



COPAL COCOA *Info*

A Weekly Newsletter of Cocoa Producers' Alliance

Issue No. 225

2nd - 6th April 2007

Cocoa Producers' Alliance

ICCO Daily Cocoa Prices

	ICCO Daily Price (US\$/tonne)	London Futures (£/tonne)	New York Futures (US\$/tonne)
2nd April	1,941.00	1,017.33	1,872.67
3rd April	1,968.60	1,035.33	1,892.67
4th April	1,998.67	1,049.33	1,928.00
5th April	2,006.67	1,053.67	1,939.67
6th April	-	-	-
Average	1,978.74	1,038.92	1,908.25

Up-coming

Proceedings of the 15th International Cocoa Research Conference held in Accra, Ghana, October 2003.

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Have you had your cocoa today?

COCOA PRODUCERS' ALLIANCE, NATIONAL ASSEMBLY COMPLEX TAFAWA BALEWA SQUARE,
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International Financial Futures and Options Exchange (LIFFE)

Thursday 5th April 2007

Month	Opening Trans	Settle	Change	High	Low	Volume
May-07	1036	1038	4	1048	1036	3,407
July-07	1053	1054	4	1064	1052	1,537
September-07	1070	1069	5	1078	1066	967
December-07	1073	1077	6	1084S	1073S	1,402
March-07	1079	1079	6	1085	1076	346
May-07	1085	1087	8	1086	1085	112
July-07	1091	1094	10	1091	1091	2
September-07		1102	9			0
December-07		1111	9			0
March-07		1118	9			0
Totals		1083				7,773

Friday 6th April 2007

Month	Opening Trans	Settle	Change	High	Low	Volume
May-07						
July-07						
September-07						
December-07						
March-07						
May-07						
July-07						
September-07						
December-07						
March-07						
Totals						0

Average for the week		1253				9773
Total for the week						48,866

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Email:

Easter Friday Holid

News

Have an ethical Easter

Sat 7 Apr 2007, ALASTAIR JAMIESON, living.scotsman.com

GUILT and chocolate are often linked. But it is not just the embarrassment of over-consumption that is pricking the conscience of egg-guzzlers this Easter. Growing awareness of the true source of our favourite treat, coupled with shifting trends towards higher-quality chocolate, has prompted the arrival of a new must-be-seen-to-have luxury gift this season: the Fairtrade Easter egg.

Easter egg sales in the UK are worth more than £500 million and account for 54 per cent of all annual special-occasion chocolate-buying, according to Mintel. Yet 90 per cent of the chocolate on sale in Britain comes from cocoa bean smallholders on the west coast of Africa who live in appalling poverty and whose response to dropping prices has been to cut corners on quality, flooding the market with cheaper, lower-grade produce and making the problem worse.

Fairtrade eggs, now on sale through mainstream supermarkets, are designed to bridge the gap between our hunger for Easter chocolate and the welfare of the world's equatorial cocoa farmers.

The principles behind Fairtrade are no longer exclusively shared by muesli-knitting left-wing activists. Last month, the Conservative Party issued a memo imploring its staff not to buy brand-name eggs and to opt for Fairtrade equivalents. "In light of our stance on trafficking and slavery, please could I draw your attention to the information below," it began, before explaining that nearly half the world's chocolate is made from cocoa grown in the Ivory Coast, where thousands of children are "sold into indentured servitude" to work on cocoa plantations.

Inevitably, Fairtrade eggs are more expensive - Green & Black's Maya Gold egg this week costs £2.18 per 100g at the Edinburgh Corstorphine branch of Tesco, three times more than the Mars-branded equivalent on a nearby shelf. And yet there has been a 25 per cent jump in sales of luxury dark chocolate. The Maya Gold egg is one of 600 new dark-chocolate lines to have hit the market in the past 18 months.

So what is so different about a Fairtrade Easter egg, and what are the implications for the manufacturers and supermarkets of our apparent willingness to spend more for better quality, ethically sourced chocolate?

In the case of Green & Black's Maya Gold egg, the difference begins 5,100 miles away from Scotland in the rainforests of southern Belize. Gourmet chocolate is mostly sourced from South and Central America, leaving African cocoa for the mass market.

Four years ago, Green & Black's committed to buy at least 200 tonnes of cocoa a year from the Toledo Cocoa Growers Association (TCGA) which represents the cocoa bean farmers in what is the poorest part of Belize. This guarantee - a rarity in the industry - has turned the TCGA from a stagnant collective into a more sustainable organisation, in which ordinary farmers can concentrate on the quality of the crop and husbandry of their land without worrying about market prices. The guarantee, part of a £450,000 project funded equally by Green & Black's and the British Department for International Development (DfID), has already seen half a million trees planted, increased the input into the local economy from £20,000 to £200,000 annually, quadrupled the membership of the TCGA, generated higher yields and persuaded many farmers to renovate and refurbish struggling farms.

It takes three years for a cocoa plant to produce its ideal yield, so the economic certainty of the project removes any incentive for growers to take short-term cash payments from big companies in exchange for farming methods that emphasise quantity over quality and cause long-term damage to the land. It also allows farmers to invest in their local schools.

Green & Black's pays the TCGA farmers a minimum price of roughly £750 per tonne - a figure similar to other companies and adjusted according to daily world market price fluctuations. But it also pays an organic premium of £90 a tonne and a further Fairtrade premium of £68 a tonne. Twenty per cent of the total payment goes to the TCGA itself, which organises the weighing, packaging and distribution of the cocoa beans, and the remaining 80 per cent goes directly to the farmer. It is these premium payments that earn Green & Black's the Fairtrade mark for its Maya Gold chocolate and cocoa (their other products are all organic, but not necessarily Fairtrade).

Each cocoa pod contains about 45 beans which, once harvested, are fermented under banana leaves in order to develop the chocolate flavour, and then dried in the sun before being shipped to Green & Black's factory in Italy. After being ground, roasted and mixed with sugar and Bourbon vanilla, the cocoa mass is "conched", stirred for 18 hours to reveal the flavour. Good-quality chocolate has been well-kneaded in this process, using the smoothness of the cocoa butter generated by the conching process. By contrast, mass-market chocolate relies on the much cheaper addition of vegetable oils.

"The other giveaway of cheaply produced chocolate," says Micah Carr Hill, the head of taste for Green & Black's, "is a cloudy, white appearance - which you get when the cocoa butter separates from the other ingredients, because it hasn't been tempered before being set into moulds - or the absence of a nice crisp 'snap' when you break the finished product."

The painstaking effort has not been in vain. Good-quality chocolate has been a boon to Britain's confectionery industry, which faces several challenges: the onslaught of anti-obesity campaigns and the elimination of advertising to children; the image problem of mass-market chocolate in the wake of last year's Cadbury salmonella scare; and the ageing population.

Children in a household are a key reason for buying chocolate, and as birth rates are flattening, this will have an adverse effect on the market. It is projected that the number of five-to-11-year-olds will have dropped by almost 10 per cent between 2000 and 2010. Mintel forecasts the overall market will be worth £332 million by 2011 - a drop of 21 per cent from 2006 at current prices. The result has been a shift away from milk chocolate towards luxury brands and dark chocolate. For the first time, dark-chocolate bars are outselling their milk siblings in Woolworths. Nestlé says more of its dark-chocolate KitKats are bought by people aged 34 to 45 than its classic milk version.

The challenge for Fairtrade is to persuade shoppers to part with even more cash, by choosing not just better chocolate but Fairtrade-labelled chocolate. Sales of products carrying the Fairtrade mark rose by 4 per cent from 2005 to 2006, reaching £300 million. But the change is not happening quickly enough for some. At one cocoa co-operative, Kuapa Kokoo in Ghana, a co-operative union of over 1,000 village societies representing about 49,000 farmers, they currently sell just 3 per cent of their crop to the Fairtrade market each year - yet the Fairtrade sales are essential for funding good drinking water, toilet facilities and schools. Harriet Lamb, the executive director of the Fairtrade Foundation, says: "It's fantastic that the range of Fairtrade products for Easter is growing in size and popularity, but the road to our destination is still long and hard, and only if market demand increases can more farmers enter better terms of trade."

It is also unlikely that mass-market brand names, such as Mars, Aero and Flake, would adopt Fairtrade principles. "It is something which niche brands or smaller companies are better-placed to adopt," explains a spokesman for Cadbury, which bought Green & Black's two years ago. "Cocoa for our main brands in Britain is sourced from Ghana, where production is controlled by the government, so it is very difficult to adopt the kind of direct buying from farmers that the Fairtrade process involves. We do own Green & Black's, but they are in essence a separate operation and they do their own sourcing. Fairtrade is something we are constantly looking at, but it is not always compatible with high-volume manufacturing."

Fortuitously, the shift in appetite towards better-quality chocolate is already bringing about a boost for the world's cocoa farmers - even without Fairtrade. It takes more beans to produce a bar of dark chocolate than are needed for a bar of milk, and rising demand for beans has pushed up prices - a process encouraged by hedge funds which have gambled on further rises by snapping up a huge chunk of the cocoa contracts traded in world markets. Demand for more cocoa farms would, in turn, secure the future of many of the world's equatorial rainforests, because the plant grows only under a jungle canopy.

Increasingly, it seems really good chocolate isn't so bad for you after all.

Barry Callebaut Reports Strong Growth

Food Ingredients First Nutrition, Ingredients and Foods Online

Apr 3, 2007 - Growing twice as fast as the global chocolate market, Barry Callebaut's sales volumes increased by 6.3% percent to 588,125 tonnes in the first semester of the current fiscal year. Sales revenue rose 4.1% to CHF 2,307.2 million.

03/04/07 Barry Callebaut AG, the world's leading manufacturer of high-quality cocoa and chocolate products has published its results for the first six months of fiscal year 2006/07 ended February 28, 2007. Growing twice as fast as the global chocolate market, Barry Callebaut's sales volumes increased by 6.3% percent to 588,125 tonnes in the first semester of the current fiscal year. Sales revenue rose 4.1% to CHF 2,307.2 million, while operating income (EBIT) increased to CHF 190.0 million, representing a 7.3% rise.

The EBIT improvement was achieved despite the earlier communicated deterioration in the combined (cocoa) ratio, which had a negative impact of approximately CHF 10 million on operating income at the Cocoa unit. The Consumer Products North America business unit, which is currently under review as part of the group's strategic repositioning in that region, also had a negative impact on EBIT. These effects were compensated by a good operational performance at the other business units, Food Manufacturers, Gourmet & Specialties and Consumer Products Europe. Net profit (PAT) rose by 11.1% to CHF 125.2 million.

Patrick De Maeseineire, CEO of Barry Callebaut, said: "Our businesses with industrial and artisanal customers continued to deliver strong results, and our European consumer business is doing well. I am pleased with our results for the first six months of our current fiscal year, especially in light of the adverse impact of the lower combined (cocoa) ratio and an unsatisfactory business development in our North American consumer business. With an additional 30,000 tonnes of sales at Food Manufacturers, the outsourcing trend within the chocolate industry was confirmed. We have firmly established ourselves as the outsourcing partner of choice, enabling us to further accelerate our profitable growth."

The Industrial business segment focuses on selling cocoa and chocolate products to industrial food processors and consumer goods manufacturers worldwide.

Sales volumes were 407,190 tonnes, which represents an organic growth of 11.4% from 365,679 tonnes in the same prior-year period. Sales volumes of Cocoa products sold to third-party customers amounted to 72,711 tonnes, which is a plus of

13.8%. Volumes were pushed to compensate for the margin decline caused by the deteriorating combined (cocoa) ratio. Sales volumes in the Food Manufacturers business unit were 334,479 tonnes, a 10.8% increase compared to the same period in the previous fiscal year. Key drivers were increased outsourcing volumes from existing and new customers. Sales revenue recorded in the industrial business segment rose 9.9% to CHF 1,300.1 million compared to CHF 1,183.5 million in the year-ago period. Including the impact of above-average physical bean sales in the same prior-year period, revenue would have declined by 1.2%.

Looking ahead, De Maeseneire said: "The combined (cocoa) ratio will continue to have a negative effect on profitability in the second half of the current fiscal year. This negative effect will, however, phase out by the next fiscal year. Raw material prices have increased considerably and Easter is one week earlier this year. Nevertheless, our portfolio with industrial customers looks strong and we expect continued good volume growth in the second half of the current fiscal year. We are on track to reach our 3-year financial targets for the period 2005/06 through 2007/08, and our exciting new outsourcing projects make us confident that we can confirm these. This, as always, barring any major unforeseen events."

Letters from a shrinking globe: around the day in 80 worlds

Zita, Rotifer, Steve

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Slaves to Chocolate

Last week West Africa commemorated 200 years of the end of the trans-Atlantic slave trade. Even as regional leaders expressed their feelings of good-riddance to the inhumanity of that horrific period, activists pointed out that new forms of slavery still cause a great deal of misery in West Africa. Particularly in the cocoa business:

Aly's story

Take the story that Aly from Mali told child labour researchers. It is, I find, vaguely reminiscent of the story of the Schwabenkinder in 19th century Austria: Ali was eleven years old and part of a family that could barely afford to feed him, when he was lured in Mali by a trader to go work on a cocoa farm in the Ivory Coast.

He was promised that not only would he receive a bicycle, but he could also help his parents with the \$150 he would earn. However life on the farm turned out rather differently. He worked 12 hard hours a day on the cocoa fields and was paid nothing, receiving for his labour merely a small amount to eat and a roof over his head.

This sort of thing is illegal, of course, and has been for some time. But that doesn't mean that it doesn't happen. It's estimated that tens of thousands of children still work in dreadful conditions and for a pittance in the cocoa plantations of the Ivory Coast.

Arduous and Dangerous Work

Romana Cacchioli, whose group Anti-Slavery international is fighting to improve the situation says, although many children are trafficked from the north, it is mostly the children of the farmers themselves who toil in the fields. And she says this helps perpetuate the cycle of poverty: "The biggest concern is that the children have no access to education."

The work is both arduous and dangerous. Aly told researchers how the bags of cocoa beans were taller than him and how he was beaten if he stumbled and dropped them. The children are given machetes for their work which are far too heavy for them to use properly. If you look at the children in the villages surrounding the cocoa farms, you'll see that many of them have badly healed scars on their arms and legs, the legacy of ill-treated machete wounds. If they run away, Romana told me, the children usually don't know where to go, especially those children from Burkina Faso or Mali who are so far from home. Many end up in nearby towns, begging for enough food to survive the day.

Industry Action

Much of the cocoa produced in West Africa ends up as chocolate in western countries. We are talking about a multi-million dollar industry here: why is more not done to protect the children?

Well it would be unfair to say nothing has been done. In 2001, in the wake of allegations that a ship carrying 180 children off the west coast of Africa was destined for slave traders, the delightfully named group The Biscuits, Cake Chocolate and Confectionery Alliance, including Cadbury, Nestlé and Mars, held a lengthy meeting to decide on strategies to tackle the problem. One delegate present at the meeting was quoted as saying: "Everyone is at one in being extremely concerned and in wanting decisive action."

Monitoring Efforts

Since then monitoring of 80,000 small farms is being carried out by village level committees and special units set up to fight child labour.

Once the scheme is fully operational, the governments will issue certificates for cocoa produced in these areas and publish details of the monitoring and action undertaken to address any problems of illegal labour found. The USA is working on having "child labour free" labels on all American cocoa products.

The problems lie in the workability of the solutions. The Ivorian farms are usually small and located in areas around which most people do not travel, especially not in these days of civil war. Not even the monitors. Even if they were able to visit all the farms, sometimes it is difficult to tell whether the children are part of the family, whether they have been bought or whether there of their own accord.

You see, detailed research by the Nigerian-based International Institute for Tropical Agriculture, suggests that Aly's story could be the exception, not the rule. It says that while child labour is a major problem on farms in poor countries, very few of the children were traded or could be described as slaves. Most children interviewed by the institute gave the prosaic reason that they were voluntarily searching for work and a better life.

Besides, with war rumbling on and with world cocoa prices stagnant or falling, the cocoa-producing villages in the Ivory Coast are desperately poor. So how do you design a law that prevents impoverished families saving labour costs by sending their own children into the fields?

A question of poverty

Romana Cacchioli of Anti-Slavery international says that the extent of that actual classical slavery taking place in West Africa is debateable, but there's no doubt of the vast extent of economic slavery. Until the whole issue of West African poverty is properly addressed, she says, the problem of child abuse in the cocoa trade is likely to persist. "We need to look at the prices given for cocoa. We need to look at how globalisation and fixed-pricing and liberal trade agreements are affecting poor communities.

Easter Chocolate Linked to Slavery, Campaigners Report

by Anne Thomas, Friday, April 6, 2007, 23:29 (BST), Christian Today.

Thousands of children are being forced to work as slave labour on cocoa farms to help produce Easter eggs, campaigners claimed yesterday.

A worker arranges figurines and Easter eggs made of chocolate inside a shop in Abidjan, April 6, 2007. Some 12,000 children have been trafficked into cocoa farms in Ivory Coast, the world's biggest...

(REUTERS/Thierry Gouegnon, IVORY COAST)

Thousands of children are being forced to work as slave labour on cocoa farms to help produce Easter eggs, campaigners claimed yesterday. Stop the Traffik, an anti-slavery coalition which is backed by Amnesty International, World Vision and Tearfund, is demanding the major chocolate manufacturers certify chocolate with a "traffick-free" guarantee so consumers can eat chocolate without supporting child slave labour.

Chocolate manufacturers promised to end the use of trafficked children in harvesting the cocoa beans that make our chocolate by 2005," explained a spokesperson from Stop The Traffik, "but this has not been done. They have started several worthy initiatives but are not addressing the central issue of trafficked labour. "Stop The Traffik is calling for the whole industry to declare which farms they buy cocoa beans from, and to guarantee that no trafficked labour is used. Nothing less will do."

12,000 children have been trafficked from countries such as Mali to the Ivory Coast, where they work long hours for no pay on the cocoa plantations, according to International Labour Organisation figures. Hundreds of thousands more help out on family farms in West Africa, often in hazardous conditions, putting their health at risk and keeping them out of school. British chocolate manufacturers said they believed trafficking was "unacceptable" and added that the industry was investing in a region-wide certification scheme to tackle the issue.

Can you have an ethical Easter?

By David Christie, Sunday Herald

Concern over child labour and wasteful packaging

IT'S EASTER, it's a bank holiday weekend - and best of all, it's predicted to be sunny. But celebrating Easter has a huge ethical cost, experts claim. Our insatiable demand for chocolate (we are expected to consume 80 million Easter eggs) raises serious concerns over waste levels, fairtrade and sustainability. Then there's the hundreds of thousands of Scots whose flights abroad are pumping pollution in every direction. Even the Easter dinner is under fire as the food miles clock up.

Supermarkets are clambering over one another to show their green credentials, yet their Easter offerings fall short. A Sunday Herald survey found that Tesco and Sainsbury's have just one own-brand Fairtrade chocolate egg each, while Morrisons has none. Marks & Spencer has been quicker off the mark with a full range of organic children's lines, some 30 different products).

Asda says it has upped its organic and fairtrade range by 10% this year, and Morrisons responded to customer demand by introducing a range of four eggs from organic chocolate leaders Green & Black's, resulting in a 276% increase in its organic sales. Premium chocolate makers Green & Black's have seen sales double this year, their customers viewing organic as a short-cut to quality. Senior brand manager Gemma Wookey said: "We have focussed on sustainability from the beginning and worked well with the producers. There has been a worldwide demand for our chocolate because we have always had a sustainable focus, supporting our producing farms."

Wookey is that adamant customers respond to their ethical approach and have not been put off since they joined forces with giants Cadbury Schweppes. "Green & Black's has remained as it was," added Wookey. "We are an independent business and how we make the chocolate has always stayed the same." Although Green & Black's is leading the market, their Ethiscore rating is a mere nine points out of 15. Ethiscore is the online shopper's guide set up by Ethical Consumer magazine, judging companies on 23 categories including environmental impact, treatment of workers and sustainability.

According to the magazine's Ruth Rosselson, Green & Black's ethical rating dropped by several points after the takeover. She said: "Once Cadbury took over, Green & Black's inherited the bad records that come with it. The other issue is that, while its chocolate is organic, it is not all certified fairtrade. "It is a better choice than any ordinary Cadbury's egg, and we would certainly encourage people to buy it over Nestle and Cadbury's own brand."

Cadbury scores a seven, while Nestle achieves a zero thanks to a series of boycotts and disputes. Rosselson believes consumers have it in their power to hit the manufacturers where it hurts as it becomes easier to be an ethical consumer at any time of the year. She added: "We can send a message by avoiding the most unethically packaged eggs. Choose ethically where you can, and if you want more chocolate, buy some good bars without all the excess packaging."

With Oxfam shops across the UK almost selling out their entire fairtrade Easter chocolate range, it appears her message is getting across. Wasteful packaging does, however, remain a serious concern, provoking green groups to urge customers and retailers to take action. Sainsbury's has pledged to make 100% of its Easter egg packaging recyclable by next Easter, and has introduced the world's first compostable packaged egg. Though these steps are welcomed, Friends of the Earth (FoE) Scotland argue the current eggs not only damage the planet but are far from value for money. They say 4370 tonnes of cardboard and 160 tonnes of foil will be wasted this year because of our chocolate-giving craze.

FoE Scotland research chief Stuart Hay wants Scots to choose alternative Easter gifts. He said: "There are loads of ways to enjoy Easter without adding to the Scotland's growing waste packaging mountain. Chocolate eggs may be fragile, but many consumers will question whether it is reasonable to be charged more than half the cost of the egg itself for excessive packaging that will be thrown away."

Another worry is the use of child labour in cocoa farming. Though the introduction of fairtrade certification has improved matters, a report released last week by the International Labour Organisation found 12,000 children were slave labour on cocoa farms in West Africa, mostly trafficked from Mali and Burkina Faso to the Ivory Coast, the world's leading cocoa producer. The increase in demand for chocolate has meant the need for more labour and a more sustainable approach.

In 2005, Cadbury Schweppes teamed up with Earthwatch Institute and the Ghana Nature Conservation Research Centre (NCRC) to improve cocoa levels, biodiversity and working practices in the eastern region of Ghana.

Earthwatch programme manager Jen Alger said: "The way farming is going is unsustainable because cocoa should be grown in the traditional way, with lots of shade. This way a tree can produce cocoa for up to 100 years.

"In Ghana the trees have a lifespan of about 30 years as they are clear-cutting everything, leaving the trees in isolation. In the full sun, trees are stressed and more susceptible to pests and disease."

Small children aside, most of us eat more than chocolate at Easter, and the traditional Easter lunch could do more harm to the environment unless chosen wisely. Patrick Holden, director of the Soil Association, said even policy-makers ignore the fact that 20% of our carbon footprint relates to the production and distribution of food. "Individual citizens can contribute to reducing emissions by using their purchasing power wisely," he said. "Buying organic reduces emissions, and people should buy local food to reduce food miles. It might be a little bit more in the purchase, but it's kinder on the planet and better for us."

But Professor David Hughes, an expert in food marketing at Imperial College London, warns that few food manufacturers are "intrinsically ethical", responding only when forced to. He said: "The major fast-moving-consumer-goods companies are not leaders in responding to the great social issues, like obesity and global warming. They wait until public pressure is sufficiently aggressive, then change slowly. It is the quirky, smaller-scale companies that lead on these issues."

Cadbury establishes Qld cocoa crops

Rosemary Desmond | April 5, 2007 - 1:17PM, brisbanetimes.com.au

Australian chocolate lovers may soon be able to eat home-grown Easter chocolate treats with the establishment of a cocoa industry in North Queensland. Around 2000 cocoa seedlings were released this week by Queensland's Department of Primary Industries and Fisheries (DPI&F) for commercialisation trials of the crop by food company Cadbury Schweppes. Primary Industries Minister Tim Mulherin said the aim of the joint project was to have up to 10,000 cocoa seedlings for distribution to co-operating growers in the Innisfail and Ingham districts. "Cadbury Schweppes and DPI&F have identified an opportunity for Australia to provide a quality cocoa crop with consistent supply," Mr Mulherin said. The seed was imported from Papua New Guinea's Cocoa and Coconut Institute and the seedlings were being raised by a commercial banana nursery at Mission Beach.

"The climate in the far north is good for growing cocoa with the added advantages of a lack of serious pests and diseases of cocoa, including the destructive cocoa pod borer," Mr Mulherin said. "Consumers can expect to see Australian chocolate on shelves within the next two to three years, however the market will initially be niche-based." DPI&F regional industries development officer Yan Diczbalis said the current round of cocoa trials began in 2000 on two one-hectare plots of land, one at Mossman and the other at South Johnstone Research Station. "We have established that from a growing perspective, cocoa does well in our far north Queensland environment, and that we can get close to three tonnes per hectare of dry bean per year," Mr Diczbalis said. "By world standards, that is a very high yield and the quality is commercially acceptable, which gave us the confidence to go ahead with the trial."

Chocolate could soon be home-grown

By Rosemary Desmond, Brought to you by AAP, 05 April 2007

Australian chocolate lovers may soon be able to eat home-grown Easter chocolate treats with the establishment of a cocoa industry in north Queensland. Around 2,000 cocoa seedlings were released this week by Queensland's Department of Primary Industries and Fisheries (DPI&F) for commercialisation trials of the crop by food company Cadbury Schweppes.

Primary Industries Minister Tim Mulherin said the aim of the joint project was to have up to 10,000 cocoa seedlings for distribution to co-operating growers in the Innisfail and Ingham districts. "Cadbury Schweppes and DPI&F have identified an opportunity for Australia to provide a quality cocoa crop with consistent supply," Mr Mulherin said. The seed was imported from Papua New Guinea's Cocoa and Coconut Institute and the seedlings were being raised by a commercial banana nursery at Mission Beach.

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"We have established that from a growing perspective, cocoa does well in our far north Queensland environment, and that we can get close to three tonnes per hectare of dry bean per year," Mr Diczbalis said. "By world standards, that is a very high yield and the quality is commercially acceptable, which gave us the confidence to go ahead with the trial."

'Properly Managed Farms Will Double Production'

Cameroon Tribune (Yaoundé), April 3, 2007, Ngomba Efande

Francis Leku Azenaku, South West Delegate of Agriculture and Rural Development.

What are the major problems faced by cocoa and coffee farmers in the South West Province ? One of the major problems faced by farmers is at the level of inputs within the province. The inputs are very low. By this I mean fungicides and insecticides for cocoa and particularly fertilizers for coffee. The level is extremely low and I think that something should be done in this domain. The next thing is that the present orchard we have is ageing. We think it should be renewed. The planting material which should be used in renewing these orchards is a major problem. The demand for planting material in the South West is increasing but the material available does not satisfy demand. Also, the technical management of farms is a serious problem. We firmly believe that if farms are properly managed, production will double.

Statistically, does the South West play a key role in the national production of cocoa and coffee ? According to a study published by GTZ in May 2006, and confirmed by figures of the cocoaovens project which carried out a study of the sector and statistics from the Provincial Delegation of Agriculture and Rural Development, "the South West Province is the first cocoa producing province of the country. It produces 70,000 tons of cocoa beans per year and production is increasing." But the quality of cocoa beans is decreasing because of the nature of ovens used in drying. The province is presently producing close to 50 % of the national production of cocoa. In fact, cocoa is a way of life for most households of the province and a source of livelihood. Take away cocoa from them and you have taken life out of them.

Concerning coffee, in the 1987/1988 production year, 6,544 tons of coffee was produced in the South West Province. In the early nineties, these figures moved to more than 10,000 tons but today the production has dropped to 6,498 tons. The coffee cultivated area is presently estimated at 28,000 hectares with massive production areas in Kupe Muanenguba Division, parts of Fako, Manyu and Lebiale.

What measures are being taken to revive the cocoa and coffee sector; and is it worth to invest in such a sector ? The ongoing forum is an attempt to seek solutions to some teething problems plaguing the sector. That's why all the stakeholders are present here in Limbe. There's hope in this sector because people will continue to consume cocoa and coffee. Though prices are fluctuating, we must invest and any investment is not investment lost.

Develop the Countryside, Inspire the Youths

Cameroon Tribune (Yaoundé), April 3, 2007, Lukong Pius Nyuylime

It was with heavy hearts that Cocoa and Coffee farmers on March 28 and 29 converged in Bafoussam to brainstorm on the new revival programme conceived by the government to completely revamp the cocoa and coffee sector and double production by 2015.

Irked by the startling production figures and the growing problems hindering the development of the sector, representatives of farmer organisations, agricultural extension workers, authorities in the marketing sub sector and suppliers of farm in-puts worked with all frankness to diagnose the vices and propose a better cure.

The statistics presented to them by the Minister of State for Agriculture and Rural Development, Jean Nkuete, were a true reflection of what the actors in the sector have been experiencing on the field. They were told that Cameroon's cocoa production has stagnated on 120,000 tons for the last two decades, while coffee production has witnessed a drastic drop of 90,000 to 30,000 tons for Robusta and 30,000 to 10,000 for Arabica within the same period. It was the same observation the Minister of State had earlier made in Sangmelima and Limbe where he equally presented the new Cocoa and Coffee revival programme.

"There has been a consistent degradation in the quality of the products leading to significant loss in the international market", he remarked. Jean Nkuete, blamed the almost disastrous situation on, "high cost of agricultural in-puts, insufficient production material, aging farms and farmers, price fluctuation on the international market, inadequate financing, poor processing, and abandonment of plantations."

According to the MINADER boss the revival programme focuses on five major axes: production and distribution of good quality cocoa and coffee production material, phytosanitary protection, creation of new farms and regeneration of old ones, quality improvement and support to young farmers. The programme portrays government as reflecting on measures that will spur young farmers into cocoa and coffee production. These include: giving out subventions to farmers and reducing customs duties on agric in-puts, instituting prizes of merit for higher yields and good quality produce and all types of credit to finance the creation of new farms, marketing and processing of cocoa and coffee. All these will be made possible by the country's newly created Rural Development Bank and the strengthening of the micro credit network.

Very ambitious moves indeed. But where the shoe continues to pinch more is how to coerce the youths into farms. How do we get the youths who has his mind in the cities because of the facilities therein to revert his reasoning direction? The answer is not blowing in the wind. Government through its numerous programmes and cocoa and coffee promotional institutions need to give the youths of the village what she has given to the youths of the cities. That is, telephone, water and electricity facilities. The rural youth too need to know that after exhausting himself in the farms, he needs a good rest with all the facilities at his disposal. He needs to communicate, listen to the radio, watch television and read newspapers. He even needs to work on the internet.

These facilities will no doubt attract youths in the countryside. But this, certainly is not all that has to be done. We are talking here about a segment of the population that do not have the financial means for survival. To open new farms or renew old ones, youths will need money. The challenge at this level is with financial institutions be they private or government, which need to renew their confidence on young farmers by providing openings for credit. Such credits when given out should be scrupulously monitored to ensure that they are used for the desired purpose.

The dark side of chocolate

With the Easter choc-fest upon us, it's a good time for your pupils to know what goes into their favourite bar

Judith Kneen, Tuesday April 3, 2007, The Guardian

A world shortage of chocolate may be just around the corner, which may come as a surprise as you stack your shopping basket with multi-buy Easter eggs in preparation for the seasonal choc-fest.

Droughts in west Africa - where nearly 70% of the world's cacao beans are grown - combined with our growing taste for dark chocolate, which requires more of the cacao beans that produce cocoa, is leading to increased demand and higher prices. It's a crisis that will be close to the heart of many a young chocoholic, and the chocolate industry itself provides a fruitful and fascinating area of study for many areas of the curriculum, including geography, design and technology, science and even music.

To whet their appetites, ask students to write a diary of the chocolate they eat. Across the world, tastes are changing and we're eating more dark chocolate. A greater awareness of global issues also means we're buying more fair-trade chocolate. Are these trends reflected in their research?

Chocoholics

Many of your students will consider themselves chocolate experts so tap into this. Test out their expertise on the "fun" section of the Chocolate Review website where they have to identify chocolate bars from a picture of the cross-section (www.chocolatereview.co.uk/fun/default.asp).

They'll have strong opinions of the different varieties, so get them to survey their preferences. The Chocolate Review website polls visitors to find out their favourite bars. Compare the findings and encourage them to question their knowledge of chocolate. Do they have brand loyalty? Do they eat fair-trade chocolate? Create some blind taste testings. They may be experts on the end product, but how much do your students know about the chocolate-making process? A How Stuff Works video demonstrates how beans turn into different types of chocolate (<http://videos.howstuffworks.com/chocolate-video.htm>).

The "read" link on the same page gives further information and both sources will help students to write instructions on how to make chocolate.

Growing and trading chocolate

Take students further back in the process to the countries where cacao beans are produced. They grow in countries such as the Ivory Coast, Indonesia and Brazil, covering a narrow geographical zone around the equator. Ask students to find out the top 10 cocoa-producing countries (<http://en.wikipedia.org/wiki/Cocoa>). Using a blank world map (eg www.eduplace.com/ss/maps/pdf/world_country.pdf), students can colour in the countries, discussing what they have in common.

The industry has become a focus for fair trade and there are some excellent sites that illustrate the issue. The Pa Pa Paa site provides rich and colourful resources on Ghana for KS2 and KS3 (www.papapaa.org). Use the "check these out" links on the home page about making chocolate to help younger students write the journey of a chocolate bean from tree to bar. Comprehensive citizenship resources for older students, including the Chocolate Trading Game, can be found at www.citizen.org.uk/Democracy/pdf/34.pdf.

Slavery

The recent bicentenary of the abolition of the slave trade in this country was a disturbing reminder of past inhumanity. How much more disturbing, then, to realise that slavery still exists and may have contributed to our chocolate bars? Show students a film that shows slave labour in the world's biggest single producer of cocoa, the Ivory Coast: <http://freetheslaves.net/store/slavery-a-global-investigation> (the section on the Ivory Coast begins 11 minutes into the film).

Ask students to create their own music or poetry to publicise the existence of slavery in the chocolate industry. They can gain inspiration from the "chocolate rapps" competition winners, whose superb songs can be found on the attractive Dubble site (www.dubble.co.uk/funandgames/radio.shtml). Divine Chocolate, from the same company as Dubble, is the focus for a Design Council case study (www.designcouncil.info/educationresources/profiles.html). Encourage students to study the market, then create and explain a design for a new fair-trade chocolate bar.

Alternatively, show students one of the chocolate recipes on Video Jug (www.videojug.com/search/chocolate), eg How to make the perfect hot chocolate, and ask them to storyboard the video, ie create rough sketches of each of the main frames of the video. This will help them to appreciate the structure of the film (and the recipe). With students in pairs, ask them to find their own chocolate recipe, to storyboard it, then create their own digital film of the recipe. The results can be edited on Windows Movie Maker or iMovie (Macs). Who knows, you may be nurturing the next Jamie or Nigella!

As they try out the results of their recipe, ask them to consider the effect of chocolate on their bodies. Many claims have been made for this complex substance, including lowering cholesterol, easing hangovers and generally making us feel good. Students can find out more about the science of chocolate, including why chocolate makes us feel good, at www.bbc.co.uk/science/hottopics/chocolate and a lesson plan and attractive resource can be found at www.upd8.org.uk/activity/124/Inside-Easter-Eggs.html

The case for cocoa

Portsmouth Herald Health News, Complete Health Index

Just the words "health food" can send lips and teeth into lockdown. They muster visions of dark, bland veggies, flakes o' cardboard and desserts reminiscent of rabbit pellets.

It's like some cruel joke. Food that properly fuels the engine tastes more like a non-edible substance, while the things you crave are covered in artery-clogging goo or crawl out of the depths of heart-freezing Fryolators.

Well all of that is about to change; at least if researchers keep heading in the current direction chocolate is leading them. There have been numerous reports in the past decade hinting at the life-enhancing benefits of the cacao bean. But the newest of the lot look like they might put cocoa right up there with some of the super foods, like yogurt and walnuts. There are lots of chocolate lovers that never doubted this day would come.

One of the recent studies, conducted by researchers from the Yale Prevention Research Center, was presented at a recent American College of Cardiology meeting in New Orleans. It concluded that a dark chocolate cocoa mix significantly improved the blood vessel health, improving the blood flow, of the participating middle-age, overweight subjects.

Participants drank cocoa, daily for six weeks. (Just how difficult do you think it was to find participants for this one?) Ultrasound was used to measure blood flow in an artery in the arm, a test that corresponds well to heart disease risk. Of those using an artificially sweetened cocoa mix, 37 percent showed improvement. Twenty-three percent had improved blood flow using the sugar sweetened mix, while the placebo group showed only 12 percent improvement.

There are a few "Buts," such as the beneficial flow diminished within six hours. For that reason and the potential for weight gain, the answer may lie in a pill that contains concentrations of the beneficial flavonoids — the ingredient believed to bring about the results. Time will tell. This is not the first study to link reduced heart disease risk to antioxidant flavonoids in dark

chocolate. Flavonoids have been found to relax blood vessels (improving blood flow), and inhibit platelets from sticking together in the blood. A Mayo Clinic report suggests that moderate amounts of dark chocolate may be used to reduce the risk of blood clots and platelet formation in the arteries that can lead to stroke — similar to low-dose aspirin.

Ah, but there's more.

A March '07 Science Daily article says the health benefits of epicatechin, a compound found in cocoa, may rival penicillin and anaesthesia in terms of importance to public health. Norman Hollenberg, professor of medicine at Harvard Medical School, who has studied the benefits of cocoa drinking among the Kuna people of Panama, says epicatechin is so important that it should be considered a vitamin. His studies found that the risk of four of the five most common killer diseases: stroke, heart failure, cancer and diabetes, is reduced to less than 10 percent in the Kuna, who can drink up to 40 cups of cocoa a week.

The downside here is epicatechin, like many of the more bitter tasting flavonoids in cocoa, are removed from commercial cocoas. So when you think chocolate think dark. My guess is, while pharmaceutical companies will rush to create pills, the truly smart entrepreneur will design a process to make the delicious drink or bar without stripping it of its beneficial elements.

And there are other elements to consider, along with still more benefits.

Chocolate lovers have long said popping a bon bon on a bad day is a great pick up. Well, they were right. Yes, there's caffeine. But that's not the only contributor. According to the exploratorium.edu Web site of the San Francisco Exploratorium (in a section dedicated to all things chocolate), cocoa also has slightly higher amounts of theobromine, a weak stimulant. The combination of these two chemicals (and possibly others) may provide the "lift" that chocolate eaters experience.

Phenylethylamine, related to amphetamines, which are strong stimulants, is also found in cocoa. These stimulants increase the activity of neurotransmitters in areas of the brain that control the ability to pay attention and stay alert. There are also other neurotransmitters found in the humble bean.

Dr. Bryan Raudenbush and his colleagues at Wheeling Jesuit University in West Virginia conducted research that suggests chocolate leads to increased mental performance. There was an improvement with dark, but milk chocolate led the pack in this study. And it doesn't stop there. There are traces of elements and nutrients in chocolate such as iron, calcium, phosphorus, potassium and the vitamins A, B1, C, D and E. And it's the highest natural source of magnesium. Magnesium may significantly lessen drops in progesterone levels, a major cause of mood swings associated with PMS. No surprise there for some women.

And check this out — also found on that cool San Francisco Exploratorium site: Two studies, one by the Pennsylvania School of Medicine and another by the U.S. Naval Academy, showed that eating chocolate did not produce any significant changes in the acne and, it has not been proven to cause cavities or tooth decay. Fact is, its cocoa butter coats the teeth and may help protect cavities by preventing plaque from forming. There's the sugar issue of course. But we're talking chocolate here.

The downside of all this? Many of the more bitter tasting flavonoids in cocoa are removed while processing commercial cocoas. There is also the fact that much of the chocolate we consume is heavily laced with sugar. Cocoa's benefits do not alter the downside of that substance. And, finally, no one is saying run out and buy chocolate, though they're not saying don't either, just do it thoughtfully and in light of your weight/health needs. More studies need to be conducted.

But, personally, I envision a future where health and taste are one and the same, where schools offer children yogurt, chocolate, walnut salads; and we all live happily ever after.

Study shows dark chocolate improves blood vessel health

4/9/2007, By John Fauber, McClatchy Newspapers

Feeding chocolate to a bunch of middle-age, overweight people for weeks on end may not be as unhealthy as it seems. Researchers found that six weeks of daily consumption of a dark chocolate cocoa mix significantly improved the blood vessel health of those who participated in the study.

The study is the latest in a growing number that link reduced heart disease risk to flavonoids in dark chocolate and other food and beverages, such as red wine, green tea and dark-colored fruits and vegetables. "There are hundreds if not thousands of flavonoids in every plant substance we eat," said James Stein, director of preventive cardiology at the University of Wisconsin School of Medicine and Public Health.

"This is a very hot area. This study confirms what other investigators have found."

Flavonoids have been found to relax blood vessels and thereby improve blood flow, inhibit platelets from sticking together in the blood, and have a beneficial antioxidant effect. What still is not known is whether regularly eating dark chocolate, especially with its high sugar and fat content, eventually will lead to an unhealthy weight gain that would erase the beneficial effects of the flavonoids found in the cocoa.

Cocoa is one of the most concentrated sources of the flavonoids catechin and epicatechin. Consuming foods such as dark chocolate and red wine can be a double-edged sword, Stein said. "They shouldn't be considered health foods," he said. "They are treats and shouldn't be staples in the diet." If they are used to replace a high-calories food with little or no nutrition, such as soda, then it may be beneficial, he said.

The study involved 39 people with an average age of 52 who, on average, were mildly obese. There were three six-week sessions, and each person consumed a separate preparation in each session: a Hershey dark chocolate cocoa mix with sugar (230 calories); a Hershey mix that was artificially sweetened (45 calories); and a placebo mix made of sweetened whey powder (250 calories).

The study, which was funded by Hershey and the U.S. Centers for Disease Control and Prevention, was presented at a meeting of the American College of Cardiology recently. Doctors used ultrasound to measure blood flow in an artery in the arm, a test that corresponds well to heart disease risk. The artificially sweetened cocoa mix was associated with about a 37 percent improvement in blood flow. The sugared cocoa was associated with a 23 percent improvement, suggesting that sugar actually interferes with the beneficial actions of flavonoids. The placebo mix resulted in a 12 percent reduction in blood flow. "This tells you that it (cocoa) is cardio-protective," said lead author Valentine Njike, a physician and researcher at Yale University School of Medicine. Njike said the research is the first to evaluate the effect of cocoa on blood flow over a period of weeks in overweight and obese people.

Stop the Traffic: A Warning For Child Slavery In West Africa

April 6th 2007, by Cristina Ersen

The chocolate bunnies' children all around the world will enjoy on Easter are the result of thousands of children forced to work as slaves on cocoa farms in West Africa, campaigners warned.

The latest figures released by the International Labor Organization showed that more than 12,000 children have been subjected to traffic from countries as Mali and Burkina Faso to the Ivory Coast. There, the children have to work, on the cocoa plantation, long hours for no pay and little food. Other hundreds of thousands have to help out on family farms in West Africa. The places and the conditions here often put their health and lives at risk. Needless is to say that this keeps them out of schools.

The anti-slavery coalition Stop the Traffik, backed up by Amnesty International, World Vision and Tearfund, is asking all the important chocolate manufacturers to certify their products with a 'traffic-free' guarantee. They ask for the guarantee that when consumers buy chocolate, they will not unwittingly support child slave labor. On the other hand, British chocolate manufacturers said they think of trafficking as an 'unacceptable' action and they announced that the industry was investing in a certification scheme for the region in order to find the best solution for the issue.

Chairman of Stop the Traffik, Steve Chalke, said these children usually come from poor families who can't afford to support them and even some of them are sold by their parents.

'Often what will happen is the parents are starving, they're poor, they have nothing and somebody comes along and says 'I'll take your son, he'll work on my farm and I'll give you some money' Chalke said. 'They think 'we'll get money so we can eat and our son gets a job'. They don't know what he's going to is a living hell' added chairman Chalke.

Queensland moves closer to having a cocoa industry under joint project with Cadbury

April 5, 2007

Minister for Primary Industries and Fisheries The Honourable Tim Mulherin 05/04/2007

CHOCOLATE LOVERS IN FOR A TREAT AS QUEENSLAND MOVES CLOSER TO A COCOA INDUSTRY

Life is sweet in the Sunshine State, but it could get a whole lot sweeter as the establishment of a north Queensland cocoa industry moves closer to reality. Commercialisation trials start in north Queensland this week as the Department of Primary Industries and Fisheries release 2000 cocoa seedlings as a part of a joint project with Cadbury Schweppes.

Minister for Primary Industries and Fisheries Tim Mulherin said the aim was to establish up to 10,000 cocoa seedlings for distribution to cooperating growers in the Innisfail and Ingham districts as a test into the viability of a commercial cocoa industry in far north Queensland. "Cadbury Schweppes and DPI&F have identified an opportunity for Australia to provide a quality cocoa crop with consistent supply," Mr Mulherin said. "DPI&F have coordinated the import of cocoa seed from PNG's Cocoa and Coconut Institute and the seedlings are being raised by a commercial banana nursery located in Mission Beach."

Mr Mulherin said four growers, three in the Innisfail district and one in Ingham, have agreed to plant one ha or more of cocoa. "The climate in the far north is good for growing cocoa with the added advantages of a lack of serious pests and diseases of cocoa, including the destructive cocoa pod borer."

The commercialisation phase is a result of preliminary research trials which Cadbury Schweppes Australia and the Rural Industries Research and Development Corporation (RIRDC) have funded in conjunction with DPI&F.

DPI&F Regional Industries Development Officer Yan Diczbalis said the current round of cocoa trials began in 2000 on two one-hectare plots of land, one at Mossman and the other at South Johnstone Research Station.

"We have established that from a growing perspective, cocoa does well in our far north Queensland environment, and that we can get close to 3 t/ha of dry bean per year," Mr Diczbalis said. "By world standards, that is a very high yield and the quality is commercially acceptable, which gave us the confidence to go ahead with the trials."

Other developments in the North Queensland cocoa industry include moves from Cocoa Australia, who commenced commercialisation of cocoa production and processing in Mossman in 2005. The company continues to recruit growers in the Mossman area. Partnering with Mossman Sugar Mill, Cocoa Australia is establishing cocoa processing facilities as well as their own planting. "Consumers can expect to see Australian chocolate on shelves within the next two to three years, however the market will initially be niche-based," Mr Mulherin said. "DPI&F endeavour to create and support emerging and innovative primary industries in Queensland and home-grown cocoa will certainly be a first for Australia."

In the lead-up to the completion of the project the Department is producing a 'Cocoa Growing Guide for Australia' that will include all the findings and experience gained from the work. The current research project is due to end in June 2007 with the commercialisation phase starting now.

Chocolate maker Callebaut H1 profit rises 11%

By Katie Reid and Anika Lehmann, REUTERS, April 3, 2007

ZURICH – Barry Callebaut, the world's biggest chocolate maker, posted an 11 percent rise in net profit for its fiscal half-year, but shares fell on concerns over the profitability of some of its large contracts. The group, which produces chocolate for other food companies, said on Tuesday net profit rose to 125.2 million Swiss francs (\$103.1 million), better than expected, as more companies outsource their chocolate production. By 1219 GMT, shares in the group had fallen 2.35 percent in a stronger market to 872 francs per share. "There is uncertainty about how profitable the big contracts are. Markets have probably factored in large volume businesses, but at (the price) of normal contracts," which was too optimistic said James Amoroso, an analyst at Helvea.

Operating profit rose 7.3 percent to 190 million francs, hit by a negative impact of around 10 million francs, as the company was not able to fully pass on higher prices for cocoa beans in sales of cocoa powder and cocoa butter. The weaker combined cocoa ratio – which measures sales prices of cocoa butter and cocoa powder relative to the cocoa bean price – would impact earnings by more than 10 million Swiss francs (\$8.24 million) in the second half of the current fiscal year, the group's chief executive said. But the ratio would improve starting in the first half of fiscal year 2007/08, Chief Executive Officer Patrick De Maeseneire told Reuters in an interview.

The group said that despite higher raw material prices it was on track to reach its three-year financial targets of annual top-line growth of 3 to 5 percent, operating profit growth of 8 to 10 percent and net profit of 12 to 15 percent for the period 2005/06 through 2007/08.

The group expected cocoa prices to rise further. "Given the supply situation in the Ivory Coast, with an expected rather low mid-crop, and also because of the weather conditions, we still see an upside on the cocoa price," De Maeseneire said. The consumer products North America business – which makes products such as fudge nut goodies and peanut butter clusters – also hit earnings before interest and tax, the group said, as sales were hit by the weaker dollar. De Maeseneire said the group was considering selling the unit, Brach's Confections, which it purchased in 2003. "We are now looking at different strategic options for Brach's. We have nothing decided yet. Selling is one of a number of options. Others could be downscaling, partnering, etc. We need three to four months until we have a decision," he said.

OUTSOURCING

In February, the group said it would acquire production capacity from Swiss food-giant Nestle and enter a long-term supply agreement with the world's largest food group. The move was expected to add around 150 million francs to the firm's annual sales in the 2007/08 fiscal year, Barry Callebaut said.

"An increasing number of food manufacturers are moving to outsource their chocolate needs to specialised partners. This trend is expected to accelerate," the group said. The group declined to say whether it had won a large outsourcing contract from U.S. chocolate maker Hershey Co., which markets had been speculating on.

Cocoa Loco

By Diana Najjar, Managing Editor Print, Thursday, April 5 2007

The politics of fair trade cocoa and the Ivory Coast.

The growth of business ethics as a discipline and corporate social responsibility as a mandate in recent years is nothing newsworthy today. Individuals and organizations alike have taken stands on many issues and changed their former habits in favour of what is seen as the better and more virtuous course of action when it concerns both business and personal decisions.

Specifically when it comes to consumption, trends in organic, fair trade, environmentally friendly, animal-free testing and a smorgasbord of other labels are applied to nearly all types of products. But when the average person living in Toronto goes to their local food store and makes any of these “ethical” purchases, who does it really benefit? Does a person buy something that is fair trade because they sincerely believe in the cause and the impact that the purchase has, or are there alternative motives?

When you, for example, buy fair trade chocolate, the label simply refers to the price paid for the cocoa beans and the types of contracts held with various farmers. How does buying fair trade help? My intention is not to dissuade the consumer’s intent to make educated and ethical choices, but merely to uncover some of the dilemmas that might be encountered in the marketplace.

A case study: Cote D’Ivoire

The Ivory Coast is the primary source of the cocoa that is processed into most of the world’s chocolate. This country of only 18 million controls more than 40% of global cocoa production. Cocoa is farmed by independent producers and farmers. It is usually then sold to government agents who offer the going market rate. Farmers are then taxed for the amount, which means that they actually receive well below market rate. These revenues are supposed to be redistributed and reinvested by the government into the cocoa industry, as it is a crucial part of the Ivory Coast economy.

It is from these state agencies that companies like Cadbury Schweppes, Nestle, Hershey’s and M&M Mars buy their cocoa. This presents an ethical dilemma to anybody who has ever enjoyed a sweet and delicious chocolate bar from the major chocolate producers.

Many people have taken steps to ameliorate this situation by buying fair trade, organic or child-labour free brands of chocolate. Nestle just recently come out with its own fair trade brand in the UK. But does anybody actually understand what these terms mean? Does the average chocolate consumer really care?

The problem is in fact more complicated than a simple matter of market prices for cocoa. Unfortunately, with the waging civil war, most of the government revenues go to paying the private agencies responsible for collection and taxation, and the militias that fight in favour of the president in the civil war that has been raging for the last few years. UN forces are maintaining the sensitive balance of peace for the time being.

Consistent employment has subsequently been more difficult to find and keep.

Conversely, farmers cannot always ensure that adult males are available for employment. The usual migrant workers have not been able to travel between the rebel-held north and government south. Fair trade contracts that pay select certified farmers fair trade prices bypass these problems but only cover a small fraction of the total number of Cote D’Ivoire plantations.

Cocoa is one of the country’s primary exports and many depend on cocoa farming for survival. Entire families often depend on cocoa farm employment, even sending their children to work. In fact, another major problem surrounding cocoa farming is that children are sometimes forced and beaten into working long hours on these plantations. Some of these children, it has been discovered, are actually sold to the plantations with false promises of decent shelter, basic education and a modest income that they might be able to send back to their poverty-stricken families in countries that are shockingly worse off than Cote-D’Ivoire. The child labour (perhaps even child slavery) beans are mixed in with all the others from the Ivory Coast and are used by the major chocolate manufacturers.

This news is no secret. A report from the International Labour Organization was published a few years ago, drawing attention to undeniable evidence that there are thousands of children working on these farms. They are involved in some very dangerous tasks. Due to the geography of these farms, it is nearly impossible to say how many children are actually involved, but even the most modest estimates are putting the numbers around 5000, and the more shocking estimates claim 200,000 throughout West Africa. Despite being published and receiving a wide readership in the international business and political community, how much has truly been done to change the situation?

Senator Tom Harkin (Democrat, Iowa) of the United States has tabled a bill that requires certification for farmers that can prove no child slave labour was used. It had earlier been worded “no child labour” but this had to be changed to accommodate certain realities facing Africa. One of these realities (perhaps offering a greater glimmer of hope) is that much of farming knowledge and skill gets passed down through generations. Fathers will apprentice their sons and younger relatives to learn the family business.

This brings us back to the “fair trade” label. It is easy to convince your guilty conscience that by buying fair trade chocolate, you are setting the situation right. Still, fair trade is not synonymous with organic or child-labour free. For example, the Ivory Coast does not currently produce organic cocoa beans. Hence, farmers (both young and old) are still being exposed to harsh chemicals. And, although fair trade provides the farmer with livable wages rather than the below-subsistence market wages currently offered, it does not necessarily guarantee that no children were involved. What if the children who worked the

plantation were apprenticing with their fathers, not children sold into what is fundamentally slavery? Does that make it okay to still enjoy the chocolate?

Ultimately, the consumer must be wise enough to gather the information they need in order to make the choices that they will be comfortable with at the end of the day. For some, a pang of guilt when opening a chocolate bar or a bag of cookies might be enough to encourage the purchase of something with a more ethics-friendly label. Problems go deeper than buying a fair trade bar rather than a KitKat, but maybe these small steps could now pave the way for a better future in the global marketplace.

Barry Callebaut profits from outsourcing trend

CONFECTIONERYNEWS.com - 05/04/2007

The trend towards food manufacturers outsourcing their chocolate ingredient needs translated into impressive volume and sales growth for Barry Callebaut's industrial business segment for the first six months of the fiscal year. The division, which is made up of the cocoa business unit and food manufacturers business unit, reported 11.4 per cent organic growth in sales volumes for the six months ended February 28, to 365.679 tonnes. Sales revenue rose 9.9 per cent to CHF 1,399.1m (€823.4m), and operating profit was up 8.5 per cent to CHF118.8m (€73m).

In food manufacturing, increased outsourcing volumes were attributed to increased outsourcing volumes from existing and new customers. The company said that there is a trend towards manufacturers outsourcing their chocolate needs to specialised partners - and this is expected to accelerate as more integrated companies shift their focus towards sales and marketing and source from third parties.

One big deal for Barry Callebaut is its planned agreement with Nestle to acquire the cocoa liquor and liquid chocolate production facility at the chocolate factory in San Sisto, Italy and a chocolate factory in Dijon, France.

The agreement also includes a long-term agreement to supply some 43,000 tonnes of liquid chocolate and produce some of Nestle's consumer products. All in all, the arrangement, which is expected to be finalised in the summer, would add around CHF150m (€92.2m) to Barry Callebaut's annual sales.

CEO Patrick De Maesneire said that the new outsourcing projects are giving the company confidence that it will achieve its 3-year financial targets through to 2007/8 - annual top-line growth of 3 to 5 per cent, EBIT growth of 8 to 10 per cent, and net profit growth of 12 to 15 per cent. For the cocoa business unit, volumes increased by 13.8 per cent during the reporting period; volumes were pushed in a bid to compensate for margin decline caused by deteriorating combined (cocoa) ratio - that is, combined sales prices for cocoa butter and cocoa powder relative to the cocoa bean price.

De Maesneire said that the combined (cocoa) ratio is expected to continue having a negative effect on profitability in the second half of the fiscal year, whereafter it will phase out. For the company overall, including its Food Service/Retail Business Segment, net profit was up 11.1 per cent to CHF 125.2m and operating profit up 7.3 per cent to CHF190m (€116.8m).

The US was a notable detracting factor, reporting an eight percent drop in operating profit to CHF28.1m (€17.26m). While the Food Manufacturers and Gourmet and Specialties units performed well, this was offset by weaker sales from Consumer Products North America. The company is currently reviewing its consumer products business in the region. Despite raw material process increasing considerably and the early timing of Easter this year, De Maesneire said: "Our portfolio with industrial customers looks strong and we expect continued good volume growth in the second half of the current fiscal year."

Nestlé builds science to support cocoa polyphenol claims

By Stephen Daniells

4/6/2007 - The polyphenol content of many chocolates varies greatly around the world, scientists from the Nestlé Research Center (NRC) report in an article that adds to the company's ability to validate potential nutritional and health claims for its cocoa-based products. The impending introduction of nutrition and health claims regulations in the EU, published in the EU official journal in January, will be applicable from July. Industry has started to prepare for the full implementation

Fundamentally, the new European regulation aims to increase consumer protection with regards to nutrition and health claims made on food. It is envisaged to harmonise health claims that can be made on food products throughout the EU. "The present study on cocoa polyphenols is a good example of the work carried out to provide the solid scientific foundation for Nestlé to support product claims and to communicate the health and wellness benefits of Nestlé products," said NRC in a statement.

Dark chocolate is a rich source of antioxidants, and contains more polyphenols per gram than green tea or red wine. Other studies have claimed promising results against a wide range of conditions including blood pressure, diarrhoea, breast cancer prevention, and decreasing the effects of aging on the brain.

The chocolate industry has profited from the wave of positive health effect of cocoa, with some producers stressing polyphenol content on their labels. The new study, published in the Journal of Agricultural and Food Chemistry, used a new, fast chromatographic method to separate and quantify in three minutes six of the major polyphenols - catechins, epicatechin,

B2, B5, C1, and tetramer D. Sixty-eight commercially available finished products were tested, covering most of the big confectionary companies worldwide.

The researchers, led by Gary Williamson, report a strong correlation between epicatechin concentration and the other polyphenols, a result they said was "unexpected considering the diverse sources and types of chocolate in the sample set."

"Epicatechin appears to be an excellent indicator for total polyphenol quality and quantity, with (-)-catechin being the main form of polyphenol that varies with cocoa origin and manufacturing conditions. "This innovation adds a new dimension to the methods used to ensure the consistent high quality and quantity of cocoa polyphenols in Nestlé chocolate," said NRC

Source: Journal of Agricultural and Food Chemistry

Published on-line ahead of print, doi: 10.1021/jf063277c

"Rapid reversed phase ultra-performance liquid chromatography analysis of the major cocoa polyphenols and inter-relationships of their concentrations in chocolate"

Authors: K.A. Cooper, E. Campos-Gimenez, D. Jimenez Alvarez, K. Nagy, J.L. Donovan, G. Williamson

Ghana: Children seek jobs in cocoa fields

Tue. April 03, 2007 03:56 am.- By Bonny Apunyu. - Send this news article

(SomaliNet) Poor children from Ghana's arid northern territory still go to Betenase's lush cocoa plantations in search of work. Children, some of them trafficked, are working on cocoa plantations in neighbouring Ivory Coast, having come from impoverished Burkina Faso or Mali on the edge of the Sahara desert, according to allegations.

Meanwhile, the western cocoa plantations of Ghana, the world's No. 2 producer, are also a destination for child labourers, albeit on a much smaller scale. According to aid workers hundreds of children may work on Ghana's plantations, far fewer than the tens of thousands of children believed to work in Ivory Coast, but the Ghanaian authorities are working with industry to combat the problem.

"It is important we tackle this because it is the aim of the government that children of school-going age are in school," said Mr Robert Kwabena Poku Kyei, a member of the board of Ghana's industry regulator, Cocobod. "We are also signatories to international conventions which require that we eliminate any incidence of child labour in our system," he said.

Many of the migrant workers, who are mostly from within Ghana, find their new life as hard as the one they left behind. "Here I get food to eat, but the work is so hard, I feel there is not much difference (between Betenase and my home)," said teenager Alhassan Ali, who left his family in northern Ghana two years ago, aged 14, in search of money. -Reuters

Study shows dark chocolate improves blood vessel health

4/9/2007, By John Fauber , McClatchy Newspapers

Feeding chocolate to a bunch of middle-age, overweight people for weeks on end may not be as unhealthy as it seems. Researchers found that six weeks of daily consumption of a dark chocolate cocoa mix significantly improved the blood vessel health of those who participated in the study.

The study is the latest in a growing number that link reduced heart disease risk to flavonoids in dark chocolate and other food and beverages, such as red wine, green tea and dark-colored fruits and vegetables.

"There are hundreds if not thousands of flavonoids in every plant substance we eat," said James Stein, director of preventive cardiology at the University of Wisconsin School of Medicine and Public Health. "This is a very hot area. This study confirms what other investigators have found."

Flavonoids have been found to relax blood vessels and thereby improve blood flow, inhibit platelets from sticking together in the blood, and have a beneficial antioxidant effect. What still is not known is whether regularly eating dark chocolate, especially with its high sugar and fat content, eventually will lead to an unhealthy weight gain that would erase the beneficial effects of the flavonoids found in the cocoa.

Cocoa is one of the most concentrated sources of the flavonoids catechin and epicatechin. Consuming foods such as dark chocolate and red wine can be a double-edged sword, Stein said. "They shouldn't be considered health foods," he said. "They are treats and shouldn't be staples in the diet." If they are used to replace a high-calories food with little or no nutrition, such as soda, then it may be beneficial, he said.

The study involved 39 people with an average age of 52 who, on average, were mildly obese. There were three six-week sessions, and each person consumed a separate preparation in each session: a Hershey dark chocolate cocoa mix with sugar (230 calories); a Hershey mix that was artificially sweetened (45 calories); and a placebo mix made of sweetened whey powder (250 calories). The study, which was funded by Hershey and the U.S. Centers for Disease Control and Prevention, was presented at a meeting of the American College of Cardiology recently.

Doctors used ultrasound to measure blood flow in an artery in the arm, a test that corresponds well to heart disease risk. The artificially sweetened cocoa mix was associated with about a 37 percent improvement in blood flow. The sugared cocoa was associated with a 23 percent improvement, suggesting that sugar actually interferes with the beneficial actions of flavonoids. The placebo mix resulted in a 12 percent reduction in blood flow.

"This tells you that it (cocoa) is cardio-protective," said lead author Valentine Njike, a physician and researcher at Yale University School of Medicine. Njike said the research is the first to evaluate the effect of cocoa on blood flow over a period of weeks in overweight and obese people.

TradeSignals Cocoa Futures Morning Commentary -- 2007-04-05 07:01:28

Cocoa:

Nearby Cocoa futures finished the previous session higher extending the prior days gains. Trend indicators are indicating a bullish market. However the overall strength of the trend, as indicated by the ADX, is weak and should be watched as a result.

TREND INDICATORS:

Simple Moving Average (10-Day): The closing price finished below this moving average. However, despite prices trading below the moving average line, the moving average is in an upward slope from the previous session. If prices trade above the moving average then the trend will be clearly established as up. However, this weakness in the price will need to be watched. As a result the 10-Day simple moving average has a weak bullish bias.

Simple Moving Average (25-Day): The closing price finished above this moving average. Also, the slope of the moving average is in an upward slope from the previous session indicating further strength. As a result the 25-Day simple moving average has a strong bullish bias.

Simple Moving Average (50-Day): The closing price finished above this moving average. Also, the slope of the moving average is in an upward slope from the previous session indicating further strength. As a result the 50-Day simple moving average has a strong bullish bias.

ADX: The Average Directional Change (ADX) indicates the strength of a markets underlying trend. A rising ADX is interpreted as building trend strength, while a falling ADX indicates weakness in the underlying trend and the potential of a market reversal. On this market, the 14-Day ADX is falling, while the long term trend, based on a 50-Day moving average, is up. However, the weak ADX indicates that the current trend is deteriorating and may possibly reverse. Look for choppiness ahead.

TIT BITS

(Source: Business Recorder – www.brecord)

US MIDDAY: cocoa little changed

NEW YORK (April 11, 2007): US cocoa futures closed flat to a shade higher Tuesday in spread-dominated trade, with dealings spanning a tight range resembling the prior session, traders said.

New York cocoa slips

NEW YORK (April 11, 2007): US cocoa futures closed lower on Monday, pressured by weaker sterling and as players rolled positions out of May into July, keeping prices below the nearly four-year peak scaled in late March, traders said.

Ivorian cocoa arrivals seen down

ABIDJAN (April 11, 2007): cocoa arrivals at ports in Ivory Coast reached around 912,000 tonnes between October 1 and April 8, exporters estimated on Tuesday, down from 927,673 tonnes the previous season.

Ivory Coast rains good for cocoa mid-crop

ABIDJAN (April 10, 2007): Abundant rains in Ivory Coast's cocoa regions last week bode well for the April-September mid-crop after a prolonged drought earlier this year in the world's top cocoa producer, farmers said on Monday.

Brazil 2006-07 cocoa arrivals fall

SAO PAULO (April 08, 2007): Brazilian 2006/07 (May/April) cocoa arrivals from Bahia and other states totalled 3.58 million 60-kg bags by April 1, down 2.2 percent from 3.66 million bags a year ago, Bahia Commercial Association said on Wednesday.

New York cocoa rises

NEW YORK (April 07, 2007): US cocoa futures settled higher on Thursday on continued fund and speculative buying amid a lack of origin selling, gradually recouping on Monday's losses when prices plummeted from nearly four-year highs, traders said.

New York cocoa higher

NEW YORK (April 06, 2007): US cocoa futures settled up 1.9 percent on Wednesday, on speculative buying and options-related dealings that buoyed prices for the second straight day following on Monday's slide from nearly four-year-high levels, traders said.

Ghana cocoa output seen well below 700,000 tonnes

ACCRA (April 05, 2007): Ghana will harvest 550,000 to 560,000 tonnes of cocoa during the 2006/07 main crop, meaning output for the whole year will be well below an earlier forecast 700,000 tonnes, an official at industry regulator Cocobod said.

New York cocoa makes gains

NEW YORK (April 05, 2007): US cocoa futures settled firm on Tuesday, on a lack of follow-through speculative selling, recouping some of the previous day's losses when prices plummeted 6 percent from nearly four-year highs, traders said.

Options may keep NYBOT floor trading alive

NEW YORK (April 04, 2007): A noisy system where traders scream "buy" and "sell" orders at the New York Board of Trade should be able to withstand the onslaught of electronic dealings as long as the traditional trading of options holds. "The pit will still be there as long as we have the options," one New York-based coffee trader said.

Barry Callebaut sees cocoa prices rising

ZURICH (April 04, 2007): Swiss chocolate maker Barry Callebaut said on Tuesday it expected cocoa prices to rise due to stronger demand, weather conditions, expectations for a low mid-crop and the political situation in the Ivory Coast.

New York cocoa futures slip

NEW YORK (April 04, 2007): The US cocoa futures slipped to close down 1.7 percent Tuesday, taking a rest following five straight sessions of firm settlements at levels last seen nearly four years ago, traders said.

Ivorian cocoa prices mainly up

ABIDJAN (April 04, 2007): Farmgate prices in Ivory Coast's main cocoa growing areas were mainly up in the week of March 26-April 1, Coffee and cocoa Bourse (BCC) data showed on Tuesday, as tight supply and crop worries buoyed the market.

London cocoa plummets

LONDON (April 03, 2007): London cocoa futures fell more than five percent on Monday, weakened by speculative profit-taking after the rise in prices last week to a near-four-year high, dealers said. May ended down 58 pounds or 5.5 percent at 1,001 pounds a tonne while July finished 57 pounds lower at 1,017. Total volume was a heavy 21,444 lots.

Ghana cocoa purchases up

ACCRA (April 03, 2007): cocoa purchases declared by private buyers to Ghana's Cocobod industry regulator reached 499,759 tonnes between October 13 and March 1, an industry source said on Monday. That compared with 468,010 tonnes declared in the first 20 weeks of last season's main crop, which began on October 7, 2005.

Ivorian cocoa arrivals seen down

ABIDJAN (April 03, 2007): cocoa arrivals at ports in Ivory Coast totalled around 905,000 tonnes during the October 1-March 31 main crop, exporters in the No 1 grower estimated on Monday, down from 914,695 tonnes the previous season.

London cocoa near four-year high

LONDON (March 31, 2007): London cocoa futures closed near four-year high on Friday on worries over damage to West African mid crops from dry weather, and robust global demand.

Cocoa arrivals at Ivory Coast's port

ABIDJAN (March 31, 2007): cocoa arrivals at Ivory Coast's port of San Pedro reached 372,356 tonnes March 25, 2007, according to data from the Coffee and cocoa Bourse (BCC) obtained by Reuters on Thursday.

New York cocoa rallies

NEW YORK (March 31, 2007): US cocoa futures closed higher on Thursday in a sustained rally buoyed by fund and speculative buying, keeping prices at nearly four-year-high levels, traders said.

Cocoa surges, ignores Ivory Coast deal

LONDON (March 30, 2007): London cocoa futures have surged to four-year highs despite a deal on naming rebel leader Guillaume Soro as prime minister of top cocoa grower Ivory Coast that could lead to higher cocoa output and less smuggling.

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