

COPAL COCOA *Info*

A Weekly Newsletter of Cocoa Producers' Alliance



Issue No. 342

29th June – 3rd July 2009

Cocoa Producers' Alliance



UP-COMING EVENTS

IN THIS ISSUE

- ICCO DAILY COCOA PRICES
- LONDON (LIFFE) FUTURES MARKET UPDATE
- NEW YORK (ICE) FUTURES MARKET UPDATE
- FROM THE NEWS MEDIA
- TIT BITS

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

In the News (from Newspapers worldwide)

| | |
|--|---|
| <p><u>Health and Nutrition</u></p> <ul style="list-style-type: none"> • Healthy Chocolate. Really! • Healthy chocolate and candy products to beat the recession • Reformulated chocolate chip cookies for kids to combat disease risk? <p><u>Production and Quality</u></p> <ul style="list-style-type: none"> • Nigeria Cocoa Gets Good Rainfall, No Disease Threat • Nigerian Cocoa Group Cuts 2009-10 Forecast on Chemical Problems • 2009 light crop cocoa season opens on Friday • Cocoa farmers appeal to government to form spraying gangs • VN Cocoa looks to further develop • Cameroon: Farmers Trained on Cocoa Cultivation Practices • Fortis Cuts 2009/10 Global Cocoa Deficit Forecast • Cocoa Crops in Indonesia, Ecuador May Face Damage, Fortis Says • Nigeria cocoa group cuts production to 10% • Ctrl Cameroon May Cocoa Bean Size Up At 100-103/100g - Indus. • Indonesia Cocoa Output To Fall Almost 10% On Aging Trees-Execs. • Ivory Coast Cocoa Arrivals To June 28 Seen Down 16% On Yr. <p><u>The Market</u></p> <ul style="list-style-type: none"> • ICE Cocoa Review: Drifts Lower, Little News To Drive Price. • DJ SOFTS HIGHLIGHTS: Top Stories Of The Day • ICE Cocoa Review: Drifts Lower, Little News To Drive Price • Morning Futures Roundup | <p><u>Processing & Manufacturing</u></p> <ul style="list-style-type: none"> • Cadbury mulls India cocoa supply strategy • Ghana needs to add value to export commodities - Research Director <p><u>Business & Economy</u></p> <ul style="list-style-type: none"> • Ivorian cocoa export tax to fall in 2009/10 • Ivorian Cocoa Export Tax to Fall in 2009/10 • Help small farmers become more profitable <p><u>Labour Issue</u></p> <ul style="list-style-type: none"> • The Dark Side of Your Sweet Treat • Involvement in economic activities affecting children's education <p><u>Environmental Issues</u></p> <p><u>Research & Development</u></p> <ul style="list-style-type: none"> • MARS PLAYS KEY ROLE AT MEETING OF NOBEL LAUREATES AND SUMMER-LONG ... • PR-USA.NET (PRESS RELEASE) - JUL 4, 2009ARS PLAYS KEY ROLE AT MEETING OF NOBEL LAUREATES AND SUMMER-LONG SUSTAINABILITY EXHIBITION IN GERMAN <p><u>Promotion & Consumption</u></p> <p><u>Others</u></p> <ul style="list-style-type: none"> • 70% of Ghana's cocoa export to pass through Takoradi Port |
|--|---|

ICCO Daily Cocoa Prices

| | ICCO daily price (SDR/tonne) | ICCO daily price (\$US/tonne) | London futures (£/tonne) | New York futures (\$US/tonne) |
|----------------|---------------------------------|----------------------------------|-----------------------------|----------------------------------|
| 29-Jun-09 | 1693.96 | 2626.16 | 1623.00 | 2569.67 |
| 30-Jun-09 | 1671.09 | 2593.91 | 1611.00 | 2539.33 |
| 1-Jul-09 | 1673.33 | 2588.34 | 1600.67 | 2533.67 |
| 2-Jul-09 | 1663.38 | 2573.10 | 1606.33 | 2513.33 |
| 3-Jul | | | | |
| Average | 1,675.44 | 2,595.38 | 1,610.25 | 2,539.00 |

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

Monday 29-Jun 2009

| Month | Opening Trans | Settle | Change | Daily High | Daily Low | Volume |
|---------------|---------------|-------------|--------|------------|-----------|-------------|
| Jul-09 | 1620 | 1591 | -14 | 1635 | 1574 | 2,490 |
| Sep-09 | 1644 | 1620 | -11 | 1656 | 1603 | 3,718 |
| Dec-09 | 1648 | 1626 | -11 | 1658 | 1611S | 1,686 |
| Mar-10 | 1657 | 1623 | -13 | 1657S | 1608 | 422 |
| May-10 | 1655 | 1618 | -19 | 1655 | 1635 | 4 |
| Jul-10 | | 1622 | -18 | | | 0 |
| Sep-10 | | 1620 | -14 | | | 0 |
| Dec-10 | | 1628 | -15 | | | 0 |
| Mar-11 | | 1626 | -15 | | | 0 |
| May-11 | | 1636 | -15 | | | 0 |
| Totals | | 1621 | | | | 8320 |

Tuesday 30-Jun 2009

| Month | Opening Trans | Settle | Change | High | Low | Volume |
|---------------|---------------|-------------|--------|-------|-------|---------------|
| Jul-09 | 1582 | 1581 | -10 | 1611S | 1554 | 2,977 |
| Sep-09 | 1615 | 1605 | -15 | 1642 | 1584 | 5,505 |
| Dec-09 | 1621 | 1614 | -12 | 1644 | 1593S | 2,103 |
| Mar-10 | 1615 | 1614 | -9 | 1640 | 1593S | 1,003 |
| May-10 | 1598 | 1612 | -6 | 1612S | 1594 | 215 |
| Jul-10 | 1599 | 1612 | -10 | 1599 | 1598 | 33 |
| Sep-10 | 1597 | 1605 | -15 | 1609S | 1594 | 16 |
| Dec-10 | 1614 | 1610 | -18 | 1614S | 1614S | 3 |
| Mar-11 | | 1608 | -18 | | | 0 |
| May-11 | | 1618 | -18 | | | 0 |
| Totals | | 1607 | | | | 11,855 |

Wednesday 1-Jul 2009

| Month | Opening Trans | Settle | Change | High | Low | Volume |
|---------------|---------------|-------------|--------|-------|------|--------------|
| Jul-09 | 1581 | 1570 | -11 | 1599 | 1570 | 925 |
| Sep-09 | 1602 | 1595 | -10 | 1630 | 1595 | 3,003 |
| Dec-09 | 1635 | 1604 | -10 | 1638 | 1604 | 1,376 |
| Mar-10 | 1610 | 1603 | -11 | 1635S | 1604 | 604 |
| May-10 | 1622 | 1602 | -10 | 1632 | 1617 | 54 |
| Jul-10 | | 1602 | -10 | | | 0 |
| Sep-10 | | 1600 | -5 | | | 0 |
| Dec-10 | | 1602 | -8 | | | 0 |
| Mar-11 | 1615 | 1600 | -8 | 1615 | 1615 | 2 |
| May-11 | | 1610 | -8 | | | 0 |
| Totals | | 1599 | | | | 5,964 |

Thursday 2-Jul 2009

| Month | Opening Trans | Settle | Change | High | Low | Volume |
|---------------|---------------|-------------|--------|-------|------|--------------|
| Jul-09 | 1567 | 1572 | 2 | 1575 | 1564 | 1,842 |
| Sep-09 | 1595 | 1601 | 6 | 1607 | 1590 | 2,644 |
| Dec-09 | 1605 | 1611 | 7 | 1615S | 1598 | 1,936 |
| Mar-10 | 1603 | 1607 | 4 | 1607 | 1597 | 554 |
| May-10 | 1602 | 1603 | 1 | 1604 | 1592 | 95 |
| Jul-10 | 1599 | 1605 | 3 | 1599 | 1599 | 4 |
| Sep-10 | | 1603 | 3 | | | 0 |
| Dec-10 | | 1605 | 3 | | | 0 |
| Mar-11 | | 1603 | 3 | | | 0 |
| May-11 | | 1613 | 3 | | | 0 |
| Totals | | 1602 | | | | 7,075 |

Friday 3-Jul 2009

| Month | Opening Trans | Settle | Change | High | Low | Volume |
|---------------|---------------|--------|--------|-------|------|--------------|
| Jul-09 | 1569 | 1567 | -5 | 1575 | 1562 | 756 |
| Sep-09 | 1600 | 1596 | -5 | 1605 | 1590 | 932 |
| Dec-09 | 1605 | 1605 | -6 | 1614 | 1600 | 259 |
| Mar-10 | 1600 | 1602 | -5 | 1601S | 1597 | 167 |
| May-10 | 1596 | 1598 | -5 | 1597 | 1594 | 16 |
| Jul-10 | 1596 | 1600 | -5 | 1596 | 1596 | 17 |
| Sep-10 | | 1598 | -5 | | | 16 |
| Dec-10 | | 1600 | -5 | | | 40 |
| Mar-11 | | 1598 | -5 | | | 0 |
| May-11 | | 1608 | -5 | | | 0 |
| Totals | | | | | | 2,203 |

| | | | | | | |
|-----------------------------|--|-------------|--|--|--|---------------|
| Average for the week | | 1627 | | | | 7083 |
| Total for the week | | | | | | 35,417 |

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

Monday 29-Jun 2009

| Month | Open | Price | Change | High | Low | Volume |
|---------------|------|-------------|--------|------|------|--------------|
| Jul-09 | 2552 | 2525 | 0 | 2552 | 2552 | 2 |
| Sep-09 | 2560 | 2553 | 0 | 2590 | 2524 | 3,598 |
| Dec-09 | 2594 | 2577 | -1 | 2604 | 2551 | 502 |
| Mar-10 | 2613 | 2589 | -1 | 2613 | 2559 | 93 |
| May-10 | 2598 | 2597 | -2 | 2611 | 2598 | 28 |
| Jul-10 | 2606 | 2606 | -3 | 2606 | 2606 | 1 |
| Sep-10 | 0 | 2607 | -5 | 0 | 0 | 0 |
| Dec-10 | 0 | 2618 | -1 | 0 | 0 | 0 |
| Mar-11 | 0 | 2622 | -1 | 0 | 0 | 0 |
| May-11 | 0 | 2622 | -1 | 0 | 0 | 0 |
| Totals | | 2592 | | | | 4,224 |

Tuesday 30-Jun 2009

| Month | Open | Price | Change | High | Low | Volume |
|---------------|------|-------------|--------|------|------|---------------|
| Jul-09 | 2498 | 2487 | -38 | 2498 | 2498 | 1 |
| Sep-09 | 2571 | 2510 | -43 | 2587 | 2493 | 9,212 |
| Dec-09 | 2544 | 2540 | -37 | 2602 | 2530 | 2,097 |
| Mar-10 | 2563 | 2554 | -35 | 2612 | 2538 | 931 |
| May-10 | 2553 | 2560 | -37 | 2571 | 2553 | 415 |
| Jul-10 | 2577 | 2570 | -36 | 2577 | 2577 | 125 |
| Sep-10 | 0 | 2575 | -32 | 0 | 0 | 27 |
| Dec-10 | 0 | 2583 | -35 | 0 | 0 | 12 |
| Mar-11 | 0 | 2617 | -5 | 0 | 0 | 50 |
| May-11 | 0 | 2617 | -5 | 0 | 0 | 0 |
| Totals | | 2561 | | | | 12,870 |

Wednesday 1-Jul 2009

| Month | Open | Price | Change | High | Low | Volume |
|---------------|------|-------------|--------|------|------|--------------|
| Jul-09 | 0 | 2477 | -10 | 0 | 0 | 4 |
| Sep-09 | 2511 | 2504 | -6 | 2580 | 2499 | 5,385 |
| Dec-09 | 2552 | 2531 | -9 | 2604 | 2526 | 736 |
| Mar-10 | 2570 | 2544 | -10 | 2614 | 2551 | 245 |
| May-10 | 2599 | 2551 | -9 | 2620 | 2599 | 74 |
| Jul-10 | 0 | 2561 | -9 | 0 | 0 | 0 |
| Sep-10 | 0 | 2564 | -11 | 0 | 0 | 2 |
| Dec-10 | 0 | 2573 | -10 | 0 | 0 | 2 |
| Mar-11 | 0 | 2582 | -35 | 0 | 0 | 0 |
| May-11 | 0 | 2582 | -35 | 0 | 0 | 0 |
| Totals | | 2547 | | | | 6,448 |

Thursday 2-Jul 2009

| Month | Open | Price | Change | High | Low | Volume |
|---------------|------|-------------|--------|------|------|--------------|
| Jul-09 | 2461 | 2475 | 2477 | 2475 | 2460 | 12 |
| Sep-09 | 2493 | 2490 | 2494 | 2520 | 2476 | 3,608 |
| Dec-09 | 2509 | 2516 | 2521 | 2537 | 2500 | 638 |
| Mar-10 | 2531 | 2519 | 2534 | 2537 | 2516 | 252 |
| May-10 | 0 | 0 | 2544 | 0 | 0 | 122 |
| Jul-10 | 0 | 0 | 2555 | 0 | 0 | 6 |
| Sep-10 | 2562 | 2562 | 2559 | 2562 | 2562 | 1 |
| Dec-10 | 2580 | 2580 | 2571 | 2580 | 2580 | 1 |
| Mar-11 | 2598 | 2598 | 2584 | 2598 | 2598 | 1 |
| May-11 | 0 | 0 | 2584 | 0 | 0 | 0 |
| Totals | | 1774 | | | | 4,641 |

Friday 3-Jul 2009

| Month | Open | Price | Change | High | Low | Volume |
|---------------|------|-------|--------|------|-----|----------|
| Jul-09 | | | | | | |
| Sep-09 | | | | | | |
| Dec-09 | | | | | | |
| Mar-10 | | | | | | |
| May-10 | | | | | | |
| Jul-10 | | | | | | |
| Sep-10 | | | | | | |
| Dec-10 | | | | | | |
| Mar-11 | | | | | | |
| May-11 | | | | | | |
| Totals | | | | | | - |

| | | | | | | |
|-----------------------------|--|-------------|--|--|--|---------------|
| Average for the week | | 2368 | | | | 5,637 |
| Total for the week | | | | | | 33,820 |

News

Health & Nutrition

Healthy Chocolate. Really!

Modern Mom - Kimberly Rockefeller - Jul 1, 2009

What if I told you there was such a thing called “healthy chocolate?” And then I told you it could function as sunscreen, increase your circulation, increase your hydration levels, decrease inflammation in your body and smooth out rough, scaly skin? (Oh and it tastes DIVINE!!!!)

Your response may have sounded a little like mine when my personal trainer, Coach PJ, first introduced me to the concept of “Healthy chocolate.” Sounds like an oxymoron to me. I mean, are you joking? Isn't chocolate exactly what gave me all of those zits in high school? Isn't it what drives me to delirium if I'm deprived of its velvety texture when I have my period? “

The answer is yes and no. Key into “Healthy Chocolate.”

Chocolate is getting a lot of press these days. Dark chocolate that is. And not just any old dark chocolate- this not to be confused with the chocolates you find in the grocery store that are infused with white (refined) sugar, milk fats and hydrogenated oils. Pure cocoa is loaded with phytonutrients, polyphenols and flavanoids. All of which have been indicated to slow the aging process by eradicating free radicals and lowering oxidative stress in the body.

A German Study, concluded, (view complete study <http://www.pubmed.com>)

-“Long term cocoa ingestion leads to an increased resistance against UV induced erythema and lowered transepidermal water loss.”

-“Flavanol rich cocoa consumption acutely increases dermal blood flow and oxygen saturation.”

-“Ingestion of high flavanol cocoa led to increased skin density and skin hydration.”

OK, you are listening. One of your favorite things in the world could be good for you! (This gets me just as excited as when Dr. Oz gives the green light on Red wine!!)

It is important to point out however; grocery store chocolate isn't going to cut it.

Many companies have begun labeling their dark chocolate 70% pure cocoa. This is a good start but does not accurately describe how the chocolate is processed. According to a study published in The Journal of Agriculture and Food Chemistry, just because the cocoa powder is of higher purity, does not mean it retains its flavanol content. Often chocolate is alkalized because it is easier to mix, digest and manipulate color. This process can decrease nutritional values by two thirds. In addition, most manufacturers use a “Dutching” process that bring the chocolate to over 400 degrees, boiling away all of the nutrients and natural antioxidant properties.

What to look for:

The labeling must indicate that the product:

- has not been alkalized
- has been dried and cold pressed rather than roasted.
- consists of at least 70% cocoa
- uses cocoa butter instead of milk fats or hydrogenated oils
- contains natural, low glycemic sweeteners such as raw sugar cane rather than refined sugars

My favorite of the Healthy Chocolate is the XOCAI brand. This brilliant company has combined unprocessed cocoa and the highly acclaimed Acai berry from the Amazon rain forest. Their ORAC values are off the charts (ORAC= Oxygen Radical Absorbency Capacity. This is a measure used by the USDA to rate antioxidant capacities of different foods) AND they carry the Brunswick Laboratories seal of approval. (<http://www.brunswicklabs.com> is an independent, full service bio-analytical lab specializing in the science of antioxidants and oxidative stress.)

The 'Mega Squares' that provide a daily dose of fiber and Omega 3 contain a hint of orange and are oh-so-delicious. I have to stop myself at the recommended 3 per day, they are so yummy!

Healthy chocolate and candy products to beat the recession

By Mike Stones, 29-Jun-2009

Confectionery product ranges featuring new flavours, flexibility and variety will help manufacturers grow consumer purchases over the next five years despite economic uncertainty, according to the National Confectioners Association's (NCA) Confectionery Industry Trend Report 2009.

"Insight from the confectionery industry's leading influentials provides an appetizing future for consumers and the industry alike," says NCA president Larry Graham. *"Chocolate and confections are treats that consumers can count on to be affordable luxuries. Our industry provides people with new choices, new experiences and old favorites that provide moments of happiness to be enjoyed any time."*

The report, which featured insight from 40 industry experts including top manufacturers, market researchers, award-winning chocolatiers and nutritionists, focused on **chocolate** trends, health benefits, flavour fusions and international influences.

The next big confectionery trend will be for healthier products with growing demand for health benefits and better-for-you-ingredients, according to 88 per cent of the experts surveyed. Consumers are already choosing portion-control sized treats and the potential heart health benefits of higher cacao content in chocolate.

Eco-friendly manufacturing

A preference for green packaging policies was another area highlighted by the report. Sixty-five per cent of experts say eco-friendly manufacturing efforts, like recyclable packaging, will influence product development and consumer purchasing decisions.

Chocolate, termed by the report America's favourite flavour, will prove one of the largest growth areas over the next five years. Chocolate and cocoa will occur more frequently as a key ingredient in main courses alongside salmon, chicken and steak, predicted more than 70 per cent of those surveyed. Nearly 40 per cent of industry experts forecast that cocoa and chocolate would also begin to appear in appetizers.

Susan Smith, senior vice president of NCA's Chocolate Council said: *"From its potential health benefits to its organic roots and inclusion as an ingredient in many types of sweet and savory foods, we have only begun to experience the versatility of chocolate."*

Global influences and flavour pairings will become more important, according to the survey. Forty-three per cent of experts predicted that consumers will become more open to chocolate and flavor infusions that include spices, salts, herbs and floral flavors. *"We'll start to see ethnic flavors emerge in popularity with herbs being incorporated into chocolate dishes. Consumers can also expect to see sweet and savory combinations like chocolate and bacon, as well as chocolate and cheese duos appear in stores and on the menus,"* said the report.

Health benefits

Nearly half of those surveyed predicted more research into the potential health benefits of milk chocolate and dark chocolate, including exploration of naturally occurring cocoa compounds and positive effects on mood and blood pressure levels.

And one-third of experts thought that consumers will become more knowledgeable about the global origin of the chocolate.

Meanwhile, last year saw the launch of more than 6,000 new confectionery and snack products. Candy, chocolate and gum continued to lead the snack category in sales and ranked third in food sales overall.

Reformulated chocolate chip cookies for kids to combat disease risk?

By Lindsey Partos, 02-Jul-2009

Reformulating popular foods for school children to make them nutrient dense could be a key tool to slash risk factors for chronic disease, finds a new study.

Researchers at California State Polytechnic University-Pomona found that young children were unable to tell the difference between regular burritos and chocolate - chip cookies and those formulated with a whole grain and soluble **fiber** boost.

"The study results show potential for both whole grain and soluble fiber-enriched products to be incorporated into the school menus, particularly chocolate chip cookies," commented lead researcher Maria B. Omary.

In the US today, research suggests that one in eight children has two or more risk factors for heart disease, with growing rates recorded for child diabetes and obesity.

Combining whole grain ingredients - with their potent protective components - into popular foods for children, such as pizza, pasta and chicken nuggets, could contribute to the greater consumption of **whole grains** and dietary fiber recommended by US dietary guidelines to combat disease risk factors.

"Efforts to increase the consumption of whole grains and soluble fiber among elementary school-aged children are needed," write the researchers.

According to the FDA and DHHS (2002), 25 g of total dietary fiber is recommended daily along with 6 g of soluble fiber in a 2000- calorie diet. This amount is based on the ratio of soluble fiber to total dietary fiber that naturally occurs in fruits, vegetables, legumes, and grains.

The Californian researchers claim that the average fiber intake in the United States is only about 14 g/d (Arndt 2006).

Study details

Published in the June/July 2009 issue of the *Journal of Food Science*, the researchers write that the overall objectives of their study were to examine the consumption of whole grain and soluble fiber-enriched burritos and cookies among elementary school-aged children and to perform a quality evaluation of all products.

Children in grades K to 6 from a local elementary school consumed control (CTR) products made with refined flour along with the test "treatment" products (TRT) over a 13 week period.

The treatment cookies contained 1.2 g of β -glucan soluble fiber from Prowashonupana barley (sustagrain R from ConAgra Foods) and 8 g of whole grains per serving. The TRT burritos were formulated with 1.4 g of β -glucan soluble fiber in the tortilla and made with 25 per cent

Prowashonupana barley flour - that contains 'at least' 30 per cent total dietary fiber - and 26 per cent white whole wheat flour (ultragrain R provided by ConAgra Foods) flour basis. The burritos contained 19 g of whole grains/serving.

According to the researchers, the TRT burritos and cookies contained 51 per cent and 100 per cent whole grain respectively.

CTR and TRT products were served on three and four different Fridays with children's consumption determined by how much they left on the plate. Quality parameters such as texture, color, water activity, weight, and product dimensions were also measured.

"No significant differences in consumption between CTR and TRT burritos and cookies were found - 36 per cent and 90 per cent respectively," report the Californian researchers.

Source: *Journal of Food Science*

Volume 74, Issue 5

"Children's Acceptance, Nutritional, and Instrumental Evaluations of Whole Grain and Soluble Fiber Enriched Foods"

Authors: A. Toma, M.B. Omary, L.F. Marquart, E.A. Arndt, K.A. Rosentrater, B. Burns-Whitmore, L.Kessler, K. Hwan, A. Sandoval, and A. Sung

Production & Quality

Nigeria Cocoa Gets Good Rainfall, No Disease Threat

Source: Reuters

30/06/2009

Lagos, June 29 - Good weather in some of Nigeria's key cocoa growing regions has boosted the mid crop and raised hopes of a large main crop, farmers said on Monday.

Heavy rainfall in Nigeria's southwest has increased soil moisture to sustain the April-September mid crop, while good sunshine enhanced flowering and rapid development of pods for the upcoming main crop, they said.

The downpours in the last month lifted bean weight to 280-290 grammes per 300 beans from the traditional 230-250 grammes associated with the mid crop. The mid crop is also known as the light crop because its beans are smaller, lighter in weight and cheaper than main crop beans harvested between October and March.

"The crop is good because the weather has been wonderful. There has been good rainfall and intermittent sunshine. This is an indication that the main crop will also be good," said grower Ebenezer Akinmode, secretary general of the Tonikoko Farmers Union in southwest Ekiti state.

The rains have so far not raised the threat of an outbreak of the fungal black pod disease, which thrives in damp weather conditions, as was the case in previous years, Akinmode said.

"Despite the heavy rainfall there is no sign of disease in the state yet," Akinmode said.

While rain is good for the development of cocoa pods, it also speeds the spread of disease by washing fungus from tall trees, which are difficult to spray with chemicals, to shorter trees.

Black pod affects 30-40 percent of annual cocoa output in Nigeria, estimated at about 300,000 tonnes, while pests hit a further 25 percent, experts say. Nigeria's is the world's number four cocoa grower.

But farmers in the southeast, Nigeria's second cocoa zone, said more rainfall was needed in the area to compensate for the dry spell in the last month.

"We have been praying for more rains because we have only had rains now and then in the past two months. The more rainfall you have, the more cocoa you expect," Paul Ojong told Reuters from the southeast cocoa hub of Ikom in Cross River state.

Ojong said the lack of rainfall had eliminated the threat of disease, which would have been serious, because many farmers would have been unable to buy chemicals due to the high cost.

"If we had plenty rainfall, farmers would have struggled to get chemicals, but the lack of rain has taken care of the threat of disease outbreak," Ojong said by telephone from Ikom.

He said the lack of rainfall had not drastically affected the development of cocoa pods because plantations in the region were younger and could withstand stress better.

Nigerian Cocoa Group Cuts 2009-10 Forecast on Chemical Problems

By Vincent Nwanma

July 2 (Bloomberg) -- Nigeria's cocoa association cut its production target for the 2009-10 harvest by as much as 10 percent because farmers are using illegal, poor-quality pesticides to spray their crops.

Nigeria, the world's fourth-largest cocoa exporter, may produce about 360,000 metric tons this season, compared with an earlier forecast of 400,000 tons, said Neji Abang Neji, secretary-general of the Cocoa Association of Nigeria, which represents farmers, traders and processors.

Unsuitable pesticides, which are not being used in the prescribed quantities, are likely to negatively affect the size and quality of the harvest, he said by phone yesterday from Ikom, in the southern Cross River state. The West African nation produced about 340,000 tons of the cocoa last season, Neji said.

The rising cost of pesticides and other chemicals used to protect their crops against fungus and pests has led farmers to use poorer-quality versions that are smuggled into Nigeria, Neji said. "We try to stop them, but it is difficult because of the difference in price."

A 50-gram sachet of Ridomil, a fungicide used to protect cocoa against black-pod disease, costs 280 naira (\$1.89) in Nigeria, while the illegal version costs 120 naira, he said.

"We should not expect a bumper harvest because chemicals are very expensive," farmer Tangban Mbek said by phone today from Etung, also in Cross River. "If you are not using the right chemical, it will have a harmful effect on the crop."

Incorrect Application

Emma Ajayi, chief executive officer of Syngenta AG's Nigerian unit, which makes Ridomil and other crop protection chemicals, said many Nigerian farmers do not apply the substance properly. "The 50-gram sachet of Ridomil should treat 50 trees, and the farmers should target the pods only, but they spread the whole tree, and end up treating only 20 trees," he said by phone from Abuja late Tuesday.

Nigeria ranks behind the Ivory Coast, Ghana and Indonesia as the world's largest cocoa producer, according to the Web site of the International Cocoa Organization. The Nigerian government has boosted output by providing farmers with quick-maturing seedlings and fertilizers at subsidized prices since 2005, while improved farming methods have also helped.

Nigeria has two harvests, the first of which typically runs from April to early September, and a main season, which runs from October to April, said Robo Adhuze, a consultant at the Cocoa Association, by phone today from Akure, in southwestern Nigeria.

2009 light crop cocoa season opens on Friday

July 02, 2009

Accra, July 2, GNA - Purchases for the 2009 light crop cocoa season, commences on Friday, July 3, at all buying centres.

The producer price would go for GHC 48.96 cedis per load of 30 kilogram's for Grade I and Grade II cocoa beans naked ex-scale or GH 102.00 cedis per bag of 64 kilogram's gross.

A statement issued from the Public Affairs Directorate of the Ghana Cocoa Board on Thursday said a tonne of 16 bags is GHC 1,632.00 cedis.

Cocoa farmers appeal to government to form spraying gangs

Duakong-Asikasu (E/R), July 2, GNA- Cocoa farmers operating at Duakong-Asikasu, near Amanfopong in the Eastern Region, have appeal to the Government to set up a permanent cocoa spraying gang in the area to cater for their farms.

According to the farmers, the establishment of a permanent spraying team would ensure regular and timely treatment of their farms and increase productivity.

Nana Twumasi Owuyah III, Tufohene (sub-chief) of Gomoa-Sampa and a Spokesman for the cocoa farmers, made the call at a meeting with cocoa farmers at Duakong-Asikasu on Wednesday.

The meeting was called to discuss technical and logistics problems facing cocoa producers in and around Duakong-Asikasu.

Nana Twumasi Owuyah called for the immediate rehabilitation of roads linking Duakong-Asikasu Amanfopong and Akim-Aperade to facilitate the transportation of cocoa and foodstuffs to Akim-Achiase, Akim-Oda, Breman-Asikuma and other urban towns.

He advised cocoa farmers to ensure regular and effective maintenance of their farms, explaining that constant clearing of bushy cocoa farms is essential for higher yields.

Nana Twumasi Owuyah called for co-operation, mutual understanding among cocoa farmers to enable them to share ideas and experiences needed to improve their living standards.

VN Cocoa looks to further develop

Viet Nam News - Jun 29, 2009

HA NOI — Cocoa is a highly potential industry in Viet Nam, but a shortage of capital has hindered the development of the plant's production industry, according to Doan Trieu Nhan, a senior consultant for the Viet Nam Association of Coffee-Cocoa.

Capital for planting and developing cocoa in Viet Nam comes mostly from assistance from international projects. "The Government should pour more funding into the cocoa industry to develop it further," Nhan said.

Viet Nam's investment in cocoa was much lower than in other key plants like rice, coffee and rubber, he said, though did not specify how low.

It was suggested at the annual meeting of the Viet Nam Cocoa Co-ordination Committee (VCC) that the Government and the Ministry of Agriculture and Rural Development (MARD) work out policies targeting more investment in cocoa seeds, technical training and market information.



A farmer irrigates cocoa trees in Nghia Thinh Commune, in the central province of Quang Ngai's Nghia Hanh District. Cocoa production in the country is falling well short of its potential, according to industry insiders. — VNS Photo Thanh Long

The meeting took place at the end of last month in the southern province of Ba Ria-Vung Tau, according to a statement posted on the website of the National Centre for Aqua-Agriculture Promotion.

"We need more assistance from the Government in terms of seeds and planting techniques," said Nhan. The Government should encourage farmers to grow cacao by assuring them of a market. He added that the Government should work with entrepreneurs to invest in key zones.

Viet Nam's cocoa quality was ranked 3rd after Ghana and Papua New Guinea, the statement said. Cacao trees were mainly planted in the Cuu Long (Mekong) Delta and Tay Nguyen (Central Highlands) in Viet Nam, mostly in Dak Lak, Lam Dong and Binh Phuoc provinces.

Cocoa is an environmentally-friendly food, which can be grown together with other products like cashew, coffee and coconuts. There was currently around 10,000ha set aside for national cocoa production.

Stable prices

Nguyen Thi Thanh Mai, deputy director of the H CM City office of MARD's Cultivation Department, said that in the context of the global economic crisis, the prices of many agriculture products could go down, while the cocoa price would likely remain relatively stable.

"Cocoa prices experience little fluctuation because the need for cocoa in the world is still high while several countries specialising in cocoa production in Africa have reduced their exports," said Mai. According to Tong Khiem, head of the VCC, the cocoa market was in its initial phase of development. The 2008-09 crop had produced 1,000 tonnes of processed cocoa, almost three-times higher than the previous crop. Viet Nam's cocoa output was low compared to the world's need, which was up to 4 million tonnes. It was expected that national cocoa output would reach 5,000 tonnes next year.

"Joining the World Cocoa Foundation is not an urgent task for Viet Nam. It's not our objective at present, because our cocoa exports and the domestic market for this product are still small," said Khiem. According to the project on developing cacao trees from 2015-20, approved last year by MARD, 80,000ha of trees would be planted, 108,000 tonnes of cocoa seeds would be produced per year and cocoa exports would reach US\$120 million.

"The project is highly feasible," said Nguyen Vinh Thanh, cocoa manager of Cargill Vietnam Ltd. The given objectives could be reached three or four years ahead of schedule since the local cocoa industry was attracting a lot of attention from scientists and international non-profit organisations, according to Thanh.

Cargill is an American corporation working in agriculture. The company first came to Viet Nam in 1995 and is one of the biggest cocoa purchasers in the Vietnamese market. — VNS

Cameroon: Farmers Trained on Cocoa Cultivation Practices

Lukong Pius Nyuyime

29 June 2009

The 38 agricultural Extension Workers were trained recently in the Centre Region by IITA experts.

Against the backdrop of growing concern over low supply of young cocoa plants compared to increasing demand, experts of the Sustainable Tree Crop Program (STCP) of the International Institute of Tropical Agriculture (IITA) recently provided new skills to farmers in the Centre Region for the cultivation of cocoa in order to increase yield and farmers' income.

Drawn from seven cooperatives and other agricultural associations as well as the administration, the farmers received lessons on basic techniques of intensifying cocoa farms through the Farmer Learning Group Approach conceived within the framework of the STCP. The concept of cocoa intensification according to one of the experts, Richard Asare, an expert in tree diversification from IITA, Ghana, involves basically training farmers to apply best agricultural practices, notably rational use of fertilizer, pesticide, insecticides, planting of hybrid cocoa material, tree diversification, etc in cocoa cultivation for economic and environmental sustainability.

The Farmer Learning Group is a structured group base approach designed to teach farmers specific skills and practices on planting, replanting and diversification in cocoa establishment using demonstrations, field observations, field exercises and discussions as key training and learning tools. "Farmers need to be made more

professional so as to raise their level of income and at the same time maintain and sustain the ecosystem on which their activities depend", Jonas Mva Mva, Country Manager for STCP-Cameroon said during the training.

"Seed production and multiplication farms are able to supply only 30 per cent of the young cocoa plants demanded by farmers for planting", Emerant Evenga, Agriculture Extension Worker and Deputy Communication Officer for the country's Ministry of Agriculture said, stating that annual demand for young cocoa plants is presently estimated at 80 million.

"Since supply cannot meet demand, it is important to train farmers on how to improve yields from existing farms", he said underscoring that one of the most important ways is to rationalize the use of fertilizer and pesticides.

Poor use of these products is partly responsible for low production, Evenga said. A hectare of land in Cameroon today produces between 200 and 500 kilograms of beans which is far below standard production of between 700 kilograms and 1.5 tons a hectare.

Fortis Cuts 2009/10 Global Cocoa Deficit Forecast

Source: Reuters

03/07/2009

London, July 2 - Fortis on Thursday revised down its estimate for a projected global cocoa deficit in 2009/10 to 56,000 tonnes, down from a previous forecast for a deficit of 64,000 tonnes.

The investment bank also revised its outlook for 2008/09 to a surplus of 10,000 tonnes from a balanced market.

Global grindings in 2009/10 were seen rising to 3.66 million tonnes, up from an estimated 3.47 million in 2008/09 but still down from 3.71 million in 2007/08.

"This estimate for 2009/10 is obviously heavily contingent on external factors - not least the certainty of global economic stabilisation and, eventually recovery," Fortis said in a monthly market report.

Production in 2009/10 was seen at 3.61 million tonnes, marginally up from a previous forecast of 3.60 million and well above the prior season's 3.48 million.

Cocoa Crops in Indonesia, Ecuador May Face Damage, Fortis Says

By Claudia Carpenter

July 3 (Bloomberg) -- Cocoa crops in Indonesia and Ecuador may be hurt by an El Nino weather pattern predicted to begin as soon as coming weeks, [BNP Paribas Fortis](#) said.

El Nino typically has lowered cocoa production "10 percent below trend," Fortis said in a daily report yesterday from London, citing company research over 50 years. El Nino weather that usually brings below-average rainfall in the second half probably will occur after more signs of the phenomenon emerged, Australia's Bureau of Meteorology said this week.

"Effectively the fresh piece of information could have bullish implications for our markets in the next six to eight months," according to the Fortis report.

Cocoa has dropped 12 percent this year as global recession curbed demand for the beans used in chocolate. Indonesia's production dropped 15,000 metric tons, or 2.7 percent, to 545,000 tons after the last El Nino from



July 2006 to February 2007, said [Laurent Pipitone](#), statistician at the International Cocoa Organization in London.

Indonesia is the world's third-largest cocoa producer, with output of 485,000 tons in the 2008-09 season through this September, according to a May 21 report by the [International Cocoa Organization](#). Ecuador's production was 112,000 tons, according to the group. Ivory Coast and Ghana are the largest growers.

"I would insist that the drop in production in cocoa, if any, would be months away from now and that the El Nino weather pattern has yet to be confirmed," [Eric Sivry](#), director and head of cocoa brokerage at BNP Paribas Fortis in London, wrote in an e-mailed message today.

Nigeria cocoa group cuts production to 10%

Ghana Business News - Jul 3, 2009

Nigeria's cocoa association cut its production target for the 2009-10 harvest by as much as 10 percent because farmers are using illegal, poor-quality pesticides to spray their crops.

Nigeria, the world's fourth-largest cocoa exporter, may produce about 360,000 metric tons this season, compared with an earlier forecast of 400,000 tons, said Neji Abang Neji, secretary-general of the Cocoa Association of Nigeria, which represents farmers, traders and processors.

Unsuitable pesticides, which are not being used in the prescribed quantities, are likely to negatively affect the size and quality of the harvest, he said by phone yesterday from Ikom, in the southern Cross River state. The West African nation produced about 340,000 tons of the cocoa last season, Neji said.

The rising cost of pesticides and other chemicals used to protect their crops against fungus and pests has led farmers to use poorer-quality versions that are smuggled into Nigeria, Neji said. "We try to stop them, but it is difficult because of the difference in price."

A 50-gram sachet of Ridomil, a fungicide used to protect cocoa against black-pod disease, costs 280 naira (\$1.89) in Nigeria, while the illegal version costs 120 naira, he said.

"We should not expect a bumper harvest because chemicals are very expensive," farmer Tangban Mbek said by phone today from Etung, also in Cross River. "If you are not using the right chemical, it will have a harmful effect on the crop."

Incorrect Application

Emma Ajayi, chief executive officer of Syngenta AG's Nigerian unit, which makes Ridomil and other crop protection chemicals, said many Nigerian farmers do not apply the substance properly. "The 50-gram sachet of Ridomil should treat 50 trees, and the farmers should target the pods only, but they spread the whole tree, and end up treating only 20 trees," he said by phone from Abuja late Tuesday.

Nigeria ranks behind the Ivory Coast, Ghana and Indonesia as the world's largest cocoa producer, according to the Web site of the International Cocoa Organization. The Nigerian government has boosted output by providing farmers with quick-maturing seedlings and fertilizers at subsidized prices since 2005, while improved farming methods have also helped.

Nigeria has two harvests, the first of which typically runs from April to early September, and a main season, which runs from October to April, said Robo Adhuze, a consultant at the Cocoa Association, by phone today from Akure, in southwestern Nigeria.

Source: Bloomberg

Ctrl Cameroon May Cocoa Bean Size Up At 100-103/100g - Indus.

YAOUNDE, Cameroon, Jul 02, 2009 (Dow Jones Commodities News via Comtex) -- Cocoa beans from Cameroon's second-largest cocoa-growing area, the Center Region, exported through the port of Douala in May measured 100-103 per 100 grams, slightly bigger than the 100-106/100 grams in April, industrial sources at the port told Dow Jones Newswires Thursday.

The Center Region accounts for 30%-35% of Cameroon's yearly cocoa output of more than 187,000 metric tons. "We made an historic recording of cocoa bean sizes from the Center Region in May, during which exported beans weighed 100-103 beans per 100 grams," said a quality controller.

"This is the first time in 10 years we're registering 100-103 beans per 100 grams for cocoa that came from the Center Region. In the past, we only recorded between 110-114 or 115 beans per 100 grams," another quality controller said.

All eight quality controllers from four of the country's six quality control firms agreed that regular rainfall helped cocoa trees produce the good-sized cocoa beans.

Like many other parts of Cameroon, central Cameroon is in its mid-crop cocoa harvest, and cocoa beans from the region's mid-crop output are generally smaller than those of the heavily dense equatorial southern parts of the country where rainfall is extensive.

The quality controllers, who said they were still gathering data on cocoa bean sizes in June, concluded that the May's bulky cocoa beans were "excellent for export," have an acceptable humidity level and are free of mold.

Indonesia Cocoa Output To Fall Almost 10% On Aging Trees-Execs.

SINGAPORE, Jul 01, 2009 (Dow Jones Commodities News via Comtex) -- Indonesia, the world's third largest cocoa producer, is likely to see a drop of nearly 10% in production this crop year to September, mainly because of aging trees, industry executives said Wednesday.

"Total production is estimated to fall by 7%-8%, so our estimate now is around 450,000 tons, " said an executive in charge of cocoa business at an agricultural commodities trading house in Indonesia. "But as there are still three months to go, so there can be slight changes, " he said.

"The harvest so far indicates a decline of around 10% compared the same time last year, " so the production this year will certainly be lower than 500,000 tons, a senior executive at another commodities trading house said. Indonesia is the largest cocoa producer in Asia, and the No. 2 grinder in the region, after Malaysia.

The main harvest in Indonesia runs from April to September, with the peak season in July. The smaller mid-crop season starts from October and lasts till December.

The International Cocoa Organization forecast in a report released May 21 that the country's production would be 485,000 tons for the 2008-09 crop year, and put the global deficit of 84,000 tons. In 2007-08, Indonesia's cocoa bean production was 495,000 tons, ranking below Ivory Coast and Ghana, the ICCO said in a report in March.

The country's cocoa output has been hurt by aging trees and diseases in recent years, and the government has launched an initiative starting last year to upgrade the trees, aiming to achieve higher production.

The executive at the agricultural commodities trading house said grindings had been gradually picking up, with one or two more grinders coming back to operations since last month.

Earlier this year, there were only two grinders out of a total of 16 in the country operating. The most active September ICE cocoa contract settled at \$2,510 a metric ton Tuesday, down about 6% from the most active contract at the beginning of the year.

DJ Ivory Coast Cocoa Arrivals To June 28 Seen Down 16% On Yr.

ABIDJAN, Jul 01, 2009 (Dow Jones Commodities News via Comtex) -- Arrivals of cocoa beans from Ivory Coast's farms at the country's ports Oct. 1 to June 28, the first 39 weeks of the 2008-09 season, are forecast at 1.055 million metric tons, down by nearly 16% on the 1.250 million tons that arrived in the same period last season, according to industry estimates obtained Wednesday.

Arrivals in Week 39 were about 8,000 tons, down from the 19,000 tons in the same week last season.

A director at a major international exporter told Dow Jones Newswires that quality was continuing to deteriorate and they were having to be selective in accepting arrivals.

The April-September midcrop normally brings in 20% of the annual harvest and this year is expected to be down on last year's 284,000 tons, at an estimated 250,000 tons.

So far, 141,283 tons have been registered with the industry during the midcrop, according to official industry data.

The Market**ICE Cocoa Review: Drifts Lower, Little News To Drive Price.**

CHICAGO, Jul 01, 2009 (Dow Jones Commodities News via Comtex) -- ICE Futures U.S. cocoa futures ended at slightly weaker levels, after a lackluster session in which price mainly followed fluctuations in the U.S. dollar, traders said.

Most-active September cocoa futures settled down \$6 at \$2,504 per metric ton. "It was pretty thin. We were just following the dollar, " said Dan Diez, trader at General Cocoa. Weakness in the U.S. dollar supported an intraday move higher in September cocoa to \$2,580.

However, Diez noted that into the London cocoa market close, ICE New York cocoa began to trim its gains and retreated back towards unchanged. "It is really just a lack of activity, " he explained.

Looking ahead, near term, traders and analysts said this was generally a "quiet time" from a seasonal/fundamental news perspective.

"Fund participation could be limited," noted Sterling Smith, market analyst at Country Hedging. Smith pegged support at \$2,480 for September cocoa, with resistance at \$2,580 near term.

On Thursday July 2, ICE August cocoa options are set to expire. Volume was estimated at 6,387 contracts, according to the exchange as of 1:30 p.m. EDT. In options, approximately 83 calls and 54 puts traded.

| Close | Change | Range |
|-------------|--------|---------------|
| Jul \$2,477 | -10 | \$2,477-2,477 |
| Sep \$2,504 | -6 | \$2,580-2,501 |

DJ SOFTS HIGHLIGHTS: Top Stories Of The Day

TEGUCIGALPA, Honduras (AFP)--Leaders who took over in Honduras after President Manuel Zelaya was ousted

COCOA

Ivory Coast Cocoa Arrivals To June 28 Seen Down 16% On Yr

ABIDJAN (Dow Jones)--Arrivals of cocoa beans from Ivory Coast's farms at the country's ports Oct. 1 to June 28, the first 39 weeks of the 2008-09 season, are forecast at 1.055 million metric tons, down by nearly 16% on the 1.250 million tons that arrived in the same period last season, according to industry estimates obtained Wednesday.

Ivory Coast Cocoa Weather June 21-30; Too Much Rain

ABIDJAN, Ivory Coast (Dow Jones)--A late end to the main rainy season is flooding low-lying cocoa farms and damaging next season's harvest, official data and comment showed Wednesday.

Central Cameroon Cocoa Prices Down On Strong Supplies -Traders

YAOUNDE, Cameroon (Dow Jones)--Prices paid for a kilogram of cocoa beans dropped this week in Cameroon's second main cocoa area of the Center Region, to 875-900 CFA francs [\$1.92-\$1.98], from XAF960-990/kg a week ago, several farmers and traders there told Dow Jones Newswires Wednesday.

ICE Cocoa Review: Drifts Lower, Little News To Drive Price

CHICAGO (Dow Jones)--ICE Futures U.S. cocoa futures ended at slightly weaker levels, after a lackluster session in which price mainly followed fluctuations in the U.S. dollar, traders said.

COFFEE

Costa Rica Jun 08-09 Coffee Exports Down 5.6% At 152,003 Bags

Costa Rican coffee exports in June, the ninth month of the current 2008-09 crop cycle, fell 5.6% to 152,003 bags of 60 kilograms each, the official Costa Rican Coffee Institute, or Icafe, said Wednesday.

ICE Coffee Review: Ends Lower, But Still Stuck In Range

ICE Futures U.S. coffee futures ended lower Wednesday, following a lethargic, thinly trading session.

Morning Futures Roundup

The Options Insider - [Mike Zarembski](#) - Jun 29, 2009

Will Bulls Regain Their Chocolate Cravings?

Fundamentals

Both bullish and bearish Cocoa traders had something to cheer about the past six weeks as a nearly \$600 per ton

rally from the May lows was followed by a quick \$400 per ton decline the past several sessions. The results of these large opposing price trends may be a more subdued Cocoa market the next few weeks as traders reassess fundamentals.

One of the biggest factors in the Cocoa market is the direction of the U.S. dollar especially against the British Pound. A stronger GBP/USD is normally a bullish factor for Cocoa prices and if one compares the September Cocoa Chart to the September British Pound Chart one will note that September Cocoa began its mid-May rally at the same time the September Pound broke out of its consolidation range to the upside. However once the Pound chart began to move sideways, Cocoa prices fell. The recent sell-off has caused Cocoa butter prices to fall, making processors margins weak, which has hurt demand.

However, there are some concerns that mid-crop Cocoa production in the Ivory Coast, the world's largest Cocoa producer, will come in smaller than expected, as heavy rains have delayed arrivals, which are down about 15% from this time last year. Last Thursday's price reversal to the upside after making 1-month lows may signal that a near-term bottom may be in place as lower prices drew fresh buying to the market.

Technical Notes

Looking at the daily chart for September Cocoa, we notice the strong buying that occurred once prices attempted to test the 78.6% Fibonacci retracement level. The market is trying to remain above the 100-day moving average, which is used by many longer term traders as a key indicator to whether a market is in a bullish or bearish phase.



The 14-day RSI is struggling to get above the 50 level and the trend remains lower. Traders should watch the action in the U.S. Dollar as any signs of strength by the greenback could pull Cocoa prices lower. Support is seen at 2289, with resistance found at the 20-day moving average currently near 2645.

Processing & Manufacturing

Cadbury mulls India cocoa supply strategy 09-Jun-2009

UK-based Cadbury is hoping to extend its presence in India with the confectioner reportedly set to use the country as a major regional production centre for its cocoa supplies.

Amidst recent hikes in import duties for commodities like cocoa in the Indian market, Cadbury is looking to set a target for complete domestic sourcing of beans in the country by 2015, according to the Financial Times newspaper.

Aside from trying to entice a growing number of Indian consumers to purchase its chocolate products, the report suggests the company will also look to encourage coconut farmers to begin cultivating cocoa as well to boost supply in the country.

Ghana needs to add value to export commodities - Research Director

Accra, July 3, GNA - Professor Oliver Morrissey, Director of the Centre for Research in Economic Development and International Trade, University of Nottingham, UK, said Ghana needed to add value to its primary export commodities to ensure socio-economic development. He said that if Ghana diversified its rich resources into industries and processed its primary export commodities, the country could overcome its vulnerability to negative changes at the world market.

Prof. Morrissey made the call at the launch of Trade Policy and Pro-Poor Growth project launched by the Institute of Statistical, Social and Economic Research (ISSER) of University of Ghana in Accra. He expressed dissatisfaction that though Ghana and most African countries were major exporters at the world market, prices of their export commodities were determined by the rest of the world. "It is sad that African countries do not undertake sufficient amount of processing of their exported commodities. There is the situation that coffee or cocoa is exported in its very raw form and it is turned or processed elsewhere".

"Ghanaian policymakers need to implement effective ways of addressing the said challenges so that the country could use its resources instead of simply selling them to other countries," Prof Morrissey said.

"It may take five or 10 years to overcome this huge setback but it is better to start planning to do some constructive work now rather than letting things continue the way they are," he added.

The two-year "Pro-Poor Growth in Ghana" project funded by ISSER is to improve policy makers and analyst's comprehension of the poverty and distributional impacts of trade and policy reform in Ghana.

Dr Charles Ackah, Research Fellow and Principal Investigator of ISSER, said the project had revealed that nearly 400,000 Ghanaians were now poor as a result of recent global food price increase. "These are people who were living above the poverty line, but now can no longer afford two dollars a day because prices have increased dramatically," he said.

Dr. Ackah expressed shock that though Ghana practiced an agricultural economy, it could not absorb the shocks of food price hikes on the global market.

"When food prices are going up you expect the Ghanaian farmer to benefit. I expect my grandmother who produces maize or my aunt who produces sorghum in the Northern Region to benefit from high prices of food because they have to sell and get more money, but this is not so." Dr Ackah explained that the current situation was partly because most farmers were more of consumers than producers.

"Most of the farmers are themselves hit by the price increase in food because they themselves consume all the food they produce and even go to the market to buy. For that reason even when food prices go up they don't benefit".

He said the project would seek to identify the causes of the sad trend in order to address them.

Dr Felix Asante, Senior Research Fellow and Head of Economics Division of ISSER, said the ISSER was committed to promoting the socio-economic development of the country through "solid social science and research with commitments to adding to the existing knowledge about society and development in Ghana".Source:

GNA

Business and Economy

Ivorian cocoa export tax to fall in 2009/10

By Ange Aboa

ABIDJAN (Reuters) - Ivory Coast will cut export taxes on its chief export cocoa from the start of the coming 2009/10 season as it seeks to meet World Bank debt relief terms, its cocoa reform committee said in documents obtained by Reuters on Wednesday.

From next season, the export tax known as DUS (Droit Unique de Sortie) will be cut to 210 CFA francs per kg from this season's 220 francs, and registration tax will be cut to 5 percent from 10 percent of the price of beans, inclusive of cost, insurance and freight.

Shippers said the move would make the immediate export of beans more appealing than hoarding.

Cocoa taxes in Ivory Coast, the world's biggest producer, are among the highest of cocoa-growing countries, and the World Bank has long made their reduction a condition of debt relief.

"The government is committed to reducing taxation to 22 percent of the international price obtained in order to reach achievement point of the HIPC (Highly Indebted Poor Countries) initiative," the government-appointed reform committee said in the document.

DISCOURAGE STOCKPILING

The move would encourage cocoa firms to export beans, whereas in the past they have been able to make money by buying beans and stockpiling them for sale the following season when higher taxes would apply, said an executive with an international shipping firm in Abidjan.

"Normally keeping a stock (of beans) has been logical because taxes would either rise or stay the same, but if they fall, it changes everything because you don't gain anything by having stocks available," he said. Continued...

Bean exports for the 2008/09 season, which ends in September, were down 20 percent on the previous season by June 23, though semi-finished product shipments were higher, according to customs data.

This season has been disrupted by bad weather, disease and changes in the government's administration of the sector as it responds to accusations of corruption.

The World Bank is pressing Ivory Coast to cut cocoa taxes by around half by 2010. Prices of the bean, which accounts for around 20 percent of Ivorian gross domestic product, have fallen by 7 percent this year.

Benchmark cocoa futures for delivery in September traded around 1,610 pounds per tonne in London on Wednesday, up around 0.3 percent from Tuesday's close.

Ivorian Cocoa Export Tax to Fall in 2009/10

Source: Reuters

02/07/2009

Abidjan, July 1 - Ivory Coast will cut export taxes on its chief export cocoa from the start of the coming 2009/10 season as it seeks to meet World Bank debt relief terms, its cocoa reform committee said in documents obtained by Reuters on Wednesday.

From next season, the export tax known as DUS (Droit Unique de Sortie) will be cut to 210 CFA francs per kg from this season's 220 francs, and registration tax will be cut to 5 percent from 10 percent of the price of beans, inclusive of cost, insurance and freight.

Shippers said the move would make the immediate export of beans more appealing than hoarding.

Cocoa taxes in Ivory Coast, the world's biggest producer, are among the highest of cocoa-growing countries, and the World Bank has long made their reduction a condition of debt relief.

"The government is committed to reducing taxation to 22 percent of the international price obtained in order to reach achievement point of the HIPC (Highly Indebted Poor Countries) initiative," the government-appointed reform committee said in the document.

DISCOURAGE STOCKPILING

The move would encourage cocoa firms to export beans, whereas in the past they have been able to make money by buying beans and stockpiling them for sale the following season when higher taxes would apply, said an executive with an international shipping firm in Abidjan.

"Normally keeping a stock (of beans) has been logical because taxes would either rise or stay the same, but if they fall, it changes everything because you don't gain anything by having stocks available," he said. Bean exports for the 2008/09 season, which ends in September, were down 20 percent on the previous season by June 23, though semi-finished product shipments were higher, according to customs data.

This season has been disrupted by bad weather, disease and changes in the government's administration of the sector as it responds to accusations of corruption.

The World Bank is pressing Ivory Coast to cut cocoa taxes by around half by 2010. Prices of the bean, which accounts for around 20 percent of Ivorian gross domestic product, have fallen by 7 percent this year.

Benchmark cocoa futures for delivery in September traded around 1,610 pounds per tonne in London on Wednesday, up around 0.3 percent from Tuesday's close.

Help small farmers become more profitable

Jamaica Gleaner - Jul 3, 2009

The Editor, Sir:

The prime Minister's Labour Day address to the residents of Top Alston in northwest Clarendon must have thrilled the listeners when they heard about the Belgians using imported coffee from Jamaica and Africa to create a unique blend of chocolate that is world-class.

However, as he continued, the smiles might have turned to groans when the PM said, " ... They make a whole heap of money off it, and we who are selling them the cocoa to help them do it ... are not making nowhere near that kind of money."

Should not surprise PM

This should not be a surprise to the prime minister or his audience. What the Belgians are doing demonstrates in the most concrete way the path that agriculture must take if farming is to become profitable. It is time that our small farmers be encouraged to use their initiative in setting up their own micro-enterprise, while the Government assists them with the technical support needed for these little farms to become viable entities of a larger cooperative industry.

It is understandable that the politicians stay aside and gripe about the financial rewards that are derived from the Belgian enterprise, but this is the way that the free market system works. The most enterprising people will make the most money.

Labour Issues

The Dark Side of Your Sweet Treat

By [Nanor Aghamal](#)

Asbarez News - Jul 2, 2009

We have all seen innocent looking chocolate commercials with adorable kids laughing and having a good time while enjoying their chocolate bars. Some brands are represented by bunnies, some with oversized M&Ms, and some are so famous that they are known worldwide—brands such as Hershey, Mars and Nestle. Although they are competing brands they have a couple of things in common: they're most definitely delicious, and they have one dark secret—CHILD LABOR.



A community animation programme on child labour in cocoa producing areas held in ten communities in the Obuasi Municipality has established that most children are involved in major economic activities to the detriment of their schooling. Farming, trading and artisanal mining are among the economic activities that engage the attention of the children in the ten communities. They are Apitikooko, Odumasi, Dokyiwa, Diawuoso, Pomposo, Adaase, Ntonsua, Mampamhwe, Mamiriwa and Kwabenakwakrom.

The programme which was facilitated by Mr Rexford Asubonteng, the Municipal Labour Officer and Mr Philip Gyasi Afful, Quality Control Officer of Obuasi Office of

COCOBOD was under the National Programme for the Elimination of Child Labour in Cocoa (NPECLC). Community members used the occasion to appraise themselves on their roles in child labour associated with cocoa production and other child welfare protection issues and came out with local initiatives to deal with the problems.

The communities agreed to undertake periodic sensitization of members, enforce local bye-laws and form farmers groups (Nnoboaa) to check the involvement of children in farming activities and other economic ventures.

Addressing the people of Kwabenakwakrom to round off the programme, the Municipal Social Welfare Officer, Mr Emmanuel Akoto-Sarpong said some of the children even suffer physical harm as a result of their participation in those activities.

He pointed out that children constituted the future of the nation and that it behoved all stakeholders to ensure that they were protected from all forms of child labour related activities. Mr Akoto-Sarpong, who is also the Field Co-ordinator of Child Labour programme in the municipality advised against involving children in excessive and harmful jobs especially on the farm that affect their education.

"Children should be given loving and caring attention that promote the development of healthy personality instead of administering abusive treatment that undermine their proper growth and development," he stressed.

He therefore urged parents, teachers and opinion leaders to intensify efforts at ensuring that all children in their respective communities attended school to develop themselves for future leadership roles in the society. Mr Akoto-Sarpong indicated that the government was providing school infrastructure, teachers, textbooks and other teaching and learning materials, food, uniforms and scholarships and that; "it is up to parents and guardians to encourage all their children and wards to attend school."

Environmental Issues

Research & Development

M MARS PLAYS KEY ROLE AT MEETING OF NOBEL LAUREATES AND SUMMER-LONG ... PR-USA.NET (PRESS RELEASE) - JUL 4, 2009ARS PLAYS KEY ROLE AT MEETING OF NOBEL LAUREATES AND SUMMER-LONG SUSTAINABILITY EXHIBITION IN GERMA

Mars will showcase its cocoa sustainability program as part of a summer-long sustainability exhibition on Mainau Island, one of Germany's most popular tourist destinations. The exhibition, which opens today, follows on from the annual Lindau Nobel Laureate Meeting in Germany last week, in which Mars played a significant role.

The Nobel Laureate Meeting at Lindau, which ended today, saw 23 Nobel Laureates in chemistry and more than 500 of the world's most promising young scientists and researchers come together to share ideas on the topic of sustainability. Mars' involvement in this year's conference builds on a strong relationship with the Lindau Nobel Laureate Meetings. Mars became a prominent supporter of this globally-recognized forum in 2007 and Mars family member, Pamela Mars, was appointed to the Honorary Senate of the Lindau organization last year.

"The meetings are a unique opportunity to share ideas and interact with the world's brightest minds across various disciplines," said Pamela Mars. "Our relationship with Lindau stems from our mutuality principle; by working collaboratively we can realize and share science-driven innovation to benefit everyone involved."

Mars will also play a major part in today's formal opening of the sustainability-themed "Discoveries Exhibition". Established by the Lindau Nobel Laureates organization, the exhibition will be held on Mainau Island - a botanical island famed for its flora and fauna and located in the middle of Lake Constance, Germany. Mars is one of 20 exhibitors hosting pavilions to demonstrate innovative sustainability concepts. The Mars pavilion, set in a large sunflower field on the island, showcases the future of sustainable cocoa farming.

"The Mars pavilion will tell the compelling story of the cocoa crop and its importance to the 40 million people worldwide who depend on it for their livelihood," said Howard Shapiro, Global Director, Plant Science and External Research for Mars. "The pavilion charts the course of cocoa throughout history - from its origins and impact on ancient cultures, to how we are using ground-breaking science to improve the sustainability of the crop for the generations to come."

As part of today's exhibition opening ceremony, Mars will donate three cocoa trees to Mainau Island, renowned for its excellent environmental practices. These cocoa trees are the same variety used by Mars in sequencing the cocoa genome, a project launched in June 2008 to better understand and improve the sustainability of the cocoa crop.

About Cocoa Sustainability at Mars

For nearly 30 years, Mars has pursued a cocoa sustainability strategy with a goal to secure responsible cocoa production and the future supply of the crop. During this period, Mars has helped bring together the cocoa industry with leaders in related fields to create and fund beneficial research programs. These programs include education and training for farmers, development of pest and disease resistant cocoa crops, and other pioneer avenues for cocoa research.

For more information, please see:

<http://www.mars.com/global/Who+We+Are/Cocoa+Sustainability.htm>

About the Cocoa Genome

In June 2008, Mars, Incorporated, the United States Department of Agriculture-Agricultural Research Service (USDA-ARS), and IBM announced that they would sequence, annotate and assemble the cocoa genome. A genome is essentially a map of all the components that make up the characteristics of an organism - in this case, cocoa. By understanding the exact location of these characteristics, it is easier to breed cocoa plants that have beneficial characteristics.

The public-private collaboration may enable farmers to plant better quality cocoa and, more importantly, help create healthier, stronger cocoa crops with higher yields, pest and disease resistance, and increased water and nutrient-use efficiency.

For more information, please see:

<http://www.mars.com/global/News+and+Media/News+archive/Cocoa+Genome.htm>

About The Nobel Laureate Meetings at Lindau The Lindau Nobel Laureate Meetings are a globally recognized forum that has been bringing Nobel prizewinners and promising young scientists and researchers together since 1951. The week-long, annual event consists of panel discussions, seminars and social events. This year's meeting (28 June to 3 July 2009) is dedicated to chemistry and has a special focus on sustainability.

Mars entered into its engagement with the Lindau organization in 2007. In 2008, Pamela Mars was invited to join the Honorary Senate of the Lindau Foundation of Nobel prizewinners.

For more information, please see:

<http://www.lindau-nobel.de/>

About the Discoveries Exhibition on Mainau Island

The sustainability exhibition on Mainau Island is entitled "Entdeckungen/ Discoveries" and takes place from 3 July to 31 August 2009. The exhibition showcases sustainable ideas and concepts that will shape the future.

Mars is one of 20 exhibitors that will host pavilions to showcase sustainable ideas and concepts that will shape the future. The exhibition is part of Germany's 'Year of Science 2009' and marks the 100th birthday of Count Lennart Bernadotte (1909 - 2004), who was the driving force behind the Lindau Nobel Laureate Meetings.

For more information, please see:

<http://www.mainau-entdeckungen.de/>

For more information, please contact:

Roland Klein
M +44-7776-162-997
Julian Hill
M +44-7825-768-740
Source: Mars Inc.

Promotion & Consumption

Others

70% of Ghana's cocoa export to pass through Takoradi Port

Ghanaian Chronicle - Zam R. Samin - Jul 1, 2009

The Ghana Cocoa Board (COCOBOD) has announced plans to embark on a massive expansion programme to streamline its activities in the country, and is particularly concerned about improving its operations in the Western Region, which is producing the bulk of the country's cocoa.

Apart from jobs the expansion programme would create, the company also expects that 70% of its export would be carried through the Takoradi Port. Currently, the company exports 55% of its products through the Takoradi Port, with the remaining 45% going through the Tema Port.

Mr. Oduro Asare, Area Coordinator of the Cocoa Marketing Company (CMC), disclosed this recently at a meeting held by the management of COCOBOD with the Western Regional Minister, Mr. Paul Evans Aidoo.

The Minister and officials of the Regional Coordinating Council (RCC) had paid a visit to the company to familiarise themselves with its activities.

According to Mr. Asare, COCOBOD had acquired 100 acres of land at Kajebiri, a community near Takoradi, which would be developed to support the expansion programme.

Warehouses and other facilities such as clinics, staff bungalows and lorry parks would also be constructed as part of the project.

Mr. Paul Evans Aidoo, who led the delegation to the company, reminded them to be guided by their commitment to the ordinary cocoa farmer in the country.

"Ensure that the very person who is producing the cocoa is taken care of," Mr. Aidoo pointed out.

Though he acknowledged the good work of the company, he urged the management to do more for the cocoa producing communities, to protect the industry. He underscored the need for the sector to recognise the hard work of the farmer, who ensured the production of the quality cocoa beans the international community had recognised

"People are destroying their rubber plantations for gold. If we don't sustain the cocoa industry, the forest, and look after the farmer well, they will destroy the farms to look for gold. Let's ask ourselves, do we choose gold or forest; let's look at the farmer very well," Aidoo concluded.

TIT BITS

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

Commodity markets stumble on US economic woes

LONDON (July 05, 2009): World commodity markets were rocked this week by weak data in the United States, a leading consumer of raw materials, which cast doubt on the prospect of a global economic recovery. Data released Thursday showed US job losses surged to 467,000 in June, pushing the unemployment rate to a 26-year high of 9.5 percent.

Indonesia June cocoa exports fall

JAKARTA (July 05, 2009): cocoa bean exports from Indonesia's main cocoa-growing island of Sulawesi dropped 23.36 percent to 32,703.04 in June from a year ago due to lower output, trade data showed on Friday. Bean exports in the first six months of 2009 also fell 25 percent to 99,460.21 tonnes from the same period last year, according to data compiled by the Indonesian cocoa Association (Askindo).

London sugar lower; coffee, cocoa higher

LONDON (July 03, 2009): August white sugar in London closed \$9.30 lower at \$450.30 a tonne on Thursday. The market touched a contract high of \$465.20 per tonne Wednesday, and was seen to be down as market participants took stock of a massive delivery against expiry of the ICE July raw sugar on Tuesday.

US MIDDAY: coffee, sugar and cocoa drop

NEW YORK (July 03, 2009): Summaries of the ICE Futures US cocoa, coffee and sugar markets early on Thursday. September arabica coffee contract down 0.40 cent at \$1.1865 per lb at 11:09 am EDT (1509 GMT). Session range from \$1.1930 to \$1.1705, the lowest for the second position since May 1.

London sugar up; coffee and cocoa down

LONDON (July 02, 2009): August white sugar closed 90 cents higher at \$459.60 a tonne on Wednesday. The market touched a contract high of \$465.20 per tonne earlier, buoyed by raw sugar futures which held steady as traders digested a massive 1.3 million tonne delivery against the spot month expiry on Tuesday.

US MIDDAY: coffee and cocoa up, sugar falls

NEW YORK (July 02, 2009): Summaries of the ICE Futures US cocoa, coffee and sugar markets early on Wednesday. September arabica coffee

contract up 0.10 cent at \$1.20 per lb at 11:05 am EDT (1505 GMT). Session range from \$1.1945 to \$1.2110. October raw sugar contract down 0.04 cent at 17.81 cents per lb at 11:06 am. Trading range from 17.70 to 18.01 cents.

US MIDDAY: sugar down; coffee and cocoa weak

NEW YORK (July 01, 2009): Summaries of the ICE Futures US cocoa, coffee and sugar markets early on Tuesday. September arabica contract down 0.95 cent at \$1.1930 per lb at 11:04 am EDT (1504 GMT). Trading from \$1.1880 to \$1.2155. Arabica futures turned lower as the US dollar reversed higher, said traders.

US MIDDAY: sugar soars to three-year top

NEW YORK (June 30, 2009): Summaries of the ICE Futures US cocoa, coffee and sugar markets early on Monday. September arabica coffee contract up 1.05 cents at \$1.2025 per lb at 11:09 am EDT (1509 GMT). Session range from \$1.1850 to \$1.2170. October raw sugar contract jumped 0.45 cent, or 2.6 percent, to trade at 17.76 cents per lb at 11:10 am.

US MIDDAY: sugar soars to three-year top

NEW YORK (June 30, 2009): Summaries of the ICE Futures US cocoa, coffee and sugar markets early on Monday. September arabica coffee contract up 1.05 cents at \$1.2025 per lb at 11:09 am EDT (1509 GMT). Session range from \$1.1850 to \$1.2170. October raw sugar contract jumped 0.45 cent, or 2.6 percent, to trade at 17.76 cents per lb at 11:10 am.

London sugar, coffee higher; cocoa down

LONDON (June 30, 2009): August white sugar closed \$7.30 higher at \$454.40 a tonne on Monday as market buoyed by a sharp run-up in ICE raw sugar to a three-year peak ahead of Tuesday's expiry of the July contract. September robusta coffee settled \$30 higher at \$1,324 per tonne, supported by a pick-up in roaster demand following last week's decline to contract lows.

New York cocoa reverses to close down

NEW YORK (June 28, 2009): US cocoa futures settled lower Friday, taking back Thursday's gains after failing to reach a resistance level and attracting selling, traders said. Benchmark September inched down \$3 to finish at \$2,553 per tonne. Wide session ranged from \$2,489 to \$2,582.