



COPAL COCOA *Info*

A Weekly Newsletter of Cocoa Producers' Alliance

Issue No. 234

4th – 8th June 2007

Cocoa Producers' Alliance

ICCO Daily Cocoa Prices

	ICCO daily price (US\$/tonne)	London futures (£/tonne)	New York Futures (US\$/tonne)
4 th June	1957.03	1020.33	1886.67
5 th June	1981.48	1033.33	1907.67
6 th June	1981.47	1037.00	1901.33
7 th June	1950.46	1025.67	1875.33
8 th June	1923.78	1019.33	1849.67
Average	1959.00	1027.00	1884.00

Up-coming Events

- ✓ Improving Cocoa Quality Workshop, CAISTAB Building, Abidjan, Côte d'Ivoire. 16th July 2007

In the News (from Newspapers worldwide)

Health & Nutrition

- Cocoa compound boosts memory, scientists say
- Chocolate Lovers May Be Able to Brush with Glee

Production & Quality

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- Asian Cocoa Grinders Scramble for Good Quality Beans

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Others

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Have you had your cocoa today?

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

Monday 4th June 2007

Month	Opening Trans	Settle	Change	Daily High	Daily Low	Volume
Jul 2007	1020	1007	-21	1022	1003	3463
Sep 2007	1038	1025	-18	1038	1021	3739
Dec 2007	1036	1029	-15	1041	1025	1290
Mar 2007	1039	1034	-14	1045	1033	436
May 2008	1045	1041	-14	1050	1040	170
Jul 2008		1048	-14			0
Sep 2008		1056	-14			0
Dec 2008	1071	1065	-15	1071	1071	16
Mar 2008		1076	-15			0
May 2009		1084	-15			0
Totals		1047				9,114

Tuesday 5th June 2007

Month	Opening Trans	Settle	Change	High	Low	Volume
Jul 2007	1007	1020	13	1025	1005	4899
Sep 2007	1022	1038	13	1042	1022	3180
Dec 2007	1033	1042	13	1045	1028	1537
Mar 2007	1034	1045	11	1048	1034	967
May 2008	1046	1052	11	1052	1046S	61
Jul 2008		1058	10			0
Sep 2008	1067	1066	10	1067	1067	10
Dec 2008	1071	1075	10	1071S	1071S	100
Mar 2008		1085	9			0
May 2009		1093	9			
Totals		1057				10,754

Wednesday 6th June 2007

Month	Opening Trans	Settle	Change	High	Low	Volume
Jul 2007	1024	1025	5	1034	1011	6716
Sep 2007	1044	1041	3	1051	1029	3983
Dec 2007	1046	1045	3	1053	1034	6667
Mar 2007	1048	1049	4	1055	1038	2904
May 2008	1055	1056	4	1057S	1045	283
Jul 2008	1057	1064	6	1057	1057	2
Sep 2008	1064	1072	6	1072	1058S	5102
Dec 2008	1073	1081	6	1073	1067S	52
Mar 2008		1092	7			0
May 2009		1100	7			0
Totals		1067				25,709

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

Monday 4th June 2007

Month	Open	Price	Change	High	Low	Volume
Jul 2007	1873 0	1856	-27	1878	1853	8378
Sep 2007	1899 1901	1883	-26	1901	1880	4766
Dec 2007	1920 ^B 1930 ^A	1909	-23	1923	1923	1286
Mar 2008	0 0	1933	-20	0	0	1020
May 2008	0 0	1950	-20	0	0	110
Jul 2008	0 0	1965	-23	0	0	56
Sep 2008	0 0	1983	-23	0	0	146
Dec 2008	0 0	1993	-23			

Thursday 7th June 2007

Month	Open	Price	Change	High	Low	Volume
Jul 2007	1862 1867	1845	-30	1869	1841	8622
Sep 2007	1892 0	1871	-31	1893	1869	5929
Dec 2007	0 0	1897	-30	1914	1901	787
Mar 2008	0 0	1921	-30	0	0	629
May 2008	0 0	1936	-30	0	0	130
Jul 2008	0 0	1953	-30	0	0	25
Sep 2008	0 0	1971	-30	0	0	0
Dec 2008	0 0	1986	-30	0	0	42
Mar 2009	0 0	2006	-30	0	0	0
May 2009	0 0	2026	-30	0	0	0
Totals		1941				16164

Friday 8th June 2007

Month	Open	Price	Change	High	Low	Volume
Jul 2007	1847 1848	1822	-23	1852	1820	9470
Sep 2007	1880 0	1849	-22	1880	1848	6029
Dec 2007	0 0	1876	-21	1897	1880	966
Mar 2008	0 0	1900	-21	0	0	318
May 2008	0 0	1916	-20	0	0	148
Jul 2008	0 0	1934	-19	0	0	62
Sep 2008	0 0	1951	-20	0	0	0
Dec 2008	0 0	1966	-20	0	0	4
Mar 2009	0 0	1986	-20	0	0	0
May 2009	0 0	2006	-20	0	0	0
Totals		1921				16997

Average for the week	1951				18361
Total for the week					73,444

Spot Prices (US\$ per tonne)

	4 th June	5 th June	6 th JUNE	7 th June	8 th June
Main Crop Ghana, Grade 1	2274	2299	2293	2263	2240
Main Crop Ivory Coast, Grade 1	2166	2191	2185	2155	2132
Main Crop Nigerian, 1	2146	2171	2165	2135	2112
Superior Arriba	2634	2659	2653	2623	2600
Sanchez f.a.q.	2148	2173	2167	2137	2114
Malaysian 110	1864	1889	1883	1853	1830
Sulawesi f.a.q.	1924	1949	1943	1913	1890
Ecuador Cocoa Liquor	3372	3417	3406	3352	3310
Pure Prime Press African Type Cocoa Butter	5395	5467	5450	5363	5296
10/12% Natural Cocoa Press Cake	885	897	894	879	868

Source: Cocoa Merchants' Association

News

Health & Nutrition

Cocoa compound boosts memory, scientists say

CBC News

June 4th, 2007

A natural compound found in cocoa, blueberries, tea and grapes enhances memory in mice, especially when combined with exercise, according to newly published research. The compound, called epicatechin, is one of a group of chemicals called flavonols which have previously been shown to improve cardiovascular function and increase blood flow to the brain.

Salk Institute researcher Henriette van Praag and her colleagues found a combination of exercise and a diet of epicatechin also promoted functional changes in a part of the brain involved in the formation of learning and memory. The findings, published in the May 30 issue of *The Journal of Neuroscience*, suggest a diet rich in flavonols could help reduce the effects of neurodegenerative illnesses such as Alzheimer's disease or cognitive disorders related to aging.

Van Praag and her team fed some mice a regular diet and supplemented the diet of the others with the compound. The researchers also had half the mice in each group run on a wheel for two hours a day. After a month the mice were trained to find a platform hidden in a pool of water. Those that ran on the wheel and consumed epicatechin remembered the location of the platform for longer. These mice also had greater blood vessel growth in the dentate gyrus, the area of the brain associated with memory.

Mice that consumed the compound but did not exercise still showed enhanced memory, but not as much as those that also exercised.

Chocolate Lovers May Be Able to Brush with Glee

Dental, Health, News

6/5/2007

(iVillage Total Health) - Chocolate lovers take heart. You may one day be able to get the same thrill from brushing your teeth that you get from a box of chocolates. That's because a Tulane University researcher has found a way for a natural extract of cocoa powder to protect teeth enamel.

Researchers compared the effects on tooth enamel of both the cocoa extract and fluoride and say the extract may be an effective alternative to fluoride, a chemical that has been added to toothpaste for nearly a century to strengthen teeth and protect them against tooth decay.

The extract is a white crystalline powder that is similar to caffeine and works to harden enamel. So far, researchers have only used the compound in animal models. Human uses may be as much as two to four years away, according to a Tulane press release.

The lead researcher, Tulane doctoral candidate Arman Sadeghpour, said he has developed a prototype of a peppermint-flavored toothpaste containing the cocoa extract. His research colleagues included scientists from Tulane, the University of New Orleans and Louisiana State University's School of Dentistry.

Production & Quality

Sustainable cocoa farming technology training held in Palawan

PIA Daily News Reader

2007/06/06

Puerto Princesa City (6 June) -- The Sustainable Cocoa Extension Service for Smallholders (SUCCESS) Alliance-Philippines, the Department of Agriculture (DA) and the Cocoa Foundation of the Philippines Inc (CocoaPhil) conducted recently a ten-day Training of Trainers on sustainable cocoa farming.

Twenty-eight (28) agricultural technicians and farmer representatives were selected to attend the training. Participants included those from the different local government units, government agencies and NGOs in Palawan and Northern Luzon. The training aimed to develop committed, dedicated and seasoned training

facilitators equipped with relevant and essential knowledge, attitude and skills on sustainable cocoa farming technology.

After intensive field and classroom training, the participants are expected to recruit and train 100 farmers on sustainable cocoa farming technology in their respective areas of assignment and regions under the Farmer Field School concept, which is a community-based training and technical assistance to small farm holders with the end goal of "farmer empowerment".

In his welcome remarks, Engr. Elmer Ferry, chief of Department of Agriculture in Palawan challenged the trainees to be accountable partner of the program. He also encouraged the participants to work together for the revival and long-term sustainability of the cacao industry.

SUCCESS is a three-year agri-enterprise program funded by the United States Department of Agriculture and being implemented by the Cocoa Foundation of the Philippines Inc., a non-stock, non-profit organization and the umbrella organization of the cacao industry in the country.

Cocoa is an important source of income for hundreds of thousands of small farmholders in East Asia. CocoaPhil is helping the government create community-based diversified and agro-forestry cropping systems to promote cocoa as a sustainable, environmentally friendly income source for small farmers. (PIA Palawan) [top]

Asian Cocoa Grinders Scramble for Good Quality Beans

Source: Reuters

08/06/2007

Singapore, June 8 - Asian cocoa grinders are struggling to get good quality beans, even though supplies have slowly improved in Indonesia's main growing island of Sulawesi after a delayed harvest, dealers said on Friday.

In the product market, butter ratios were steady at 2.60 to 2.61 times London futures for nearby shipments. The price of butter, a key ingredient for chocolate, is determined by multiplying the ratio with related contracts in London. "A lot of grinders might have waited for the main crop to start, hoping to get better quality beans. Now that the crop has been delayed, it's difficult to get good beans unless they are prepared to pay a very high price," said a dealer in Singapore. "People are using the beans to meet whatever previous requirements. Bean stocks are declining while there are always regular purchases of butter," he said.

Grinders in Malaysia, Singapore, China and Europe buy beans from Indonesia, the world's third-largest cocoa producer after Ivory Coast and Ghana. Daily arrivals of beans from plantations to the main export port of Makassar in South Sulawesi rose to 1,500 tonnes this week from 1,000 tonnes last week but good beans are difficult to find. Incessant rains earlier this year delayed harvests in Sulawesi to May from April, causing cocoa pods to turn black and mouldy and the beans in them to shrink. "We've been offered beans at a discount of \$100 under New York. That's very expensive," said a grinder in Malaysia, which is Asia's largest grinder. The discount was also heard at \$110 under New York's July contract but it was even smaller than last week's \$180 on a free-on-board basis, reflecting difficulties in getting good quality beans.

The New York Board of Trade benchmark July contract dropped \$30 to \$1,845 a tonne on Thursday in technically driven trade. "We have to slow down and we don't dare to sell too much product. It's even difficult to get beans from our own estates because of poor harvesting," said the grinder in Malaysia.

Malaysia also grows cocoa but production is not enough to meet demand from local grinders. Production has declined in recent years mainly because of poor weather and the shift to oil palm, whose prices reach record-highs this year. "The harvest is about to end and it's not going to be good. There's a pod borer outbreak and the beans are flat," said a dealer in Tawau, a main growing district in the state of Sabah on Borneo.

The worm-like pod borer eats cocoa beans. The harvests started in Tawau in April. The next crop is expected to start in in October. Malaysia expects annual grinding capacity to rise 33 percent to 360,000 tonnes by 2010 from 270,261 tonnes last year, the commodities minister, Peter Chin, said in March. The country expects cocoa production to rise around 5 percent in 2007 from an estimated 30,000 tonnes in 2006 by teaching small growers better farming practices and increasing the area planted with the crop.

Processing & Manufacturing

Ghana to produce cocoa liquor

Reuters

6-Jun-2007

BD Associates will start producing cocoa liquor at a \$20 million, 12,500-tonne plant in Ghana by the end of this year, executives in the world's No.2 cocoa producer said. The firm, which represents UK, Kazakh and Ghanaian investors, has secured a 10,000-tonne bean supply agreement with industry regulator COCOBOD. Kazakh confectionery giant Rakhat, a technical adviser to BD Associates, will be the firm's main customer.

BD Associates, which had initially hoped to secure as much as 50,000 tonnes from the regulator, said it could expand the plant's capacity after production had begun if it secured more beans from the regulator. "By the end of the year, it will be ready. The bean supply agreement is for 10,000 tonnes a year. It is an open agreement, we could still get more," said Ernest Opoku Ansah, BD Associates' representative in Ghana.

Ghana, which borders world No.1 producer Ivory Coast, is set to see installed processing capacity reach almost 300,000 tonnes by next year, roughly half of its average annual crop of 600,000 tonnes. Four firms already process cocoa in Ghana: family-owned Afrotropic, international firm Barry Callebaut, German-controlled West African Mills and partly state-owned Cocoa Processing Company. U.S. agribusiness giant Cargill is due to complete a 60,000 tonne capacity plant later this year. But as processing capacity continues to rise, doubts linger about Ghana's ability to supply firms with all the beans they need.

Processors usually favour the smaller and cheaper mid-crop beans, but this year's poor weather means the mid-crop will fall far short of initial expectations and some processors fear they may not get enough beans. The main crop, which ended last week, is understood to be about 550,000 tonnes, with the 2006/07 total harvest likely to fall short of earlier estimates of about 700,000 tonnes. "There is going to be less light crop available than last year because of rain patterns," one processor said. "We don't think it will warrant problems but you never know."

ADM Announces New Cocoa Processing Plant in Ghana

Archer Daniels Midland

Thu, 07 Jun 2007

DECATUR, Ill., June 7 /PRNewswire-FirstCall/ -- Archer Daniels Midland Company will build a state-of-the-art cocoa processing facility in Kumasi, Ghana. The facility will use the latest technology in cocoa bean processing, assuring high quality cocoa products to meet ADM's growing global customer needs.

The plant will diversify and expand ADM's global cocoa origination and processing operations into a strategically important location. In addition, the Ghana processing plant will bring value to ADM's customers by offering cocoa products from a single source origin. This investment demonstrates ADM's commitment to expand our premier position in the agricultural processing value chain, commented Mark Bemis, president, ADM Cocoa. "Our strategy includes the geographic expansion of our food processing and distribution network." "It also represents Ghana's growing importance in the cocoa processing value chain. By locating the plant in Kumasi, we will be processing cocoa closer to the farmers and providing local jobs to the community," Bemis said. "In addition, it fits securely within the Ghanaian government's strategic and economic objectives of adding value to its cocoa production."

Construction, pending final permitting approvals, is set to begin this year. ADM is a global leader in cocoa processing with plants in North and South America, Europe, Asia and Africa. Archer Daniels Midland Company (ADM) is the world leader in BioEnergy and has a premier position in the agricultural processing value chain. ADM is one of the world's largest processors of soybeans, corn, wheat and cocoa. ADM is a leading manufacturer of biodiesel, ethanol, soybean oil and meal, corn sweeteners, flour and other value-added food and feed ingredients. Headquartered in Decatur, Illinois, ADM has over 26,000 employees, more than 240 processing plants and net sales for the fiscal year ended June 30, 2006 of \$37 billion.

Additional information can be found on ADM's Web site at <http://www.admworld.com/>. Archer Daniels Midland CONTACT: Jessie McKinney of ADM Media Relations, +1-217-424-5413

Province prepares for chocolate deal

Fiji News

Saturday, June 09, 2007

THE revival of the cocoa industry to support the launch of Fiji's first chocolate-making venture is expected to provide a much needed boost to the development of Tailevu says a group of businessmen in the province. Joseva Serulagilagi of the Tailevu Cocoa Growers and Producers Co-operative Association Ltd said the venture would benefit Tailevu, where economic development has been neglected. The chocolate venture is in partnership with Swedish non-government organisation, Cocoa Bello.

At a two-week workshop, an eight-member Swedish delegation taught farmers in the province about the chocolate manufacturing process from farming to retailing. Cocoa Bello chairman Fabian Rimfors said the industry was expected to rejuvenate Fijian cocoa cultivation and generate domestic chocolate production by using existing Fijian resources. Mr Rimfors said in three years they planned to have a production factory. "To develop and re-establish the know how of how to process and refine cocoa beans among Fijian cocoa farmers would contribute to diminishing expenditure by not buying imported chocolate," he said. "But above all it would contribute to the production of an organic and more wholesome high quality chocolate," he said.

Mr Rimfors said the product could be marketed locally to the high number of tourists who visit Fiji. "By re-establishing a chocolate culture, and in that way contributing to boost ecotourism, Fiji could set a good example when it comes to sustainable deployment of available resources," Mr Rimfors said.

Others

Nigeria: Minister Thrilled By Leap in Agricultural Production

Daily Champion (Lagos)

3 June 2007

Lagos

Agriculture and Water Resources Minister Adamu Bello has described 2006, as a year of agricultural renewal for the country. Speaking in Abuja at the 2006 ministerial press briefing, Bello said the sector received global boost by playing host to many national and international conferences and summits in the year. He said, continued implementation of various Presidential initiatives, notably rice, cassava, vegetable oil, cocoa, cotton, livestock and tropical fruits, contributed to the renewal.

Giving the over view of the initiatives, Bello said the demand for Nigeria cassava, vhas increased the production appreciably. He said the production capacity in 1999 was 32.69 million metric tonnes before the cassava initiative. By 2006, the production increased to 50 million metric tonnes, adding that government was determined to increase the production with the target earning of five billion dollars from exports in seven years. Government, he added, set a target production of 150 million metric tonnes of cassava per annum by the end of 2010. Bello said that as at 2006, annual production of cassava tubers had increased from 33 million metric tonnes in 1999 to 49 million metric tonnes in 2006. Within the period, some 43 newly-improved cassava varieties were produced.

The Minister said a committee was put in place to restore, improve and revive cocoa production in the country. He said within a short time, the committee revived cocoa production, which increased from 170,000 metric tonnes in 1999 to 500 million metric tonnes in 2006.

Bello said the demand for the nation's maize was high, with a projected estimate of 14 million metric tonnes. He put current production of the commodity at seven million metric tonnes, stating that to increase the current level, a committee was put in place last year to work out programmes that would lead to the doubling of maize production by 25 per cent. Bello also said to achieve the target, over 5,000 metric tonnes of improved maize seeds and 60,000 litres of agro-chemicals had been produced for distributions to farmers.

He said: "As part of efforts to boost cotton production, and revive all the textile industries, and in pursuit of the one million metric tonnes target, a Presidential committee was set up last year." Bello said through federal government intervention, N50 billion was facilitated as textile rehabilitation fund to give the sector a major boost and revive the textile industries nationwide. He said by the initiative, the output of cotton seed, had increased from 150,000 metric tonnes in 1999 to 350,000 metric tonnes last year. The minister said more than 1,800

hectare was cultivated for varieties of cotton, adding that the cumulative effect of the various Presidential initiatives boosted Nigeria's ranking as one of the leading producers of various commodities.

Ghana: British Teacher Installed Nkosuohemaa of Bayerebon No. 3.

Ghanaian Chronicle (Accra)

Sebastian R. Freiku

Bayerebon

5 June 2007

MISS KAREN Bridges, a 50-year-old British of Langtree schools in the U.K. with 25 years experience as a teacher, has been installed the Nkosuohemaa (Queenmother of Development) of Bayerebon No. 3 in the Atwima Mponua District of Ashanti. She now answers to the stool name of Nana Akua Poomaa. Her installation is in recognition of her singular efforts in the initiation and construction of a ₵152 million three classroom block for the local JSS. Ms. Bridges had since November last year lived among the people of Bayerebon No. 3 to see to the completion of the project she initiated two years ago by raising funds from musical concerts in the U.K. She had launched two Live concerts in July 2005 and 2006 from which she realized 5,000 pounds, which was supplemented by the Kuapa Kookoo Limited, a licensed buying company, for the project.

At a ceremony organized in her honour and to commission the classroom block, an elated Ms. Bridges expressed her happiness to see her vision of 2005 transformed into a monument through the joint efforts of Kuapa Kookoo Limited and the people of Bayerebon No.3 who she described as hard working, polite, supportive and enthusiastic. The British teacher was attracted to Bayerebon for its quality cocoa, which goes into the production of Divine chocolate by Fairtrade Supermarket in London. She traced the cocoa for Divine chocolate to Kuapa Kookoo company, which operates in the area and falls under the Bibiani cocoa district. She had promised to raise more funds to support other projects in the community in the future.

According to her, her installation and new position were good reasons for her to return to Bayerebon No. 3, which she affectionately refers to as BB3, every other year to see to the proper development of the community. Ms. Bridges, who turned 50 in February this year, shared her joys in partaking in Ghana's Golden Jubilee celebrations with Ghanaians. She leaves for London today.

Mr. Kwabena Ohemeng-Tinyase, Managing Director of Kuapa Kookoo indicated that the community had benefited from the largesse of the company in diverse ways. The company had, under a previous joint venture, funded the construction of a six- classroom block and a place of convenience for the local primary school. He assured that as part of the company's social responsibility, it would continue to support other communities in the area noted for its high quality cocoa. The MD urged the farmers to maintain the quality of cocoa they produce for the company and augment its profit margins to encourage it (company) to cater for their communal needs.

The President of the Kuapa Kookoo Farmers Union, Mr. P. C. K. Boah admonished farmers against subjecting their wards to child labour saying the practice would not only jeopardize the future of the children but also impede the development of the area. He said parents should rather encourage their wards to go to school. The union leader also spoke against the practice of churches adopting classrooms for church services and tasked School Management Committees, assembly members, opinion leaders to check the practice in order to prolong the lifespan of the new project.

Mr. Baffour Kankam Ampong, Head of the Human Resource Department of the District Directorate of Education, who represented the Director of Education, called the attention of the community to the need for a maintenance culture to maintain the new classroom block. He appealed to the sponsors for more support in the area of ICT for the school.

Nana Boa Amponsem I, Nifahene of Nkawie and overlord of the Bayerebon cluster of communities, presided over the commissioning of the new JSS block. The Chief appealed to Kuapa Kookoo to extend their good gesture of support to other communities in the area to boost cocoa production.

ICCO Head Sees 06/07 Cocoa Deficit

Source: Reuters

07/06/2007

London, - International Cocoa Organization chief (ICCO) Jan Vingerhoets told Reuters on Thursday he estimated the 2006/07 (Sept-Oct) world cocoa deficit at 125,000-150,000 tonnes. The London-based ICCO has

estimated a global cocoa surplus of 192,000 tonnes in 2005/06. Last week, the ICCO estimated the global 2006/07 cocoa deficit at 145,000 tonnes, against its previous prediction in March of a 103,000-tonne deficit.

Vingerhoets said he expected a balanced cocoa market in 2007/08 in terms of supply and demand if weather conditions were favourable around the world, but he added that it was too early to give accurate tonnage forecasts. Speaking in an interview with Reuters on the sidelines of ICCO meetings, Vingerhoets also predicted global cocoa demand growth of 3.5-4.0 percent in 2007/08, a similar growth level to 2006/07. He noted increased demand for dark chocolate around the world, partially due to perceived health benefits.

However, he said, "Shifting from chocolate with less cocoa content to higher cocoa content cannot go on for ever." Separately, Vingerhoets said he was hopeful that Indonesia, the world's third biggest cocoa producer, would join the ICCO in the coming months.

Calls to ensure conflict-free cocoa

David Bamford, BBC Africa Editor

8 June 2007

Chocolate's main ingredient is cocoa

International anti-exploitation campaigners, Global Witness, has issued a new report entitled "Hot Chocolate". It asks the United Nations and multinational chocolate companies to introduce changes to make sure profits from chocolate sales no longer provide money for conflict. David Bamford reports:

Listen to the story

Wars in Africa need to be paid for and many of the continent's most bitter conflicts take place in areas richest in natural resources. Global Witness says that in the same way that blood diamonds have adversely affected the lives of people in Sierra Leone and Liberia, and oil has fuelled violence in the Niger Delta, so cocoa has done the same in Ivory Coast. This is the world's biggest producer of cocoa -- the main product that goes into making chocolate.

Since 2002, the cocoa region has been split between government and rebel-held regions. According to Global Witness, millions of dollars worth of cocoa revenue have funded both sides in the conflict, with the tacit acceptance of the cocoa companies based in America and Europe.

Global Witness takes the view that the chocolate industry has a responsibility to ensure that the profits it makes from the products it sells are conflict-free. The companies can do this through careful monitoring and auditing. The Ivory Coast's finances, it says, should be more transparent and the UN Security Council should threaten sanctions against those who divert cocoa revenue into West African conflicts.

Czech Republic: Tesco Had to Withdraw Thousands of Chocolates

Source: Czech Agriculture and Food Inspection Authority (CAFIA)

06/06/2007

The company Tesco Stores CR had to withdraw from its stores 4 446 pieces of milk chocolate produced by a Polish producer. This measure was imposed by the Czech Agriculture and Food Inspection Authority (CAFIA) which also initiated administrative proceeding against Tesco.

The measure was based on control action performed in a Tesco store on Soukenická Street, Liberec, where the CAFIA took a sample of milk chocolate which, according to laboratory analysis, failed to comply with the requirements laid down by legal regulations for this foodstuff. The sample contained only 16.8 percent of cocoa solids (the minimum prescribed amount is 25 %), while 30% was declared on the packaging.

On the other hand, it contained 11.3 percent of vegetable fat other than cocoa fat, while the authorized maximum amount is only five percent. Vegetable fats authorized to be used in chocolate products include, for example, palm oil, Borneo tallow, and mango kernel. Tesco therefore sold foodstuff which misled consumers. The chocolate was produced for Tesco by Polish company ZWC Millano K. Kotas. Its best before date was end of February 2008. Tesco imported 36 000 pieces of chocolate of this batch of a total weight of 3 600 kg. A significant part was sold to consumers before the control action.

TIT BITS

(Source: Business Recorder – www.brecord)

New York cocoa ends down

NEW YORK (June 06, 2007): US cocoa futures settled lower on Monday on liquidation above a key support level in a technically weak market, traders said. "With London's structure widening out a little bit further, it took a little bit of support out of the market. You're close to a critical area, \$1,850 (basis July), and I think people took advantage of that," one trader said.

Ivorian cocoa arrivals seen down

ABIDJAN (June 06, 2007): cocoa arrivals at ports in Ivory Coast from October 1, 2006 to June 3, 2007, reached around 1,075,000 tonnes compared with 1,184,779 tonnes in the same period a year ago, exporters estimated on Monday.

New York cocoa futures gain

NEW YORK (June 07, 2007): US cocoa futures settled higher on Tuesday, recouping on Monday's losses on fund buying uncontested by origin selling, traders said. "It was one or two funds who were keen to buy and there was an absence of any kind of hedging again," one trader said.

Brazilian cocoa arrivals down

SAO PAULO (June 07, 2007): Brazilian 2007/08 (May/April) cocoa arrivals from Bahia and other states totalled 245,868 60-kg bags by June 3, down 20.5 percent from 309,646 bags a year ago, Bahia Commercial Association said on Wednesday.

ICCO head sees cocoa deficit

LONDON (June 08, 2007): International cocoa Organisation chief (ICCO) Jan Vingerhoets told Reuters on Thursday he estimated the 2006/07 (September-October) world cocoa deficit at 125,000-150,000 tonnes. The London-based ICCO has estimated a global cocoa surplus of 192,000 tonnes in 2005/06.

New York cocoa futures soften

NEW YORK (June 08, 2007): US cocoa futures edged lower on Wednesday, after a rangebound session as players rolled positions out of the front month into September ahead of July's first notice day on June 18, traders said. "It's lacking any direction. There's not much buying interest with prices above \$1,900 so that's why the market looks top-heavy when it gets above there," one trader said.

Asia cocoa grinders scramble for good quality beans

SINGAPORE (June 8, 2007): Asian cocoa grinders are struggling to get good quality beans, even though supplies have slowly improved in Indonesia's main growing island of Sumsatra after a delayed harvest, dealers said on Friday.

New York cocoa falls to five-week low

NEW YORK (June 09, 2007): US cocoa futures fell to a five-week low on Thursday, on follow-through weakness from Wednesday and as players continued to roll positions out of the front month into September, traders said. "It's relatively quiet and it's the time of year for that," one trader said.

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