

# COPAL COCOA *Info*

*A Weekly Newsletter of Cocoa Producers' Alliance*



Issue No. 388

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Cocoa Producers' Alliance



## UP-COMING EVENTS

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

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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)
17 <sup>th</sup> May	2047.22	3001.27	2201.67	2835.33
18 <sup>th</sup> May	2072.54	3045.01	2226.67	2875.33
19 <sup>th</sup> May	2069.01	3024.85	2227.67	2853.67
20 <sup>th</sup> May	2064.77	3032.78	2234.00	2860.33
21 <sup>st</sup> May	2091.26	3093.15	2263.67	2911.33
<b>Average</b>	<b>2069.00</b>	<b>3039.00</b>	<b>2231.00</b>	<b>2867.00</b>

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

**Monday 17th May 2010**

Month	Opening Trans	Settle	Change	Daily High	Daily Low	Volume
Jul 2010	2209	2230	12	2233	2185	10,498
Sep 2010	2185	2202	10	2206	2161	3,835
Dec 2010	2149	2173	16	2174	2130S	2,325
Mar 2011	2129	2160	19	2160	2119S	876
May 2011	2136	2163	19	2162	2123S	647
Jul 2011	2132	2167	19	2132S	2131S	2
Sep 2011		2170	18			0
Dec 2011		2172	18			0
Mar 2012		2171	18			0
May 2012		2171	18			0
<b>Average/Totals</b>		<b>2178</b>				<b>18,183</b>

**Tuesday 18th May 2010**

Month	Opening Trans	Settle	Change	High	Low	Volume
Jul 2010	2232	2261	31	2267	2217	6,877
Sep 2010	2203	2226	24	2230	2188	4,859
Dec 2010	2174	2193	20	2199S	2151	790
Mar 2011	2163	2177	17	2184S	2140	1,137
May 2011	2150	2180	17	2187S	2150S	27
Jul 2011		2184	17	2176S	2174S	0
Sep 2011		2187	17			0
Dec 2011		2189	17			0
Mar 2012	2175	2188	17			750
May 2012		2188	17			0
<b>Average/Totals</b>		<b>2197</b>				<b>14,440</b>

**Wednesday 19th May 2010**

Month	Opening Trans	Settle	Change	High	Low	Volume
Jul 2010	2254	2269	8	2275	2244	5,503
Sep 2010	2219	2231	5	2243	2208	2,031
Dec 2010	2189	2183	-10	2204S	2177	1,158
Mar 2011	2164	2167	-10	2187	2163	376
May 2011	2178	2168	-12	2191	2170	51
Jul 2011	2190	2170	-14	2190	2172S	15
Sep 2011		2171	-16			0
Dec 2011		2173	-16			0
Mar 2012		2168	-20			0
May 2012		2168	-20			0
<b>Average/Totals</b>		<b>2187</b>				<b>9,134</b>

**Thursday 20th May 2010**

Month	Opening Trans	Settle	Change	High	Low	Volume
Jul 2010	2,265	2279	10	2292	2258	4,667
Sep 2010	2,227	2237	6	2253	2219S	2,541
Dec 2010	2183	2186	3	2200S	2172	775
Mar 2011	2163	2167	0	2180S	2155	533
May 2011	2166	2168	0	2173	2154	226
Jul 2011	2160	2169	-1	2166S	2160S	2
Sep 2011		2171	0			0
Dec 2011		2173	0			0
Mar 2012	2162	2168	0	2174S	2162S	120
May 2012		2168	0			0
<b>Average/Totals</b>		<b>2189</b>				<b>8,864</b>

**Friday 21st May 2010**

Month	Opening Trans	Settle	Change	High	Low	Volume
Jul 2010	2276	2315	36	2328	2269	4,863
Sep 2010	2234	2266	29	2275	2229S	4,202
Dec 2010	2182	2210	24	2219	2179S	2,147
Mar 2011	2160	2188	21	2195S	2160	256
May 2011	2181	2187	19	2184	2178S	32
Jul 2011		2191	22			0
Sep 2011		2193	22			0
Dec 2011		2196	23			0
Mar 2012		2188	20			0
May 2012		2193	25			0
<b>Average/Totals</b>		<b>2213</b>				<b>11,500</b>

<b>Average for the week</b>	<b>2213</b>				<b>12424</b>
					<b>62,121</b>

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

**Monday 17th May 2010**

Month	Open	Price	Change	High	Low	Volume
Jul 2010	2812	2814	2	2824	2767	10,273
Sep 2010	2845	2840	4	2847	2794	3,942
Dec 2010	2875	2869	1	2880	2830	1,100
Mar 2011	2910	2895	-1	2910	2876	317
May 2011	2900	2906	-1	2903	2900	67
Jul 2011	0	2914	2	0	0	28
Sep 2011	0	2924	2	0	0	4
Dec 2011	0	2935	1	0	0	9
Mar 2012	0	2994	-2	0	0	1
<b>Average/Totals</b>		<b>2899</b>				<b>15741</b>

**Tuesday 18th May 2010**

Month	Open	Price	Change	High	Low	Volume
Jul 2010	2834	2849	35	2855	2804	11,033
Sep 2010	2860	2876	36	2878	2830	2,808
Dec 2010	2883	2906	37	2908	2861	751
Mar 2011	2903	2932	37	2934	2903	150
May 2011	2939	2945	39	2947	2939	40
Jul 2011	2952	2953	39	2955	2952	15
Sep 2011	0	2960	36	0	0	14
Dec 2011	0	2974	39	0	0	15
Mar 2012	0	3030	36	0	0	1
<b>Average/Totals</b>		<b>2936</b>				<b>14827</b>

**Wednesday 19th May 2010**

Month	Open	Price	Change	High	Low	Volume
Jul 2010	2826	2830	-19	2842	2791	10,917
Sep 2010	2850	2856	-20	2865	2818	3,053
Dec 2010	2881	2885	-21	2897	2849	846
Mar 2011	2932	2912	-20	2932	2876	531
May 2011	0	2925	-20	0	0	26
Jul 2011	0	2933	-20	0	0	44
Sep 2011	0	2941	-19	0	0	20
Dec 2011	2949	2952	-22	2949	2949	45
Mar 2012	0	3008	-22	0	0	0
<b>Average/Totals</b>		<b>2916</b>				<b>15482</b>

**Thursday 20th May 2010**

Month	Open	Price	Change	High	Low	Volume
Jul 2010	2830	2839	9	2852	2790	6,988
Sep 2010	2863	2863	7	2875	2820	2,416
Dec 2010	2885	2892	7	2894	2847	436
Mar 2011	2925	2917	5	2925	2875	276
May 2011	0	2930	5	0	0	0
Jul 2011	0	2938	5	0	0	0
Sep 2011	0	2946	5	0	0	4
Dec 2011	0	2956	4	0	0	5
Mar 2012	0	3010	2	0	0	1
<b>Average/Totals</b>		<b>2921</b>				<b>10126</b>

**Friday 21st May 2010**

Month	Open	Price	Change	High	Low	Volume
Jul 2010	2839	2895	56	2899	2811	11,588
Sep 2010	2879	2916	53	2921	2840	3,771
Dec 2010	2869	2939	47	2943	2869	742
Mar 2011	2928	2955	38	2960	2928	387
May 2011	2950	2968	38	2954	2948	33
Jul 2011	0	2976	38	0	0	0
Sep 2011	0	2984	38	0	0	4
Dec 2011	0	2994	38	0	0	4
Mar 2012	0	3048	38	0	0	1
<b>Average/Totals</b>		<b>2964</b>				<b>16530</b>

<b>Average for the week</b>	<b>2964</b>				<b>3306</b>
					<b>3306</b>



## NEWS

### Health and Nutrition

#### Thank the gods for Mexican chocolate

San Francisco Chronicle

By Christine Delsol

May 19, 2010



Mexican chocolate is still consumed primarily as a drink, often to jump-start the day.

For all the fame (and high prices) of Belgian and Swiss chocolate, you'd think they invented the stuff. Not so. Thank southern Mexico and northern Central America for the universally craved elixir. Chocolate topped our list of Maya foods that changed the world, and legions of gourmets and chocoholics would argue it is the most important food on the planet. How did European women cope with PMS before Hernán Cortés made his foray into the New World, anyway?

#### Ancient food in the "new" world

Mexican chocolate will surprise anyone who grew up stirring Hershey's syrup into their milk, and it isn't anything like the lauded Swiss and Belgian varieties either. Mexicans stick close to chocolate's origins in the forests of the Yucatán, when it was truly a food. It is still consumed primarily as a drink, often to jump-start the day, for a country that originated it, very little chocolate graces the typical dessert menu (the ubiquitous flan might benefit from a chocolate infusion, come to think of it).

When Cortés and his men arrived for an audience with Moctezuma in Tenochtitlán in 1519, they found the Aztec ruler sipping "bitter water" (xocóatl) from golden goblets. The drink was concocted from ground cacao beans boiled in water, then flavored with vanilla and other tropical spices — sugar didn't come to the New World until the Spanish did.

The Aztecs encountered cacao through trade with the Maya who, along with the ancient Olmec, established cacao plantations more than 3,000 years ago. The Aztecs were so enamored that they exacted huge quantities of cacao as tribute from their many subjects. Even so, cacao was reserved for the ruling class. The Aztecs believed the great serpent god Quetzalcóatl had bestowed cacao as a gift to the human world, and xocóatl figured prominently in religious ceremonies.

Recent "discoveries" of chocolate's cardiovascular benefits and stimulation of endorphin and dopamine isn't exactly a news flash for those familiar with its history. Xocóatl was used to treat stomach ailments, fatigue, fever, kidney stones and impotence. Its marvelous properties made cacao a precious commodity. Maya plantation lords traded beans for feathers, jade and other coveted goods. Four beans could buy you a rabbit; 12 would get you an evening with a prostitute. Some Maya villages used cacao beans as currency well into the 19th century.

#### Modern evolution

Little wonder, then, that cacao made its way promptly back to Spain on Cortés' treasure-laden ships. The Spanish, once they discovered that adding sugar made the bitter drink more palatable, became devoted to xocóatl, keeping the recipe a secret for most of a century. In the 1650s a Frenchman figured out how to mill cacao into solid cakes, which made the drink easier to prepare. He opened a shop in London to sell his expensive novelty, and soon the moneyed class frequented fashionable chocolate houses all over the continent. The personal physician to England's Queen Anne added milk to the drink in the early 18th century — his recipe was sold to a London apothecary and then acquired by the Cadbury Brothers. In the mid-19th century, the Swiss invented a new blending process, and chocolate candy was born.

Today, royalty and common folk alike consume chocolate in an astounding variety of forms. It is still an important staple in Mexico, where the Spanish taste for sugar has caught on in a big way. It appears not only as a breakfast drink but in the mole sauces of Puebla and Oaxaca and at the traditional light evening meal, when hot chocolate is whipped into a froth with a molinillo, a ringed wooden beater invented by the Aztecs.

Modern chocolate-making begins with breaking the pods open, fermenting the contents and separating the pulp and beans. The seeds are dried in the sun, washed, roasted, shelled and broken into nibs. Grinding the nibs generates heat that melts the cocoa butter, which makes up about 53 percent of the chocolate liquor, creating a dark, fragrant paste that is kneaded and formed into cakes; part of the cocoa butter is removed to make cocoa powder. Add extra cocoa butter, and you have baking chocolate; sugar or sugar and milk are added to make sweet chocolate.

Most of Mexico's fine chocolate is made not into candy bars but into table chocolate — solid tablets the size of a hockey puck, often combined with sugar, vanilla, cinnamon and other spices — even chile peppers. These aren't designed to be eaten like candy but broken into pieces and melted to make a drink. Still, they are hearty and delicious eaten right out of the wrapper; I've never succeeded in getting one home from a trip to Mexico.

#### The criollo difference

The cacao tree, a small evergreen called *Theobroma cacao* L. — *theobroma* means "food of the gods" — thrives in the shade of Mexico's wet tropical forests. The football-shaped fruit is 6 to 14 inches long, with a gooey pulp protecting 25 to 50 bitter white seeds that turn brown when exposed to air. It takes about 200 beans to make one pound. Most of Mexico's chocolate now is grown in Tabasco and Chiapas states.

Today's chocolate comes from two families of cacao, Criollo and Forastero, and one hybrid called Trinitario.

Criollo ("the new world") is the Maya's original cacao and is still prized for its delicate, complex taste. Its classic chocolate flavor is subtle but accompanied by long-lasting "secondary" notes, and it has the lowest acidity of the three types. This is the rarest and most expensive of all chocolate, making up just 5 percent of the market. Criollos' sensitivity to pests make them lower-yielding and difficult to grow. Some chocolate sold as criollo may not be pure, because many of their habitats have been exposed to other varieties.

Forastero ("foreign"), a wild relative of Criollo known as "bulk" cacao, was discovered in the Amazon jungle. It has a definite quick, classic chocolate hit but no secondary flavors. Its relative blandness is one reason for the addition of so much sugar and milk. Even so, Forastero accounts for more than 90 percent of the world's cacao grown in the world because it is hardy and high-yielding.

Trinitario ("from Trinidad") cacao seems to have been a natural hybrid of Criollo and Forastero that originated in Trinidad after Forastero was introduced to the local Criollo crop in the 18th century. Trinitario combines some of the superior Criollo taste with Forastero's disease resistance.

#### Getting your fix

Oaxaca: Mexico's chocolate central, famous also for its chocolate-based mole sauces, gets 80 percent of its cacao beans from Tabasco and 20 percent from Chiapas. Its trademark is table chocolate ground with cinnamon, sometimes almonds, sugar and, in its most traditional form, cayenne pepper. The undissolved sugar gives it a granular texture. Tejate, a Oaxaca specialty, is a cold drink made of dark chocolate, corn masa and cocoa flowers, which marinates before being frothed.

Chocolate Mayordomo rules here, with several mills around the city and shops proliferating like Starbucks. It also sells two kinds of mole: Negro, made with roasted mulato chiles, and Roji, made with guajillo chiles. Nearby Chocolate La Soledad is another major player.

Playa del Carmen: I'm betting more chocolate is consumed by the Riviera Maya's luxury spas — start with an exfoliating cacao-bean-almond-oil scrub and follow up with a chocolate cream wrap — than in cafes. For internal consumption, Ah Cacao is the place. The company has two cafes in Playa, one in Cancún's La Isla shopping center, and outlets all over the coast. Ah Cacao's pure, handmade Criollo chocolate is grown on the border of Tabasco and Chiapas. It comes in bars (more than 70 percent cacao, compared with less than 15



percent in most commercial brands), unsweetened cocoa or roasted beans, not to mention body bars and moisturizers. And then there are the cafe's brownies, mochas, frappes and chocolate shots. The Web site has recipes for traditional Mexican hot chocolate.

Mérida: The vastly underappreciated capital of Yucatán state manages both a devotion to its indigenous culture and an international sophistication enhanced by a growing expatriate population. Ki'Xocolatl is a perfect fit, applying Belgian technique to certified organic Criollo chocolate grown on small ancestral plantations in Tabasco and Chiapas. L'Amandine, the company's original Montecristo store, specializes in traditional Belgian-style confections, while its new Ki'Xocolatl ("delectable chocolate" in the Maya and Náhuatl languages) cafe in the heart of the Centro is a journey into Maya chocolate traditions, beginning with a display of chocolate-making tools. Fresh dark semi-sweet chocolate, dark semi-sweet with red pepper and spices, and milk chocolate with crisp cocoa are available for the trip home, along with table chocolate and chocolate-covered coffee beans. The cafe serves hot or cold chocolate, coffee, milkshakes and all manner of sinful desserts to eat while you're there.

#### **Acticoa: the chocolate bar that beats wrinkles**

Telegraph.co.uk

By Heidi Blake

21 May 2010

A new kind of chocolate that apparently slows the ageing process and keeps wrinkles at bay has been unveiled by the world's largest chocolatier.



Acticoa is available in the form of a number of popular existing chocolate brands including Guylian Extra Seashells

Acticoa is packed with natural antioxidants which can protect the skin from damage by harmful free radicals.

Studies have shown that just 20g a day of the chocolate could help prevent wrinkles by hydrating the skin and improving elasticity.

The health-boosting bars, drinks and buttons were invented by chocolatiers at Barry Callebaut, whose 7,500 strong workforce in 26 countries make £3 billion worth of chocolate each year, supplying household names like Cadbury and Thorntons.

The company developed the time-defying snacks by finding a way to preserve antioxidants called flavonols which are found in cocoa beans but are usually destroyed in the chocolate-making process.

flavonols "mop up" free radicals caused by smoking, pollution, caffeine and lack of sleep, which can accelerate the ageing process.

Acticoa is available in the form of a number of popular existing chocolate brands, such as Thorntons Antioxi Dark Berryboost and Guylian Extra Seashells.

Harry Vriens, of Barry Callebaut, said: "Chocolate and health do not seem to fit together but it is a very interesting proposition: if I can eat something I like and it is good for me, that is great. Chocolate is probably at the bottom of the list when you think about making food healthier."

Dark chocolate has already been linked with certain health benefits, such as helping to lower blood pressure and reducing the risk of strokes thanks to its high content of antioxidants. But some experts are not so convinced about the healthful effects of Acticoa on the skin. Richard Hurrell, Professor of Human Nutrition at the Swiss Federal Institute of Technology, said: "There is quite a lot of evidence that cocoa flavonols have a positive effect on the blood flow," he said.

"They could reduce blood pressure which could have a positive effect on cardiovascular diseases. The possible effects on skin and cognitive performance are less well established. There is evidence, but it is much less consistent. It may be that the effect on the blood flow is also what improves memory or skin health in some of the studies."

## Production & Quality

### Farmers learns about cocoa

Solomon Star

By Denver newter, CTJT journalism student

17 May 2010 12:39

LAST week a cocoa field day was organised by Commodities Export Marketing Authority (CEMA) under the Agriculture Livelihood Programme (ALP). The day was to give cocoa farmers in Guadalcanal the opportunity to see and learn about the benefits the Cocoa Livelihood Improvement Project (CLIP) is bringing to cocoa farmers.

The farmers during the field visit were taken for a tour around various stations covering Production, Pod values, crop loss and causes, light management, competition affecting production, weed, shade, self shading, sanitation, pest and disease, chupon control, IPDM inputs in relation to crop cycle, improving planting materials in the cocoa farm and mini-fermenting boxes and mini-dryer.

Amongst the local farmers during that field day was Viva Tetesala, 39, who is one of the interested and young cocoa farmers who attended the field day. He is from western province part Guadalcanal is proud to be a young cocoa farmer in the country to testify how he became interested in cocoa farming. He was never interested in cocoa farming until recently.

Below is his life story and the challenges he went through to gain some knowledge about cocoa farming. Tetesala attended a primary school in Buri, Rannogah island western province in 1985 from grade 1 to 6 and ended his schooling successfully.

However, he left Buri primary school and went to back to reside with his parents at Nyami village also in Rannogah Island. "I supported my parents through making and gardening to support my family basic needs," he said.

In that same year while at home he decided to go over at Ringgi and work for the company as an plantation clerk in the company. "My main role is to record and write time sheet for the company to identify their performance during working hours. The job is very easy and has a good salary that offered me good condition," he said.

However he found out that the work is not suitable according to his mind so he resigned and went back home to help his family members.

As time passes on, Mr Tetesala see life in village as very challenging and different, so he made up his mind and applied for the position as a chainsaw operator at one of the logging companies at the nearby Vella La Vella and was fortunate to be offered a job there. "I was very impressed to become an employer for the company which operates at Malasova village, in Vella La Vella. "I really enjoyed my new job and never thought of going back home," he said.

However later he saw an advertisement for a position of sales and marketing in one of the companies in Gizo. "I apply for that position and was employed immediately," he said.

Most of his time with the company he moved from place to place. "I was very famous in my career and my reputation was very excellent to other people during my time of employment," he said.

However, in year 1996, he had a privilege to marry a beautiful girl from Rendova Island and so he resigned.

He left Ranoggah and settled at his wife's village at Baniata, on Rendova. But months later he discovered that life is financially difficulty at Rendova. "So I wrote a letter to K.T.C Company that operate in Rendova seeking employment. As a result, they accepted my application and employed me directly to be a permanent worker," he said.

But in year 1998 the spillover effect of the ethnic tension start to penetrate through Western province so he finally decided to resign and return to his wife's village for fear of his safe because he was part Guadalcanal.

“While sheltering in Baniata village his income earning jobs are gardening and fishing to meet the family basic needs. “It was a challenging life for me but I manage to overcome it,” he said.

In the year 2003 and 2005 he was still self employed so he just went about doing private job to earn money. “I make stone and wooden carving and sell them around the shops in Honiara,” he said.

He discovered that the business of carving is very good and he earned a lot of money to help his family make ends meet.

In year 2007 he also went into a business at Baniata to buy copra.

The aim is to support copra farmers in the island where he lived. “The copra business itself is a major income earner for the villagers to pay for school fees and other needs,” he said.

But in year 2008 he saw an opportunity provided by Commodities Export Marketing Authority (CEMA) for cocoa farmers through a workshop. “I decided to attend the cocoa workshop organized by CEMA in Lokuru Village,” he said.

The workshop was the first ever to be hosted in the island.

The workshop is being conducted by Dr John Konnam from Papua New Guinea (PNG) which comes under the former Community Sector Program (CSP). “The workshop is all about integrate pest and disease management (IPDM) which provided us with information on how to control pest and allow the cocoa plants to grow and yield more fruits,” he said. He added that the workshop itself was an eye opener for all the farmers around the island since it was the first of its kind. “So that when my interest in cocoa started to develop. “From there I went back and applied all the skills and knowledge I gain from the workshop which is so helpful.

“As someone who has a knowledge and experience in handling cocoa I introduced the importance of cocoa to farmers back at home,” he said.

The main practical things he taught the farmers is on how to prune and do fermentation of cocoa.

In May year last year CEMA has facilitated another major cocoa workshop in Lokuru village which he was fortunate to attend another course. “The course was a successful one which I discovered that cocoa is the best product in Solomon Island that most people should focused on,” he said.

He said he had earned enough money from cocoa. “There is a lot of money which people can earn through their cocoa plantation,” he said. However he said the challenge for many of the farmers in the Western province is through market and transportation. “Although farmers are interested to grow cocoa, but lack of market and transport is a problem,” he said. He pointed out it costs a lot to transport these dry beans to a nearby buying point.

Not only that but not many people are buying cocoa beans in the western province. So although workshops are being conducted, local rural farmers who are not so keen to venture into cocoa. Unlike in Guadalcanal and Malaita, there are market access and transport which allowed farmers to engage more easily in this business.

Tetesala said last week’s workshop was an added bonus on his skills to venture into cocoa farming in the years to come.

Tetesala who is currently in Honiara, said he will move into cocoa production in Western province when the time is right and if there is market access and transport which remains an setback for most farmers in the west. “I will not stop here but will continue to find ways to improve my knowledge in cocoa farming and later went into actual production,” he said. He encouraged our leaders both provincial and national to see the importance of cocoa in Solomon Island.

Government should step in and support all cocoa farmers around the country because it helps a lot towards the country’s economy, he concluded. “Thank you very much agriculture livelihood for the support and time that you have rendered to us that today you open the eyes of the rural cocoa farmers in Solomon Island which benefit the whole cocoa farmers around the country”.

## **Petra Foods in JV with French and US Chocolate Makers to Help Ivory Coast Farmers Improve Cocoa Bean Quality**

Source: Petra Foods Limited

19/05/2010

Petra Foods Limited, the Cemoi Group and the Blommer Chocolate Company today announced the formation of a tri-partite joint venture to produce fermented cocoa beans in Africa's Ivory Coast. The new Joint Venture (JV) company, with an operating subsidiary in the Ivory Coast, will be named PACTS (Processors Alliance for Cocoa Traceability and Sustainability). PACTS' mission will be to improve the supply of high quality fermented cocoa beans from the Ivory Coast while at the same time improving the livelihoods of the local cocoa farming community. The three partners in the JV are all involved in the production of cocoa-derived products.

Petra Foods is one of the world's major manufacturers and suppliers of cocoa ingredients and is a leading player in branded consumer confectionery products in the South East Asia region; Cemoi is the number one chocolate producer in France and the third-largest chocolate producer in Europe; and Blommer is the largest processor of cocoa beans and ingredient chocolate products in North America.

Over a three-year period, the JV will establish up to 30 fermentation centres at a total investment cost of approximately €2,300,000. Initially, the JV will work with up to 50 local cooperatives covering approximately 10,000 farmers. However, it is expected that the evident benefits to the cocoa farming community (better prices earned from better quality fermented cocoa) will lead to a widespread acceptance of the quality techniques used by the JV.

The JV will also develop and implement advanced training and instruction programs for farmers in the Ivory Coast, currently the world's largest producer of cocoa beans (accounting for over 40% of global production). These programs will help enhance the incomes of local farmers by training them to improve efficiencies and increase yields of their farms.

From Petra Foods' perspective, its participation in the venture is in line with its strategy to source high quality cocoa beans within a sustainable framework. Initiatives such as the PACTS joint venture allows Petra to stay close to the cocoa farming community and at the same time assures a supply of high quality fermented cocoa beans. This further enhances traceability across the entire supply chain, because controlling raw materials at every point throughout the cocoa supply chain is an important factor in managing food safety, while it also ensures proper ethical and social aspects of sustainable cocoa production.

Commenting on the Joint Venture, Mr. John Chuang, Chief Executive Officer of Petra Foods Limited, said, "For Petra Foods, it has always been our goal to grow the Group in a sustainable and responsible manner through all our actions and through the initiatives that we undertake. This JV is a prime example of one of these initiatives. Furthermore through this venture, our work with the farmers is expected to improve the lot of the local farming community which very much complements Petra Foods' Corporate Social Responsibility (CSR) initiatives."

Mr. Chuang further added, "We are, therefore, looking forward to collaborating with Cemoi and Blommer and I am confident of the long term success of the partnership. This is a union of three partners sharing the common goals of enhancing the livelihoods of the farming community and improving the sustainability of cocoa bean supply."

For Petra Foods, its Corporate Social Responsibility mission seeks to achieve the following:

1. Embracing the needs of the community;
2. Caring for the environment; and
3. Acting in the interests of all its stakeholders.

Petra Foods' commitment to its CSR programs is actively managed and developed across all of the company's businesses worldwide. As part of its CSR objectives, which are local, regional, and global in scope, Petra Foods currently:

- Works closely with the International Finance Corporation (an affiliate of the World Bank) to help provide training and on-site assistance to 500 farmers in Sulawesi, Indonesia with plans to extend this program to 5,000 farmers;

- Is a member of the World Cocoa Foundation (WCF), an organisation formed to promote a sustainable cocoa economy through economic and social development and environmental stewardship in cocoa-growing communities;
- Is a partner in the Cocoa Livelihoods Program, an initiative of the Bill and Melinda Gates Foundation together with the WCF, that aids 200,000 cocoa farming households in Africa;
- Has started a program to build a new school library for the community in Bandung, Indonesia;
- Works closely with suppliers to improve traceability and food safety; and
- Limits the impact of its businesses on the environment by, using cocoa bean shells as a fuel alternative, installing a bio-filtration system to reduce cocoa odours, replacing fuel oil with compressed natural gas and steam, and installing on-site waste water purification programs.

## **Paper: Application of 'high technology' method on cocoa production in Ghana**

### **Joy Online**

By Dr. K. Ofori-Frimpong, Coordinator, Cocoa Hi-Tech Programme

20 May 2010

The average annual cocoa yield which has remained between 250 and 360 kg/ha from the earliest recorded times up till now is very low compared to 800 kg/ha in Cote D'Ivoire or 1,700 kg/ha in Malaysia even though a larger proportion of Ghana's land resources is committed to growing of cocoa. The Government in her attempt to resuscitate the cocoa industry in Ghana has adopted several measures such as the Cocoa Diseases and Pests Control Programme (CODAPEC) and consistent increases in producer prices. Regrettably, one important factor, which has been over looked over the years is the relationship between soil fertility and cocoa production. It has been estimated from an annual marketable harvest of 1,000,000MT dry cocoa beans that about 40,000MT of Nitrogen, Phosphorus and Potassium are removed from cocoa farms through crop harvest and are not returned to the soil. The removal of essential nutrients from the soil by the cocoa trees through harvesting of pods over long periods without replenishment of lost fertility, could be one of the major causes of decline in productivity on cocoa farms. The low yield per unit area produced by the Ghanaian farmer has resulted in adverse socio-economic and environmental consequences such as rural poverty, low export earnings, rural-urban migration, deforestation and soil degradation. In line with the objectives of COCOBOD to increase cocoa production from 400,000 MT in 2002/03 to 700,000 by 2009/10 and in attempt to alleviate poverty among cocoa farmers implemented the application of "High Technology" (Hi-TECH) method on cocoa production in Ghana based on the research efforts of CRIG.

### *Definition of "high technology"*

The "High Technology" of cocoa production is defined as the sustainable cocoa production by which the farmer increases and maintains productivity through soil fertility maintenance at levels that are economically viable, ecologically sound and culturally acceptable using efficient management resources.

### *Programme implementation*

#### *(a) Pilot Project*

As a prelude to the more elaborate main project, a pilot project which involved the application of fertilizer to farms covering an area of 40,000 ha began in March-April, 2003 in selected districts of all the main cocoa growing regions. Each selected farmer was assisted to apply the technology to 0.8 ha (2ac).

#### *(b) Main Project*

Before the implementation of the main project which started in 2004/05, CRIG trained all stakeholders on various aspects of the project. Series of meetings/workshops/farmers rallies at District level were organized by CRIG to sensitise all stakeholders on their respective roles.

Training programmes on proper agronomic practices which had to be adopted before and during the project were organized for farmers and extension staff of Ministry of Food and Agriculture (MOFA). Demonstrations on fertilizer application, etc were held for the farmers and extension agents.

### *Types of Fertilizers Used*

Two main types of fertilizer formulations are used in the Hi-Tech Programme.

#### *(a) Granular Fertilizers - Asaasewura and Cocofeed*

#### *(b) Liquid Fertilizers - Sidalco Balanced and Sidalco Potassium Rich.*

These fertilizers are supplied by traditional suppliers and have been tested and approved to be used on cocoa by CRIG.

#### Mode of Fertilizer Acquisition

Fertilizers are distributed to farmers through:

- (a) Licensed Buying Companies
- (b) Cocoa Input Company Ltd.
- (c) Ministry of Food and Agriculture

The fertilizers are acquired by the cash and carry system. The price is however subsidized by COCOBOD to enhance the affordability of farmers for improved cocoa nutrition.

#### Outcomes of Programme

The benefits derived from the programme include the following:

- (a) Increase in farmers' yield and national output which are reflected in improved farmers' incomes and total cocoa earnings and revenue generation for Government.
- (b) Alleviation of poverty among cocoa farmers.
- (c) Reduction in the degree of rural-urban migration by the youth,
- (d) Improvement in farm management practices
- (e) Improvement of bean size

#### Conclusion

The fertilizer use on cocoa concept as an intervention to increase cocoa production in the country and as a way to alleviate poverty among cocoa farmers should be strengthened. It is hoped that the programme will be given the necessary support by COCOBOD to enable the country's current production doubled by 2012/13.

### **Cocoa production growing**

#### **Solomon Star**

By MOFFAT MAMU

20 May 2010

THE country's cocoa production continues to rise over the past two years, the Central Bank revealed in its 2009 annual report. Last year it grew by 5% due to strong support for the industry and good international price.

"Cocoa production grew 5% to 4,553 tonnes in 2009, following 0.4% increase in 2008 to 4,326 tonnes," the report said. "This outcome was due to a combination of the strengthening of the cocoa livelihood program and the relatively high international price for cocoa observed in the year," the report said.

The average price for cocoa in the international market grew by 12% to USD\$2, 890 (SBD\$22, 800) per tonne.

"As a result of high international prices the average contracted export price for cocoa rose by 31% to GBP1,417 (SBD\$16,000) per tonne, continuing the upward trend seen since 2006. "The average domestic price grew by \$15.91 per kg from the previous year," the report said.

Currently local buying price for cocoa beans stands at around \$22 per kg. Meanwhile, Guadalcanal continue to lead in terms of production share producing 58% or 2, 608 tonnes followed by Malaita with 1,041 tonnes (23%), Makira with 586 tonnes (13%), Central with 198 tonnes (4%), Temotu with 28 tonnes, Western with 21 tonnes, Isabel with 7 tonnes and Choiseul with 0.91 tonnes.

### **Nigeria October-March cocoa exports rise to 152,610 tonnes**

Reuters Tanzania

May 20, 2010



LAGOS (Reuters) - Nigeria's Oct-March 2009/10 cocoa main crop exports rose 31 percent to 152,610 tonnes from 116,778 tonnes in the same period of the previous season, data from the Federal Produce Inspection Service (FPIS) showed on Thursday.

On a monthly basis, bean shipments from the world's number 4 cocoa grower



soared 51 percent year-on-year to 18,276 tonnes in March from 12,106 tonnes in the same month of the 2008/09 season, the FPIS data showed.

Nigerian cocoa exports have consistently risen since the start of the 2009/10 season in October due to good weather conditions last year and the maturity of new plantations with high-yield trees in the main growing regions.

Nigeria's main crop usually comes in at around 220,000 to 240,000 tonnes when the weather is favourable and chemicals readily available.

The FPIS is the government agency that certifies cocoa and other farm produce as fit for export mainly to Western and Asian markets, where the beans are used in making chocolate, cosmetics, ice cream, liquor and cake among other products.

Industry experts say actual Nigerian cocoa main crop exports figures could be much higher than the official data because a number of exporters do not fully disclose their shipments at the ports.

### **Nigerian cocoa growers worry about government neglect-INTERVIEW**

Forexyard

By Tume Ahemba

Friday May 21, 2010

LAGOS, May 21 (Reuters) - High cocoa prices over the last year have encouraged Nigerian growers to boost output, but many fear the government's neglect of the sector may scuttle their efforts, the Cocoa Association of Nigeria (CAN) said on Friday.

Former President Olusegun Obasanjo launched an ambitious programme in 2005 to raise annual production to over 600,000 tonnes by 2008, which would mean Nigeria rivalling Ghana as the world's number two grower.

But the programme lost momentum after late President Umaru Yar'Adua took over three years ago.

Nigeria, the world's fourth-biggest producer, grows around 300,000-350,000 tonnes of cocoa a year, according to the CAN. Government officials put the figure higher at 400,000-450,000 tonnes.

"If the federal government had shown the same kind of zeal it showed about increasing cocoa output as it did before 2007, Nigeria would have hit the 600,000 tonnes mark by now because farmers were upbeat about the revival programme," Paul Ojong, national vice president of CAN, told Reuters in an interview.

The aim of the programme, coordinated by the National Cocoa Development Committee (NCDC), was to rehabilitate old farms, supply heavily-subsidised agro-chemicals, start new plantations or replant aged ones with high-yield trees, and promote the local consumption of cocoa-based products to boost prices.

"The NCDC has been silent in the last two years, it has not summoned any meetings since 2008 and this has adversely affected the sector as many people are facing difficulties," Ojong said.

He said many young people who had started cocoa farming encouraged by the government's support programme, have either abandoned their farms or turned to other crops or businesses.

### **PRICE EXCITES GROWERS**

Industry experts say some farmers in the southwest growing state of Ondo, which accounts for around 40 percent of Nigeria's output, have resorted to the cultivation of marijuana on their plantations instead of cocoa to earn more money.

"If not for the sharp increase in cocoa prices in the last season, many more farmers would have abandoned their farms for other businesses because they are not getting any assistance from the government," Ojong said.

"But the hike in cocoa prices has encouraged them to do even more to raise their production."

Nigerian cocoa prices had touched a historic high of around 550,000 naira (\$3,693) per tonne in December before dropping in line with the international market trend.

Even the April-September mid crop, usually cheaper than the October-March main crop because of its lower quality and light bean weight, is selling at unprecedented prices of over 400,000 naira a tonne, serving as an incentive to farmers, dealers said.

CAN has forecast that Nigeria's 2009/10 output will come in at around 300,000-350,000 tonnes, but should increase slightly over the next two years with the maturity of many more new farms with new trees. The trees start producing after 18 months instead of the traditional 5 years for older species. "All things being equal, this year's output will still be in the same region, but in the next two years, with the increase in the planting of new trees, we should go a bit higher," Ojong, CAN's national vice president said.

Nigeria's cocoa production peaked at around 400,000 tonnes a year in the 1970s but government began to neglect the sector as oil revenues flowed in.

The industry's decline accelerated after it was deregulated in 1986, until the government decided to revive it through the cocoa rehabilitation programme in 2005.

### **Ivorian cocoa data inflated by smuggling –analysts**

Forexyard

By Richard Valdmanis

May 22, 2010

DAKAR, May 21 (Reuters) - Ivory Coast's official cocoa output figures may overstate the country's real production by tens of thousands of tonnes, pointing to steeper than expected declines in the top grower nation.

The most recent data from industry regulator BCC puts port arrivals -- the best reflection of output in the West African country -- three percent below a year ago at 931,366 tonnes, but analysts said a big chunk of that was smuggled in from Ghana.

"(Ivory Coast) has been helped enormously by smuggling from Ghana. It is difficult to evaluate, but it was a very intense business," said Francois Ruf, researcher at France's Cirad tropical agriculture institute.

He said the amount smuggled in so far this season, which started in October, could be "close to 100,000 tonnes".

A big flow of smuggled beans into Ivory Coast would mask the depth of production declines from the grower, which accounts for a third of world supply, as the sector suffers from years of underinvestment since a 2002-03 civil war.

The country produced 1.22 million tonnes during the 2008-09 season, the worst crop in at least five years, which contributed to a spike in world cocoa futures to 30-year highs.

Ivory Coast's representative to the International Cocoa Organisation said this season's harvest will be even worse at around 1.20 million tonnes, due in part to the spread of swollen shoot disease and a lingering political crisis that has stalled critical government reforms.

### **GHANA SEEKS TO CRACK DOWN**

In neighbouring Ghana, the world's No. 2 grower, authorities have attempted to crack down on smuggling of beans they say has undercut their own official output by some 40,000 tonnes.

They have said Ghanaian beans are being smuggled into Ivory Coast and Togo where prices are higher.

But Togo's official purchases figures for the first quarter of 2010 show only a small increase from last year at 4,755 tonnes from 4,626 tonnes, signalling most of the smuggled beans are likely to have ended up in Ivory Coast.

"Most if not all have gone to Ivory Coast," said Kona Haque, commodity strategist at Macquarie Bank. "But even if it was only half, the fact is year-to-date output in Ivory Coast is disappointing. They're getting smuggled

beans, there's more application of fertilizer, prices are higher, the weather's been good... and still production is falling." Haque said she was likely to cut her full-year forecast for Ivorian cocoa output from 1.23 million tonnes. "That's starting to look too high," she said.

Analysts said production could continue to fall in the coming years due to the long-term effects of underinvestment on plantations and as some farmers turn to more lucrative crops like rubber -- a trend that could allow Ghana to eventually unseat Ivory Coast as top grower. "I don't think this is a problem that can be fixed in a season, or even a half a dozen seasons," said Gary Mead, an analyst at VM Group.

Ghana has said it hopes to raise production to 1 million tonnes annually by 2012, from 710,000 tonnes during the 2008-09 season.

## The Market

### Cocoa Rallies Most in a Week on Supply Concern; Coffee Gains

#### BusinessWeek

By Yi Tian

May 18, 2010

(Bloomberg) -- Cocoa rose the most in a week on renewed concern that supplies are declining in Ivory Coast and Ghana, the world's largest producers. Coffee also gained.

As of May 9, cocoa deliveries to Ivory Coast's ports dropped 2.5 percent since the start of the season on Oct. 1. By May 6, sales by Ghana farmers to private buyers dropped 10 percent, Reuters said yesterday. Cocoa prices rose for four years before 2010 as output dropped from the African countries, creating a global shortfall.

The data from Ivory Coast and Ghana "reinforced the bleak supply picture for this harvesting year," Nicholas Snowden, an analyst with Barclays Capital in London, said today in a report.

Cocoa for July delivery rose \$35, or 1.2 percent, to \$2,849 a metric ton on ICE Futures U.S. in New York, the biggest gain since May 10. Yesterday, the price touched \$2,767, the lowest level for a most-active contract since March 16.

The chocolate ingredient has dropped 13 percent this year, partly as gains in the dollar reduced investors' appetite for riskier assets.

In another ICE market, arabica-coffee futures for July delivery gained 1.7 cents, or 1.3 percent, to \$1.3425 a pound. For the year, the commodity is down 1.3 percent.

On London's Liffe exchange, cocoa futures for July delivery climbed 31 pounds, or 1.4 percent, to 2,261 pounds (\$3,252) a ton. Robusta-coffee futures for July delivery added \$17, or 1.3 percent, to \$1,369 a ton.

### Cocoa, Coffee Drop on Signs Debt Crisis to Cut Commodity Demand

#### BusinessWeek

By Elizabeth Campbell

May 19, 2010,

(Bloomberg) -- Cocoa fell for the first time this week on signs that Europe's debt crisis may spread and reduce investor demand for commodities. Coffee also dropped.

Commodity prices declined to a 10-month low after Germany's ban on some speculative financial sales raised concerns that debts in Europe will brake economic growth. The Standard & Poor's GSCI Total Return Index of 24 items fell for the fifth straight session and earlier reached the lowest level since July 17.

"Basically, outside elements are putting pressure across the board on all commodities," said Phil Streible, a senior market strategist at Lind-Waldock, a broker in Chicago. "It just seems like risk is being taken off the table."

Cocoa for July delivery fell \$19, or 0.7 percent, to \$2,830 a metric ton on ICE Futures U.S. in New York. The chocolate ingredient has declined 14 percent this year.

Cocoa hasn't fallen further "because the British pound is holding some strength," Streible said.

The pound, which is used to trade cocoa in London, rose, heading for the first gain in six sessions against the dollar. A stronger pound increases the appeal of supplies in New York. "I see this as a market that couldn't sustain 30-year highs, and I also feel cocoa could fall faster than it has rallied," Michael Maniatis, a market strategist at LaSalle Futures Group in Chicago, said in an e-mail.

Cocoa has dropped 19 percent from a 30-year high of \$3,510 a ton on Dec. 16. The market may "chop around" the \$2,800 level this week "before continuing a slide eventually" to \$2,450, Maniatis said.

In another ICE market, arabica-coffee futures for July delivery dropped 1.75 cents, or 1.3 percent, to \$1.325 a pound. The commodity has fallen 2.5 percent this year.

On London's Liffe exchange, cocoa futures for July delivery rose 8 pounds, or 0.4 percent, to 2,269 pounds (\$3,267) a ton. Robusta-coffee futures for July delivery declined \$33, or 2.4 percent, to \$1,336 a ton.

### **Coffee Drops to Three-Week Low on Europe Debt; Cocoa Gains**

#### **BusinessWeek**

By Debarati Roy

May 20, 2010

(Bloomberg) -- Coffee fell to a three-week low in New York as the European debt crisis eroded investors' appetite for riskier assets. Cocoa gained.

The Reuters/Jefferies CRB Index of 19 raw materials dropped to the lowest since Sept. 8, led by declines in energy futures. Crude oil tumbled below \$65 a barrel in New York for the first time since July. Coffee has lost 2 percent this week, which would be the biggest weekly decline in five weeks. "There is a flight of capital to safer investments, including bonds," said Marcio Bernardo, an analyst at Newedge USA LLC in New York. "People are becoming more and more risk averse."

Arabica coffee for July delivery declined 0.85 cent, or 0.6 percent, to \$1.3165 a pound on ICE Futures U.S. in New York, after touching \$1.3025, the lowest price for a most-active contract since April 27. The commodity has declined 2 percent this week.

In another ICE market, cocoa futures for July delivery gained \$9, or 0.3 percent, to \$2,839 a metric ton. The chocolate ingredient has fallen 14 percent this year.

On London's Liffe exchange, cocoa futures for July delivery gained 10 pounds, or 0.4 percent, to 2,279 pounds (\$3,294) a ton. Robusta-coffee futures for July delivery declined \$2, or 0.1 percent, to \$1,334 a ton.

### **Cocoa Rises to One-Week High on Supply Shortfall; Coffee Gains**

#### **BusinessWeek**

By Elizabeth Campbell

May 21, 2010,

(Bloomberg) -- Cocoa prices rose to a one-week high on signs that a global-production deficit will widen. Coffee gained for the first time in three sessions on estimates that supplies will shrink.

Cocoa output will trail consumption by 69,000 metric tons in the year ending Sept. 30, the International Cocoa Organization said today. On March 3, the group projected a deficit of 18,000 tons. Last year's surplus was 67,000 tons. Cocoa prices have advanced 22 percent in the past year.

The widening deficit is "definitely giving it a little base here," said Boyd Cruel, a senior analyst at Vision Financial Markets in Chicago. "For the most part, that type of news will give the market some underlying support."

Cocoa for July delivery rose \$56, or 2 percent, to \$2,895 a ton on ICE Futures U.S. in New York. Earlier, the price reached \$2,899, the highest level for a most-active contract since May 14. This week, the commodity climbed 3 percent, snapping a two- week slide.

Today, Fortis Bank Nederland NV and VM Group estimated the global deficit will be 136,000 tons in the 12 months ended Sept. 30 and narrow to 3,000 tons in the following year. Last month, Fortis and VM forecast a deficit of 124,000 tons this year and a 21,000-ton surplus next year.

Arabica-coffee futures for July delivery rose 0.75 cent, or 0.6 percent, to \$1.324 a pound in New York. The price dropped 1.4 percent this week.

Arabica coffee is grown mainly in Latin America and brewed by specialty companies including Starbucks Corp. Robusta beans, used in instant coffee, are harvested mostly in Asia and parts of Africa.

#### Supply Forecasts

Today, Fortis and VM reduced their 2010-2011 surplus estimates. The robusta-bean supply will be 2.98 million bags, down from 3.41 million, and arabica will total 6.67 million bags, down from 6.99 million. A bag weighs 60 kilograms (132 pounds).

Arabica futures have dropped 2.5 percent in the past year.

On London's Liffe exchange, cocoa futures for July delivery rose 36 pounds, or 1.6 percent, to 2,315 pounds (\$3,350) a ton. Robusta-coffee futures for July delivery were unchanged at \$1,334 ton.

### Processing & Manufacturing

#### New joint venture aims to secure higher quality cocoa supply

ConfectioneryNews.com

By Guy Montague-Jones,  
20-May-2010



Blommer Chocolate, Petra Foods, and Cemoi Chocolatier have created a joint venture that will establish 30 fermentation centres to improve the supply of high quality, fermented cocoa from the Ivory Coast.

Unveiled at a meeting of the World Cocoa Foundation in Utrecht, the Netherlands, this week, the new joint venture will be called the Processors Alliance for Cocoa Traceability and Sustainability (PACTS).

#### Investment

Through this initiative the three chocolate companies involved will work together to build 30 fermentation centres over the next three years at an investment cost of €2.3m.

The joint venture will work with 50 local farming co-operatives in the Ivory Coast involving 10,000 farmers to help them improve bean quality and post-harvest processing. Under the PACTS program, Asian ingredients supplier Petra Foods said farmers will also be given training to help them improve their crop yield.

#### Benefits

For Petra Foods and its partners - France-based chocolate producer Cemoi and US-based cocoa processor and supplier Bloomer - the ultimate goal of the work of the joint venture will be to improve their supply of high quality fermented cocoa beans and enhance the traceability of their supply chains.

As for the cocoa farmers, the three chocolate companies said that the joint venture aims to improve their livelihoods. Indeed, this is seen as the basis for the future development of the PACTS.

Bloomer said: "It is expected that the program will expand as the cocoa farming community reaps the benefits of better prices and consistent, high-quality crops."

The new joint venture will have an operating subsidiary in the Ivory Coast where its activities will be centered. The Ivory Coast is currently the largest cocoa producing country in the world, accounting for 40 per cent of global production, and about 90 per cent of its cocoa is grown on small family farms.

### **Business & Economy**

#### **Kumasi Jute Factory to be revived**

GNA

May 16, 2010

Kumasi, May 16, GNA - Mr Mahama Ayariga, Deputy Minister of Trade and Industry, has said that government was committed to revive the defunct Jute Factory at Atonsu in Kumasi to create employment opportunities for the youth. He noted that the factory, which became defunct in 1991, would be resuscitated to boost the production of sacks to support the cocoa industry.

The Minister said his Ministry in collaboration with the Ministry of Finance and Economic Planning was working around the clock to secure the necessary tools and equipment to be used by factory. Mr Ayariga announced this when he inspected the old factory in Kumasi on Friday as part of his working visit to the Ashanti region. He said government had planned to support farmers to grow more kenaf, the raw materials used in the production of jute sacks, to feed the factory. He gave the assurance that government would support local industries, especially small and medium enterprises with credit facilities, training programmes and the necessary resources to enable them to adopt best practices to expand their businesses.

The Minister later toured the ADM Cocoa Processing Factory, Suame Megazine Industrial Organization (SMIDO) and the offices of the Ghana National Association of Garages in Kumasi where he addressed the staff. During the visit he affirmed government's resolve to give the private sector the necessary support for accelerated socio-economic development.

### **Environmental Issue**

#### **World Cocoa Foundation holds 17th partnership meeting on Cocoa sustainability**

Environmental Expert (press release)

Source: CSRwire - Corporate Social Responsibility Newswire

May 19, 2010

The World Cocoa Foundation (WCF) today began its 17th Partnership Meeting in Utrecht, the Netherlands. The two-day meeting on cocoa sustainability, held in association with the Rabobank Foundation and Rabobank International, is attended by over 200 representatives from the cocoa and chocolate industry, cocoa-producing countries, government agencies, development organizations and civil society.

In their welcoming remarks, WCF and Rabobank International representatives announced that they will explore opportunities for collaboration. Potential areas for collaboration could include: farmer access to credit/financing, strengthening of farmer organizations, and impact measurement. 'Our clients in the cocoa sector have to deal with sustainability issues in their business operations. Rabobank wants to support sustainable practices. Sustainability being defined in economic, social and ecological terms. The philosophy behind our policy is collaboration and engagement.

A constructive dialogue with clients and partners to identify and resolve CSR issues and to meet challenges for a sustainable future,' added Sipko Schat, member of the Executive Board of Rabobank. 'We look forward to working with the experts at Rabobank to explore opportunities for closer collaboration,' said WCF President Bill Guyton. 'We share a mutual interest in cocoa sustainability and improving the livelihoods of the millions of smallholder farmers that grow this important crop.



This meeting's spotlight on farmers and finance is a first step in what we hope will be an ongoing dialogue.' The keynote address was delivered by Hans Hoogeveen, the director general of the Dutch Ministry of Agriculture, Nature and Food Quality. Finance and farmer access to credit will be important topics of discussion during the meeting, along with the role of standard systems in cocoa sustainability.

About the World Cocoa Foundation Established in 2000, the World Cocoa Foundation is a leader in promoting economic and social development and environmental stewardship in 15 cocoa producing countries around the world. With over 70 member companies from the Americas, Europe, Asia and Africa, the Foundation actively supports a range of farm-level programs harnessing sustainable agriculture practices to improve the quality of life for the millions of smallholder farmers growing this unique crop. For more information about the World Cocoa Foundation, visit: [www.worldcocoafoundation.org](http://www.worldcocoafoundation.org).

### Research & Development

#### **Researchers claim novel method to boost polyphenol levels in cocoa products**

ConfectioneryNews.com

By Jane Byrne ,  
19-May-2010

A wet heat treatment process that avoids the cocoa fermentation and roasting steps produces polyphenol-rich cocoa powder, claims a Spanish study.

The authors of a study, published in Food Research International, maintain that the health benefits of cocoa polyphenols as reported in recent studies have increased the interest in obtaining products from cocoa beans not only with high polyphenol, but also with a high flavan-3-ol content.

They report that the main flavan-3-ol compounds present in cocoa are the monomers catechin and epicatechin, and the dimer procyanidin B2, but during the processing of cocoa, significant degradations of these compounds take place due to fermentation and the high roasting temperatures.

“In the aerobic fermentation of cocoa, (-)-epicatechin, (+)-catechin and anthocyanidin molecules are oxidized and polymerized in the presence of the polyphenol oxydase (PPO) enzyme.

These high molecular weight polymers (tannins) have less bioavailability than their precursors,” they report.

In recent years, said the researchers, studies have focused on ways to mitigate or suspend the PPO enzyme activity in cocoa in order to avoid polyphenol oxidation reactions and polymerization.

And they said the objective of their research thus was the study of the antioxidant capacity and the flavan-3-ol content of polyphenol-rich cocoa products obtained through an unconventional cocoa processing technique.

#### *Method*

They said that fresh cocoa pods from the Quevedo region in Ecuador were purchased, with the fresh pulp removed manually from the pods in situ. Batches of 136 kg of depulped beans were thermally treated with water vapour at an internal bean temperature of 95°C for five minutes by immersing the beans in 2,500 litres of water to inactivate the enzyme PPO.

The beans were then dried at a controlled temperature of 45°C until a moisture content of seven per cent was reached. The dried beans were cleaned and deshelled with the aid of aspiration to obtain the nibs, which were then partially defatted through physical pressing at a temperature of 55 °C, said the team.

Upon completion of this process, a natural polyphenol-rich cocoa cake with a butter content of 12 per cent was obtained. The polyphenol-rich cocoa cake was then used as a raw material to obtain a cocoa powder (sample A) and two polyphenol-rich cocoa extracts (samples B and C), they added.

The authors said that for the cocoa powder production, the cake was thermally treated in an autoclave with a saturated flash steam at 121 °C for one minute. After the heat treatment, the cake was milled and sieved to obtain a cocoa powder they referred to as sample A.

In a small trial, they added, the defatted cocoa cake obtained in the industrial process was extracted by means of a solid-liquid extraction process with a hydro-alcoholic mixture consisting of 70 per cent ethanol. The cocoa cake was extracted at 70 °C for two hours under mechanical stirring, the solid was filtered, and the liquid fraction was recovered.

This fraction was then distilled under reduced pressure to remove the solvent, affording an aqueous extract. After drying the liquid extract, a polyphenol-rich cocoa extract was obtained to give sample B.

The remaining liquid aqueous extract was then subjected to an additional purification step, said the authors, consisting of a liquid-liquid extraction with ethyl acetate at a temperature of 50 °C.

The aqueous and organic fractions were separated by means of decantation and the organic phase was recovered. After distillation to remove the organic solvent, the product was dried to obtain a purified cocoa extract deemed as sample C.

“Sample A was thus a natural polyphenol-rich cocoa powder while samples B and C were polyphenol-rich cocoa extracts obtained from the natural-rich cocoa cake, with sample C resulting from a purification of sample B. This procedure was expanded to an industrial scale to obtain a range of cocoa products,” added the researchers.

#### *Findings*

They said that their results showed that total polyphenols and flavanols quantified in the cocoa powder rich in polyphenols (sample A) were much higher than the control cocoa powder, but similar to those found in another previously reported cocoa polyphenol (Cienfuegos-Jovellanos et al., 2009).

Furthermore, after the extraction process, the cocoa extract (sample B) contained three times more epicatechin and five times more procyanidin B2 than its respective control, they found.

And they said the purification step resulted in a concentration of epicatechin monomer of 300 mg/g, and the researchers added that the heat treatment of 121 °C for one minute did not result in any loss of total monomers and dimers. “The results confirm that the wet heat treatment produces polyphenol-rich cocoa powder that meets the microbiological standards for its commercialization without altering the phenolic composition,” said the authors.

#### **Others**

#### **World Cocoa Foundation Announces New Company Members and New Projects**

CSRwire.com (press release)

By: World Cocoa Foundation

May 19, 2010

UTRECHT, Netherlands, May. 19 /CSRwire/ - The World Cocoa Foundation (WCF) today welcomed five new company members to the foundation and announced the start of three new projects in Côte d'Ivoire, the world's largest cocoa-producing country. The announcements were made during the welcoming remarks of WCF's 17th Partnership Meeting & Roundtable Sessions in Utrecht.

The World Cocoa Foundation announced that five companies have joined the foundation since October 2009. The new member companies are: CEMOI, Comercial Roig CxA, Puratos, Ralcorp Holdings Inc., and Safmarine Container Lines N.V.

"Over the past ten years, WCF has provided a unique platform for cocoa and chocolate companies to come together at a pre-competitive level in order to solve challenges faced by the world's cocoa-growing communities," said WCF Chairman Kip Walk of Blommer Chocolate Company, "We welcome these new members in joining us in this endeavor."

The foundation also announced the start of three new projects in Côte d'Ivoire to address farmers' health, safety and research needs. The first World Cocoa Foundation grant is to the Association pour la Promotion de la Santé de la Femme, de la Mère, de l'Enfant et de la Famille (APROSAM - Association for the Promotion of Health of

Women, Mothers, Children and Families), an Ivoirian non-governmental organization, to raise awareness of HIV/AIDS, malaria and sexually transmitted infections. The project will train and support peer educators in 15 cocoa-growing communities to address these important health issues with farmers and their families.

The second and third grants are supported through the Swedish Chocolate, Confectionery and Biscuit Manufacturers' Association (CHOKOFA). CHOKOFA is supporting two one-year challenge grant projects with the Centre National de Recherche Agronomique (CNRA), Côte d'Ivoire's national agricultural research institute. One of these projects is developing extension materials and radio messages on integrated pest management. The other project will build closer ties between farmers and the research institute in order to promote farmers' adoption of improved, higher-yielding planting material and other research developments.

"These new projects fit well into our sustainability principles of 'profit, people, and planet'," said WCF President Bill Guyton, "Through programs centered around these principles, we have already reached over 420,000 farmers. This year, we are beginning an initiative to develop common indicators based on our sustainability principles and goals. Once completed, these indicators will help us better evaluate cocoa-related programs and identify successful approaches."

#### *About the World Cocoa Foundation*

Established in 2000, the World Cocoa Foundation is a leader in promoting economic and social development and environmental stewardship in 15 cocoa producing countries around the world. With over 70 member companies from the Americas, Europe, Asia and Africa, the Foundation actively supports a range of farm-level programs harnessing sustainable agriculture practices to improve the quality of life for the millions of smallholder farmers growing this unique crop. For more information about the World Cocoa Foundation, visit: [www.worldcocoafoundation.org](http://www.worldcocoafoundation.org).

#### **Ondo to spend N159m on farming school**

##### **The Punch**

By Sunday Aborisade

20 May 2010

Ondo State Government said it would spend N108.8m this year to provide additional infrastructural facilities at the Agricultural Training School at Ido-Ani, which it jointly established with the Leventis Foundation in Nigeria.

The state Commissioner for Agriculture, Chief Julius Akinnigbagbe, who stated this on Wednesday, explained that the state had already spent N50.83m on the school to enable its first set of 85 students begin academic activities in August last year. He spoke at the opening of the South-West Zonal Steering Committee meeting on the Research Extension Farmers Input Linkage System, also known as REFIL, which was hosted by Ondo State.

Akinnigbagbe said the essence of the school was to encourage young school leavers to embrace farming and contribute positively towards the development of the state and the nation in general. The commissioner noted that necessary strategies that would ensure that products of the school put their training into practice had been put in place by the state government.

For instance, he said that the government had acquired 476 hectares of land, where the participants would be expected to plant maize, cowpea and cassava, while another expanse of land would be used for the cultivation of cocoa and palm seedlings among others. He also said that the state government had approved N600m for the supply of 100 tractors and other implements in addition to the 12 it purchased last year.

Apart from this, the commissioner said the state had raised and distributed one million cocoa and 150,000 oil palm seedlings, which would be distributed to the young farmers at a highly subsidised rate. He added that the young farmers would also benefit from the guaranteed N1bn agric credit loan, which the state obtained under the Commercial Agricultural Credit Scheme of the Federal Government, currently being given to cooperative societies and farmers' groups in the state. He said that the state would recruit 200 extension officers for crops, livestock and fisheries and that the people would be provided with 200 motorcycles to monitor the activities of farmers and teach them new practical ways of farming.

## TIT BITS

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

### **Russian raw sugar imports quadruple**

MOSCOW (May 13, 2010): Russian raw sugar imports quadrupled to 366,700 tonnes in the first three months of this year from the same period a year ago, as the country lowered its import tariff, according to customs data on Wednesday. Russia, now the third-largest sugar buyer, cut its import tariff on imported cane raws to \$140 per tonne from January from the previous \$165 per tonne because of a rise in sugar prices.

### **US MIDDAY: sugar, coffee and cocoa move up**

NEW YORK (May 13, 2010): Raw sugar and arabica coffee futures moved higher early Wednesday, along with the commodity complex, while US cocoa inched upward. Arabica coffee futures inched upward, on follow-through strength from Tuesday and outside support as the commodity complex was firm, said traders.

### **Liffe sugar, cocoa and coffee rise**

LONDON (May 13, 2010): ICE raw sugar futures rose on Wednesday, boosted by signs of a pick-up in physical demand following a slide in prices and increased risk appetite among investors linked to stronger financial markets. Arabica coffee and cocoa price also advanced. ICE July raw sugar was up 0.25 cent or 1.8 percent at 14.16 cents a lb by 1533 GMT while Liffe August white sugar was up \$12.20 or 2.7 percent at \$463.40 per tonne.

### **US sugar down, coffee up**

NEW YORK (May 13, 2010): US cocoa futures slumped to close down 4 percent at a three-week low Tuesday, while arabica coffee surged and raw sugar dipped. July coffee jumped 2 cents to finish at \$1.3615 per lb, trading within Friday's session band. Arabica futures bucked the day's weak trend in commodities, heading for the 100-day moving average at \$1.3765 in the July.

### **White sugar buoyant on tight supply**

LONDON (May 14, 2010): ICE raw sugar and arabica futures edged up on Thursday, with a firmer dollar capping gains, while strength in the white sugar premium signalled strong physical demand for refined sugar. ICE cocoa extended losses, as the market digested comments by the head of the International cocoa Organisation (ICCO) to Reuters Insider that global output was set to rise sharply next season in response to a rally in prices, dealers said.

### **US MIDDAY: sugar and cocoa falter**

NEW YORK (May 14, 2010): Raw sugar and US cocoa futures eased early Thursday, while arabica coffee bucked the trend and inched higher. Arabica coffee futures moved higher in a narrow range as the market looked for direction, ignoring the strong dollar and weak commodity complex, said traders.

### **US sugar, cocoa and coffee up**

NEW YORK (May 14, 2010): Raw sugar closed up 5.5 percent Wednesday, while arabica coffee and US cocoa also finished stronger in a consolidative day as the commodity complex recovered. July coffee rose 0.70 cent to close at \$1.3685 per lb. The key July raw sugar contract jumped 0.76 cent or 5.5 percent to settle at 14.67 cents per lb. Analysts still worry key July contract may again take a stab at one-year low of 13 cents.

### **Soft commodities slip in London**

LONDON (May 15, 2010): Soft commodities extended losses on Friday, with ICE raw sugar futures falling over 5 percent, as commodities took their cue from external factors including the euro and stock markets. "It's all to do with the usual risk aversion; the euro is still getting hammered, equities are coming off as well, overall the sentiment is not very good," said Andrey Kryuchonkov, commodities analyst at VTB Capital.

### **US cocoa at four-week low, sugar and coffee up**

NEW YORK (May 15, 2010): US cocoa futures closed down 2 percent at a four-week low Thursday, while raw sugar was little changed and arabica coffee inched higher in thin dealings. July coffee rose 0.25 cent to finish at \$1.3710 per lb. ICE certified arabica stocks fell to 2,380,315 bags by May 12, down 9,591 bags with 3,820 bags pending grading.

### **US MIDDAY: cocoa at one-month low**

NEW YORK (May 15, 2010): US cocoa futures dropped to a one-month low early Friday, while raw sugar also dropped and arabica coffee inched upward in sideways dealings. Arabica coffee futures inched up in sideways dealings as the market lacked firm direction ahead of the main Brazil harvest, said traders. ICE certified arabica stocks at 2,374,831 bags by May 13, down 5,484 bags, with 3,820 bags pending grading.