kwadwo Mpiani, Minister of Presidential Affairs and Chief of Staff, at the opening of an international symposium on cocoa in Kumasi on Tuesday. The three-day symposium, which was under theme "Theobroma cocoa - the tree of change, building a consensus on the future of cocoa sustainability in West Africa", was being attended by cocoa researchers, public sector managers and cocoa growers among others from West African and Central African cocoa growing countries.

It aims at determining the status, trends and future scenarios of cocoa production in Western and Central African countries, which accounts for 70 per cent of global cocoa production.

The event would offer a platform to showcase and share advances in cocoa science, identify the critical uncertainties and knowledge needs for more deliberate cocoa development, create awareness for effective technology transfer and funding and distribution of inputs. President Kufuor said in spite of the progress and achievements made in the cocoa sector, there were still challenges confronting the cocoa industry.

He urged participants to find solutions to problems regarding pesticides, polycyclic aromatic hydro carbons (PAHS), contained in cocoa beans which were harmful to human health and ochratoxin "A" in cocoa beans with its potential carcinogenic effects. President Kufuor urged the participants to take a look at these challenges and find solutions to them. He said the government was committed to supporting research and improvement of the cocoa industry and agriculture generally in Ghana, adding that, in this period of global economic uncertainty, the need to transform and modernize agricultural practices had never been greater.

President Kufuor said government was looking forward to lead the effort towards establishing the cocoa consensus plan which would help farmers not only to survive but flourish under the challenging economic situation currently facing the world. He commended MARS Incorporated, sponsors of the symposium and the Cocoa Producers Alliance for their continued support for the cocoa industry in the areas of research.

President Kufuor called on MARS to explore the many investment opportunities in the cocoa industry in Ghana and establish cocoa processing industry in the country.

Professor George Gyan-Baffour, Deputy Minister for Finance and Economic Planning, said government had initiated a number of measures to increase cocoa production in the country over the last seven years. He mentioned the introduction of high-tech seedlings, mass spraying, increase in the producer prices of cocoa as well as payment of bonuses and construction of roads in cocoa growing areas, as some of the initiatives that had helped increased cocoa production. Professor Gyan-Baffour, however, said there were still challenges in the industry and appealed to the scientists and researchers to help find solutions to them.

Mr Sona Ebai, Executive Director of Cocoa Producers Alliance, said industries in cocoa consuming countries had come out with innovative technologies to improve production and profit margins in the cocoa industry. He said the issue of sustainability of the industry, remained unresolved and called for concerted approaches to improve and sustain cocoa production in the growing countries.

Dr Howard-Yana Shapiro, Chief Executive of MARS Incorporated, stressed the need for coordinated and sustainable partnership for the improvement of cocoa production.

Mr Emmanuel Asamoah Owusu-Ansah, Ashanti Regional Minister, said there was the need for value to be added to cocoa products to increase its benefits to producing countries.

Daasebre Osei Bonsu, Omanhene of the Asante Mampong Traditional Area, called for the establishment of cocoa bank to help provide credit facilities to cocoa farmers to enable them to expand their farms and improve their living standards. 28 Oct. 08

Towards the understanding of the cocoa transcriptome: Production and analysis of an exhaustive dataset of ESTs of *Theobroma cacao* generated from various tissues and under various conditions.

7thSpace Interactive (press release), NY

30 Oct 2008

Theobroma cacao L., is a tree originated from the tropical rainforest of South America. It is one of the major cash crops for many tropical countries. *T. cacao* is mainly produced on smallholdings, providing resources for 14 million farmers.

Disease resistance and *T. cacao* quality improvement are two important challenges for all actors of cocoa and chocolate production. *T. cacao* is seriously affected by pests and fungal diseases, responsible for more than 40% yield losses and quality improvement, nutritional and organoleptic, is also important for consumers. An international collaboration was formed to develop an EST genomic resource database for cacao.

Results: Fifty-six cDNA libraries were constructed from different organs, different genotypes and different environmental conditions. A total of 149,650 valid EST sequences were generated corresponding to 48,594 unigenes, 12,692 contigs and 35,902 singletons.

A total of 29,849 unigenes shared significant homology with public sequences from other species. Gene Ontology (GO) annotation was applied to distribute the ESTs among the main GO categories. A specific information system (ESTtik) was constructed to process, store and manage this EST collection allowing the user to query a database.

To check the representativeness of our EST collection, we looked for the genes known to be involved in two different metabolic pathways extensively studied in other plant species and important for *T. cacao* qualities: the flavonoid and the terpene pathways.

Most of the enzymes described in other crops for these two metabolic pathways were found in our EST collection. A large collection of new genetic markers was provided by this ESTs collection.

Conclusion: This EST collection displays a good representation of the *T. cacao* transcriptome, suitable for analysis of biochemical pathways based on oligonucleotide microarrays derived from these ESTs. It will provide numerous genetic markers that will allow the construction of a high density gene map of *T. cacao*. This EST collection represents a unique and important molecular resource for *T. cacao* study and improvement, facilitating the discovery of candidate genes for important *T. cacao* trait variation.

Author: Xavier Argout, Olivier Fouet, Patrick Wincker, Karina Gramacho, Thierry Legavre, Xavier Sabau, Ange-Marie Risterucci, Corinne Da Silva, Julio Cascardo, Mathilde Allegre, David Kuhn, Joseph A Verica, Brigitte Courtois, Rey G Loor, Babin Regis, Oliv

Other

Local Projects to strengthen Cocoa Industry: Barry Callebaut provides update on African Operations

Source: Barry Callebaut AG

29/10/2008

Zurich/Switzerland, October 29, 2008 – Barry Callebaut, the world's leading manufacturer of high-quality cocoa and chocolate products, has been committed to contributing to a more sustainable cocoa industry in Africa for many years. Africa supplies about 70% of the world's cocoa harvest.

October 2008 saw Barry Callebaut launch a tree-planting project in Tanzania for organic smallholders, while in Ivory Coast the company inaugurated its significantly expanded cocoa factory in San Pedro and a health center for cocoa farmers and their families in Goh.

*Tree-planting project for 3,000 cocoa farmers in Tanzania.

In October 2008, Biolands and Barry Callebaut started a tree-planting project with the support of Sarotti and the internet portal Utopia: 250,000 cocoa seedlings were nurtured in more than 100 tree nurseries in various villages of the Mbeya region, in south-west Tanzania. In about three months, at the latest by March 2009, the resulting saplings will be strong enough for planting out in order to rejuvenate the existing cocoa plantations. The additional planting of 10,000 crop and shade trees increases biodiversity and yield. These trees will also supplement the dietary needs of the 3,000 participating farmers and their families. The small fee which the farmers have to pay for the trees serves to enhance their appreciation of the trees and encourages them to treat the trees with the necessary care – an important aspect for the success of the project.

Biolands in Tanzania is the largest African exporter of certified organic cocoa and has been selling its entire harvest of the highest quality to Barry Callebaut since 2000. In April 2008, Barry Callebaut acquired a 49% stake in Biolands. Since it was founded in 1999,

Biolands has been working directly with smallholders, who now number about 20,000, in order to guarantee them fair prices and to help them improve the quality and value of their production. This includes switching to organic farming, training in improved farming methods and also increasing family income and supplementing the dietary needs of farmers with further agricultural products such as rice, citrus fruits and mango. Neither Biolands nor Barry Callebaut own any cocoa plantations nor plan to buy any.

For consumers in Germany, the commitment to the cocoa tree project in Tanzania is immediately visible on the store shelves. Every 100-gram tablet of Sarotti BIO chocolate carries a sticker which refers to this campaign and calls on people to get involved. Anyone who follows the link www.sarotti.de/utopia leading to the campaign page will be counted as a supporter of the initiative. Sarotti is the consumer brand of Barry Callebaut in Germany. Utopia is a rapidly growing internet community, whose members are committed to strategic consumption and a sustainable lifestyle. Interested consumers can support the tree-planting project both by buying a tablet of Sarotti BIO chocolate and by visiting the Utopia website. Every tablet of chocolate sold stands for a newly planted cocoa tree, and every click on the counter on the Utopia website stands for a crop tree or shade tree (up to a maximum of 250,000 cocoa trees and a maximum of 10,000 other trees).

We are planting 250,000 cocoa trees

- Who: Barry Callebaut – Biolands – Sarotti – Utopia
- What: 250,000 cocoa trees and 10,000 crop and shade trees
- For whom: around 3,000 organic cocoa farmers in the Mbeya region, in south-west Tanzania, who work with Biolands
- What for: rejuvenation of cocoa plantations, resulting in greater yields and higher income for growers; increase in biodiversity
- *When: Oct 08 – seedlings set; Jan-Mar 09 – planting; first cocoa harvest in three years

For further information and an insight into how the project is progressing: www.utopia.de/kakao (German-language website)

- Tripling of cocoa-processing capacity in the cocoa factory of Barry Callebaut in San Pedro, Ivory Coast.

Also at the end of October, Barry Callebaut inaugurated new production lines in the existing ISO9001-certified cocoa factory of its subsidiary SACO in San Pedro, in the west of Ivory Coast. The investment of EUR 30 million (almost CHF 50 million) over the last two years, which has led to a tripling of the annual processing capacity to 105,000 tonnes and created another 75 permanent jobs in the factory and several hundred seasonal jobs in the bean-sorting and cleaning facility, is a sign of the long-term commitment of Barry Callebaut to Ivory Coast. It also underlines the strategy of Barry Callebaut to engage increasingly in direct purchasing of cocoa in the countries of origin rather than over the commodity exchanges, and to process a part of the cocoa in these countries.

- Basic healthcare for 18,000 people in an important cocoa-growing region in the west of Ivory Coast

Average life expectancy in Ivory Coast is less than 50 years. About 15% of children die before they reach the age of five, and the maternal mortality ratio is more than 800 per 100,000 live births (sources: WHO, UN). At the end of October 2008, Barry Callebaut inaugurated a health center in Goh, near San Pedro, to provide basic healthcare to local cocoa growers and their families. The facility will offer medical assistance to 18,000 people. The center has a consultation room, room for in-patients, a pharmacy and a maternity home. Through their participation in a group-wide biking challenge, all of the 7,000 Barry Callebaut employees were invited to contribute to the building of the health center.

CEO Patrick De Maeseneire explains the motivation for this commitment to Africa as follows: “Africa is of utmost importance for us and our business, because the quality of the finished chocolate product is already determined in the country of origin. It is therefore important for us to give something back to these countries. Poverty is often the root cause of non-sustainable farming practices and exploitative child labor, which is unacceptable. Our efforts in the area of corporate social responsibility start at the very beginning of the value chain, namely with the cocoa growers, in order to find ways to achieve greater sustainability in the complex and fragmented chain that extends from cocoa cultivation to the end-product. In addition we maintain various programs – from housing developments, healthcare and training – for our about 800 colleagues working in the cocoa-growing countries of Africa and South America.”

Barry Callebaut is the only cocoa and chocolate company to operate cocoa factories in all of the world’s major cocoa-growing countries: Ivory Coast, Ghana, Cameroon, Brazil and Malaysia.

TIT BITS

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

Rain, old trees, disease cut Ivorian cocoa yields

ABIDJAN (November 01, 2008): Disease, delays, a farmers' strike and management reshuffles - the new cocoa season in Ivory Coast has had its share of disruption, and the amount of beans ready for export is well down on this time last year.

Soft commodities erase gains

LONDON (October 31, 2008): Coffee, sugar and cocoa futures erased gains as the US dollar trimmed losses after data showing a smaller-than-expected contraction in the US economy in the third quarter.

US MIDDAY: coffee, cocoa soar

NEW YORK (October 30, 2008): Arabica coffee and US cocoa vaulted early on Wednesday on the weak dollar as some major central banks were expected to cut interest rates, traders said. Arabica coffee for December delivery up 3.45 cents, or 3.6 percent, at \$1.1115 per lb, by 9:114 am EDT (13114 GMT). Session range from \$1.0925 to \$1.1190. The rest up 3.15 cents to 3.85 cents.

London coffee, sugar and cocoa rise

LONDON (October 29, 2008): Coffee, sugar and cocoa firmed on Tuesday, underpinned by a softer dollar, a recovery in stock markets and firmer oil prices, although concerns over a global recession capped advances. "It's a technical correction to an oversold market," said David Sadler, a senior sugar futures trader, referring to short-covering across the soft commodities complex.

US MIDDAY: coffee, cocoa recover

NEW YORK (October 29, 2008): Arabica coffee and US cocoa futures rebounded early Tuesday on the back of outside markets, although volume was thin, traders said. Arabica coffee for December delivery up 1.60 cents at \$1.0935 per lb by 9:14 am EDT (1314 GMT). Session range from \$1.0860 to \$1.1090.

US MIDDAY: coffee, cocoa down

NEW YORK (October 28, 2008): Arabica coffee futures hit a 17-1/2-month low in early trade on Monday, while US cocoa dropped 5 percent as fears of a global recession intensified, traders said. Arabica coffee for December delivery down 2.55 cents at \$1.0610 per lb, by 9:08 am EDT (1308 GMT). Session low of \$1.0540 was the cheapest since May 16, 2007. The rest from down 2.25 to 2.90 cents.

Ivorian cocoa strike in week two

ABIDJAN (October 28, 2008): cocoa farmers in the world's top grower Ivory Coast continued a strike over prices into a second week but traditional chieftains in the east of the country were trying to mediate a deal, producers' unions said on Monday.

Commodity rates fall

LONDON (October 26, 2008): Commodity markets dived this week, with oil hurtling towards 60 dollars per barrel and gold ducking 700 dollars an ounce as investors eyed a global recession that could hurt demand for raw materials. "Recession fears and uncertainty continue to haunt global markets," said Sucden analyst Nimit Khamar.

Strike-hit Ivorian cocoa arrivals seen down

ABIDJAN (October 26, 2008): cocoa arrivals at ports in Ivory Coast are likely to fall this week to between 5,000 and 10,000 tonnes from an estimated 15,000 tonnes the previous week, as farmers hold back beans in a strike over prices, exporters said.