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PROGRESS REPORT ON PROJECTS

Note by the Secretariat:

This document complies with the request by the Executive Committee that the Executive Director should present written reports on projects under implementation and progress in the development of project proposals, including, where appropriate, the status of discussions with the Common Fund for Commodities and other donors.

The report covers developments which have taken place with regard to ICCO projects since the submission of document EX/135/7 to the one hundred and thirty-fifth meeting of the Executive Committee in January 2008.

PROGRESS REPORT ON PROJECTS

CONTENTS

	Page
SUPPLY CHAIN MANAGEMENT FOR TOTAL QUALITY COCOA IN AFRICA	2
PRICE RISK MANAGEMENT PROJECT	3
ANALYSIS OF THE VALUE CHAIN IN COCOA PRODUCING COUNTRIES	4
FAST TRACK PROJECT PROPOSAL ON HOST PLANT RESISTANCE FOR SUSTAINABLE COCOA POD BORER	5
FEASIBILITY STUDY FOR OPPORTUNITIES IN ORGANIC COCOA IN WEST AFRICAN COUNTRIES	5
ANNEX	7

SUPPLY CHAIN MANAGEMENT FOR TOTAL QUALITY COCOA IN AFRICA

1. The implementation of trade operations in this pilot project started in the 2003/04 cocoa season and has been repeated in subsequent years. The results and experience gained in each season have been used to improve operations in the subsequent season. In general, the previous operations demonstrated that the system could provide a good basis for an economically sustainable means of achieving “total quality cocoa”, resulting in an efficient and effective supply chain. These results encouraged the ICCO Task Force on Quality to develop a project proposal for expanding the system in Côte d’Ivoire and to adopt the system developed in Côte d’Ivoire for other producing countries in Africa.
2. Preparations for the implementation of pilot operations in the 2007/08 season started with commitments by the chocolate industry to purchase up to 12,000 tonnes of project cocoa. Confirmation was later received that at least five chocolate manufacturers, four exporters and 16 cooperatives would be engaged in the 2007/08 operations and the chocolate companies would pay a Project Participation Incentive (PPI) of at least £40 per tonne. Tentative arrangements were made for training of farmers in participating cooperatives as required. New training material was developed and sent to Côte d’Ivoire, while it was agreed that exporters would provide additional quality control equipment to cooperatives, where needed.
3. At the request of ICCO, the Minister of Agriculture of Côte d’Ivoire had granted exemption from certain duties for cocoa from the Total Quality project, amounting to CFA 30.5 per kg for up to 12,000 tonnes for the 2007/08 season. A Steering Committee was set up under the chairmanship of the BCC, with representatives from the Ministry of Agriculture, the ARCC and from the participating exporters and cooperatives as members. The Steering Committee was to oversee implementation and full transparency of operations. The Committee would also address issues pertaining to monitoring, logos on export bags and training.
4. The first meeting of the Steering Committee was held on 27 November 2007 with all members in attendance and representatives of Barry Callebaut and Mars as observers. The Committee deliberated on and adopted the rules and modalities for implementation of the project during the 2007/08 campaign. In particular the Committee discussed extensively the premium and exchange rate, the time and mode of paying the premium and the quality criteria to be used in the project. It was agreed that a premium of £40/tonne should be used and a fixed exchange rate would be established for converting the premium into CFA francs which would apply throughout the season. The Committee also decided that the premiums would be paid directly to the cooperatives and this would be done at a ceremony to be organized in April 2008. The Committee also adopted the quality criteria applicable to the project cocoa.
5. The pilot operations of the 2007/2008 season started in December 2007 after four exporters (Armajaro, Cocaf Ivoire, Cargill West Africa and Nestlé) in partnership with five chocolate manufacturers (Cadbury, Ferrero, Mars, Kraft and Nestlé) had made firm commitments to buy a total of 7,900 tonnes of project cocoa through 14 participating cooperatives.
6. At the end of March 2008, the preliminary figure for purchases by the cooperatives was estimated at just over 2,800 tonnes out of a total of 7,900 tonnes indicated by the exporters at the beginning of the operations. At a meeting of the Task Force held in mid April 2008, members discussed these disappointing results intensively. Factors mentioned to explain these results included the late start of project operations, at least partly due to the time consuming process of completing the new institutional arrangements; failure to provide additional training and quality

control equipment to cooperatives; the very poor quality of the cocoa in Côte d'Ivoire during the 2007/2008 main campaign; the unattractive arrangements for effectuating the duty exemptions; and the competitive advantage of local processors to buy the scarce cocoa beans of good quality. The Task Force decided to carry out an in-depth analysis of the reasons for the disappointing volumes in the current season, so as to improve the operations in 2008/2009.

PRICE RISK MANAGEMENT

7. The aim of this pilot project is to help small scale cocoa growers and/or co-operatives in Côte d'Ivoire to improve their capacity to manage price risks and offer them opportunities to access futures contracts and options available on the London International Financial Futures and Options Exchange (LIFFE) and on the New York Board of Trade (NYBOT). The wider project objective is to enable smallholder cocoa producers, through improved access to futures markets, options and other instruments for managing price risks, to reduce their vulnerability to fluctuations in world market prices and to stabilize, to some extent, their incomes derived from cocoa growing.

8. Project implementation started in February 2006 with the identification and training of the core staff of the *Bourse du Café et du Cacao* (BCC), as well as representatives from co-operatives, banks and exporters, in the use of price risk management instruments. A training manual on price risk management tools had been prepared and distributed to participants.

9. In May 2007, an agreement was reached with five cooperatives to buy price risk instruments for a total volume of 1,250 tonnes of cocoa. Two co-operatives decided to hedge 250 tonnes each using exclusively Put options, while three export co-operatives decided to hedge 100 tonnes each with Put options and 150 tonnes each with the more sophisticated and innovative approach offered by POPs. Consequently, contractual agreements were signed among the parties involved outlining the financial cover and the time frame for the payments to be made. Exceptionally, the BCC agreed, on behalf of the cocoa agencies in the country, to cover 77% of the costs of the hedges, while the co-operatives would only pay the remaining 23%. Café-Cacao and CPM Group were engaged as consultants to implement the Put options and the POPs options respectively.

10. Hedging strategies with the Put options were implemented on two different dates. The first lot of 70 Put options was bought on 3 August 2007, while the second lot of 10 Put options was bought on 9 August 2007. These hedges were meant to guarantee a minimum farm gate price of FCFA 450/Kg. With regard to the POPs, on 28 August 2007, CPM Group had hedged 450 tonnes of cocoa in the NYBOT. These POPs would guarantee a floor price of US\$1,703 per tonne, if the cocoa were delivered to the New York terminal market.

11. The results of the Put options strategy showed that the 800 tonnes of cocoa hedged on the LIFFE market have yielded a profit of over £110 per tonne after liquidation. With regard to the POPs options, the 450 tonnes of cocoa hedged on the NYBOT on 28 August 2007 expired in November 2007 at no value, in fact losing money. It was argued by the consultant that the developments in the cocoa market and changes in the currency market (\$/€) had caused a downward revision of the minimum price from US\$1,800 to US\$1,700 per tonne.

12. The ICCO Secretariat has received the final reports of the implementation of the two strategies from the consultants. These reports are currently being carefully reviewed in

collaboration with the BCC to establish the success/failure in the project and the lessons to be learnt. The final project report to be formulated by the BCC and reviewed by the ICCO Secretariat will be made available as soon as possible.

13. In a separate and encouraging development, the BCC has requested the ICCO Secretariat to formulate a follow up project with a broader scope to involve higher volumes of cocoa to be hedged. Work on the new project proposal has advanced significantly and will be completed shortly.

ANALYSIS OF THE VALUE CHAIN IN COCOA PRODUCING COUNTRIES

14. The objective of the analysis is to establish the inputs used and the costs incurred to produce, trade and export cocoa in cocoa producing countries and, simultaneously, to establish the amount and share received by each of the categories of stakeholders in the proceeds from cocoa exports. This information would improve the insight into the net income derived by farmers and other stakeholders from cocoa cultivation and trade and enhance the knowledge of the use of resources in cocoa production, trade and exporting. The results of the study will allow for direct comparison of the composition of the costs and proceeds in the cocoa value chain in the major cocoa producing countries and regions.

15. The methodology for the implementation of the study will involve a defined common approach to conduct the study in the eight participating cocoa producing countries, thus ensuring international comparability. The study will be carried out by experts from the countries concerned, as the best knowledge and expertise of the cocoa sector in each country rests with the practitioners in the countries themselves. The role of the ICCO Secretariat will consist of preparation, international co-ordination, and achievement of uniformity in the approach and execution of international comparison and the final write-up of the study.

16. In January 2007, the Project Agreement was signed and project implementation started thereafter. An *Ad hoc* Advisory Committee was formed by the ICCO Consultative Board, to provide guidance to the ICCO Secretariat on co-ordination and implementation of the study. Amongst others, the role of the *Ad hoc* Advisory Committee was to review and finalize the draft methodology including the guidelines for the study, taking into account the comments made by Members of the Consultative Board on the World Cocoa Economy. This was to ensure that a uniform and common understanding of the definitions, guidelines and methodology would be used by the participating countries during implementation of the study. Consequently, this would enable a comparative analysis of the outcome of the study in the countries. The draft methodology prepared by the Secretariat was reviewed by the *Ad hoc* Advisory Committee and finalized after incorporating the comments by the Consultative Board at its meeting in June 2007.

17. The methodology was tested in Ghana during the last week of October 2007. The testing was conducted by the country panel of four experts, assisted by the Senior Economist of ICCO. The test involved identifying three typical cases of cocoa production according to the level of inputs used. A preliminary analysis of the test in Ghana was finalized with some clear insight into the costs of production for a limited number of typical cases: costs of establishment of the farm and other investments and current costs of production, costs of commercialization of cocoa beans and the shares of the different stakeholders in the value chain. Since the focus is to produce a final report on the general findings and an international comparison of the country report, the report of the study in Ghana cannot be made available yet. However, the results of the test in

Ghana have been used to modify and finalize the methodology for the implementation of the study in the other participating countries.

18. Subsequently, the methodology, together with the relevant forms, was revised and approved by the *Ad Hoc* Advisory Committee. The study was conducted in Cameroon, Côte d'Ivoire and Nigeria between late March and early April 2008, with assistance from the ICCO Secretariat. In each of the three countries, the work needs to be completed by the panel. Consequently, additional inputs and the reports of the panel chairmen are awaited. The ICCO Secretariat expects to be able to report on the outcome of the work in September 2008.

19. Implementation of the study in the Americas and Papua New Guinea has been scheduled to take place in October 2008. The final report of the study is expected to be ready in the first quarter of 2009.

FAST TRACK PROJECT PROPOSAL ON HOST PLANT RESISTANCE FOR SUSTAINABLE COCOA POD BORER

20. This Fast Track proposal was submitted by the Malaysian Cocoa Pod (MCB) to address the devastation caused by Cocoa Pod Borer (CPB) in the Asian region (Indonesia, Malaysia, the Philippines and more recently, Papua New Guinea). The main objective of the project is to develop accelerated measures to control CPB through breeding in the most effective and sustainable manner. The specific objectives of the project are: to develop simple, reliable and quick screening protocols for the identification and selection of clones/hybrids tolerant to CPB; and to identify and select clones tolerant to Cocoa Pod Borer (CPB). The project will lead to identification of CPB tolerance varieties to enhance sustainable cocoa cultivation by increasing productivity and income. The expected outputs of the project include screening protocols for CPB tolerance clones, clonal materials tolerant to CPB, a research publication, and an Initial Positive Rate (IPR) on screening protocols.

21. At its meeting in September 2007, the Executive Committee reviewed and approved the submission of the proposal to the Common Fund for Commodities (CFC) for financing. Subsequently, in late January 2008, the Consultative Committee of CFC reviewed the Fast Track proposal and recommended it for approval, subject to amendments, related to the budget, the final report and the dissemination of Project results.

22. The Secretariat has received the proposal, duly revised by the MCB and, after review, has forwarded the final proposal to the Managing Director of the CFC for approval.

FEASIBILITY STUDY ON OPPORTUNITIES IN ORGANIC COCOA IN WEST AFRICAN COUNTRIES

23. This Fast Track proposal, "Feasibility Study on Opportunities in Organic Cocoa in West African Countries" was submitted in May 2007 to the ICCO Secretariat by the Royal Tropical Institute (KIT) in Amsterdam, The Netherlands. The main objective of the project is to conduct a feasibility study to identify the best production areas, producers' organizations and support activities for organic cocoa production in Cameroon, Côte d'Ivoire, Ghana and Togo. The project will provide a detailed analysis of the value chain of the organic cocoa niche market in these countries, as well as an assessment of the current status and the opportunities for organic cocoa production and export. Finally, the study will develop an action plan for supporting organic cocoa exporters in selected areas, with selected producers' groups and stakeholders.

24. It had been recognized that current cocoa growing with little or no use of agrochemicals could be turned to advantage through opportunities in organic cocoa production, as most producers already produce organic cocoa by default. As a result, organic certification would add value to the untreated “organic by default” cocoa beans from West Africa. This could potentially enable the smallholders to improve the quality of their cocoa beans and to increase their incomes by an additional price premium of up to 35%.

25. At its meeting in September 2007, the Executive Committee reviewed and approved the submission of the proposal to the Common Fund for Commodities (CFC) for financing. Subsequently, in late January 2008, the Consultative Committee of CFC reviewed the Fast Track proposal and recommended it for approval by the Managing Director of CFC subject to the following amendments:

- Being a pilot study, the scope of the project should be limited to Cameroon and Togo, as Côte d’Ivoire and Ghana were the world’s two largest cocoa producers renowned for production of “bulk” cocoa. On the other hand, Cameroon and Togo had a somewhat more confined market that could specialize in organic production;
- Special attention should be given to analyzing the full costs and benefits of organic production and certification;
- The project results must be made available to all interested stakeholders and must be presented at a final dissemination workshop to the regional cocoa sector stakeholders and interested (self sponsored) private enterprises, which were not directly involved in the project;
- The budget for the project should be presented in further detail, sub-divided by each contributor; and
- A comprehensive Final Technical Report should be the final output of the project to ensure that the project results were made available to other members of CFC.

26. The ICCO Secretariat informed the Royal Tropical Institute (KIT) of the comments made by the CFC Consultative Committee and in early April 2008, a revised proposal was received from KIT with the amendments satisfactorily incorporated. The final proposal has, in the meantime, been forwarded to the Managing Director of the CFC for approval.

SUMMARY OF PROJECTS

SECTION I – COMPLETED PROJECTS									
	Project title	Project Executing Agency (PEA)	Location	1. Total Cost (US\$) 2. CFC financing (US\$) 3. Co-financing (US\$) 4. Counterpart contribution (US\$)	ICCO document	Starting Date	Completion Date	Brief description of project	Status of project implementation
1.1	Generic promotion of cocoa consumption in Japan	CCAJ	Japan	1. SDR 353,000 2. SDR 203,600 3. – 4. SDR 150,000	Proposal: ICC/43/6 Final evaluation: ICC/58/9	September 1993	Completed 1998	The project was designed to counteract the negative image of cocoa in Japan and to promote instead a positive image by increasing awareness of the positive nutritional and health benefits of cocoa.	Completed. The final evaluation report is available.
1.2	Project on pilot plants for the processing of cocoa by-products in Ghana	CRIG	Ghana	1. US\$1,060,000 2. US\$595,413 3. Nil 4. US\$464,587	Proposal: ICC/44/6 Report: EX/131/7/Add. 1	September 1993	Completed 2003	The project investigated and developed a number of products lines using cocoa by-products and wastes. With the new technologies, cocoa by-products can now be turned into animal feeds, potash, alcoholic drinks, pectin, jam, marmalade, toilet soap and body creams.	Completed. The final report is now available.
1.3	Feasibility study on the generic promotion of cocoa consumption in the Russian Federation	ITC	Russia	1. US\$30,000 2. Nil 3. 4.	Proposal: CC/16/2	May 2001	Completed 2002	The potential of increasing chocolate consumption in the Russian Republic was investigated and the result indicated that there was a sound basis for launching a full-scale generic promotion campaign.	Completed. The final report is available.
1.4	Cocoa germplasm utilization and conservation: A global approach	IPGRI	Ghana Nigeria Brazil Côte d'Ivoire Ecuador Cameroon Malaysia Trinidad Papua New Guinea Venezuela	1. US\$10,167,000 2. US\$2,942,000 3. US\$2,300,000 4. US\$4,925,000	Proposal: Completion report EX/124/7	April 1998	Completed 2004	This research project developed and distributed improved, pest and disease resistant varieties of cocoa planting materials through optimal use of cocoa germplasm to produce good quality cocoa and achieve higher and sustainable production levels.	Completed. The final project report has been published.

SECTION I – COMPLETED PROJECTS (Contd.)									
	<i>Project title</i>	<i>Project Executing Agency (PEA)</i>	<i>Location</i>	1. <i>Total Cost (US\$)</i> 2. <i>CFC financing (US\$)</i> 3. <i>Co-financing (US\$)</i> 4. <i>Counterpart contribution (US\$)</i>	<i>ICCO document</i>	<i>Starting Date</i>	<i>Completion Date</i>	<i>Brief description of project</i>	<i>Status of project implementation</i>
1.5	Study of chemical, physical and organoleptic parameters to establish the difference between fine and bulk cocoa	INIAP	Ecuador Venezuela Trinidad & Tobago Papua New Guinea	1. US\$1,662,570 2. US\$839,223 3. US\$205,837 4. US\$617,510	Proposal: EX/98/10 PCR: EX/134/10	January 2001	Completed March 2006	The project aims to determine universally accepted criteria to differentiate between fine/flavour and bulk cocoas through a series of scientific analyses of physical, chemical and organoleptic parameters.	Completed. The Project Completion Report (PCR) was presented to the Executive Committee in September 2007 and is now available.
1.6	The use of molecular biology techniques in a search for varieties resistant to Witches' Broom disease of cocoa	CEPLAC	Brazil Ecuador Peru	1. US\$3,196,936 2. US\$816,197 3. US\$1,200,100 4. US\$1,180,639	Proposal: ICC/50/10/ Rev.1 PCR: Ex/132/7	April 2000	Completed September 2005	Witches' Broom disease of cocoa has caused great damage to cocoa production in South America especially in Brazil. This project is developing and releasing new cocoa varieties which are more uniform, more productive and more tolerant to Witches' Broom disease.	Completed. The Project Completion Report (PCR) was presented to the Executive Committee in March 2007 and is now available.
1.7	Project for the improvement of cocoa marketing and trade in liberalizing cocoa producing countries	GTZ/ UNOPS	Cameroon Côte d'Ivoire Nigeria	1. US\$6,509,171 2. US\$3,573,266 3. US\$1,056,195 4. US\$1,879,710	Proposal: EX/94/6. Rev.1	October 1999	Completed September 2005	The project aims to address and correct the undesirable effects of liberalization of the cocoa market and to strengthen farmer organizations to improve the functioning of cocoa markets, improve the quality of exported cocoa, facilitate financing of the trade, provide market information and address trade and price risks.	Completed. The Project Completion Report (PCR) was presented to the Executive Committee in March 2007 and is now available.

SECTION II – PROJECTS UNDER IMPLEMENTATION									
	<i>Project title</i>	<i>Project Executing Agency (PEA)</i>	<i>Location</i>	1. <i>Total Cost (US\$)</i> 2. <i>CFC financing (US\$)</i> 3. <i>Co-financing (US\$)</i> 4. <i>Counterpart contribution (US\$)</i>	<i>ICCO document</i>	<i>Starting Date</i>	<i>Completion Date</i>	<i>Brief description of project</i>	<i>Status of project implementation</i>
2.1	Supply Chain Management for total quality cocoa	ICCO Task Force	Côte d'Ivoire		Proposal: EWGQ/8/3	October 2003	Action plan for 2007/2008 is in progress	This project aims at the production and export of cocoa, satisfying total quality criteria and improving the efficiency of the marketing chain.	Implementation of 2007/2008 pilot operations is over with poor results. The ICCO Task Force on Quality met in April 2008 to review the matter and consider its next course of action.
2.2	Cocoa productivity and quality improvement: a participatory approach	IPGRI	Ghana Nigeria Brazil Côte d'Ivoire Ecuador Cameroon Malaysia Trinidad Papua New Guinea Venezuela Peru Costa Rica	1. US\$10,558,523 2. US\$ 3,970,090 3. US\$ 3,338,443 4. US\$ 3,249,990	Proposal:	March 2004	5 years	This is the successor project to the just concluded project on cocoa germplasm utilization and conservation: a global approach. The project aims at developing more efficient and sustainable cocoa cropping systems through the accelerated selection and distribution of planting material with improved yielding capacity, disease resistance and quality traits.	A regional workshop was held in Abidjan in February 2008. The report of the first six months of project year 4 is expected.
2.3	Preventing and Managing the Global Spread of Cocoa Pests and Diseases: Lessons from Witches' Broom Project	CABI in co-operation with CNRA and ARCC	Abidjan, Côte d'Ivoire	1. US\$ 200,000 2. US\$ 115,200 3. US\$ 79,118 4. US\$ 5,250	Fast Track Proposal	June 2007	6 months	The main objective of the Fast Track Proposal is to hold a workshop of stakeholders in the cocoa sector, to present the results of the Witches' Broom Project, then to build a consensus on the approach and contents of a global project to address the threat and impact of cocoa pests and pathogens.	The proceedings of the workshop held in Abidjan, Côte d'Ivoire in July 2007 have been finalized. The project proposal is currently being drafted by CABI.

SECTION II – PROJECTS UNDER IMPLEMENTATION (Contd.)									
	<i>Project title</i>	<i>Project Executing Agency (PEA)</i>	<i>Location</i>	5. <i>Total Cost (US\$)</i> 6. <i>CFC financing (US\$)</i> 7. <i>Co-financing (US\$)</i> 8. <i>Counterpart contribution (US\$)</i>	<i>ICCO document</i>	<i>Starting Date</i>	<i>Completion Date</i>	<i>Brief description of project</i>	<i>Status of project implementation</i>
2.4	Pilot Project on Price Risk Management for Cocoa Farmers	BCC	Côte d'Ivoire	1. US\$ 384,762 2. US\$ 272,622 3. US\$ 101,640 4. US\$ 10,500	Proposal: EX/127/7/Add .1	February 2006	Completed March 2008	Cocoa farmers are often faced with the problem of constant fluctuation of cocoa prices. The project aims to address the price risk that the farmers face during the period before the harvest and the time of selling their cocoa.	Project activities on the ground have been completed. The Project Completion Report is being prepared by the BCC and after review by the ICCO Secretariat will be made available as soon as possible
2.5	Analysis of the value chain in cocoa producing countries		Brasil Côte d'Ivoire Cameroon Dominican Republic Ecuador Ghana Nigeria Papua New Guinea	1. US\$ 330,000	EX/129/7 EX/129/7/ Add.1			The objective of the study is to, systematically and uniformly, establish the input used and the costs incurred to produce, trade and export cocoa in different areas and under different practices in respective countries; and to establish simultaneously the amounts and shares received by each of the categories of stakeholders in the proceeds from the export of cocoa.	The field work involving country panels has now been completed in Ghana, Nigeria, Cameroon and in Côte d'Ivoire.

SECTION III – PROJECTS UNDER CONSIDERATION BY CFC									
	Project title	Project Executing Agency (PEA)	Location	1. Total Cost (US\$) 2. CFC financing (US\$) 3. Co-financing (US\$) 4. Counterpart contribution (US\$)	ICCO document	Starting Date	Completion Date	Brief description of project	Status of project implementation
3.1	Supply Chain Management for Total Quality in Africa	To be determined	Cameroon, Côte d'Ivoire, Ghana Nigeria and Togo		Proposal: EX/133/7	To be determined	4 years	The main objective of the project is to establish a sustainable cocoa supply chain mechanism that ensures production and supply of "total quality" cocoa to the chocolate industry such that they can meet the demand of their consumers and the requirements of changing food legislations.	A concept note for a project on "Production and Trade of Sustainable Cocoa in Africa: Doubling the Incomes of Farmers" has been submitted to the Bill Gates Foundation for consideration and possible financing
3.2	Development of sustainable agro-forestry systems through multiple land use: the <i>cacau cabruca</i> model	CEPLAC	Brazil Ecuador Peru Colombia		Proposal: EX/123/CRP.1		5 years	This project will promote environmentally friendly cocoa growing systems by modernizing the <i>cacau cabruca</i> system practiced in Brazil. It will adopt an intensive and diversified cropping system that combines agro-forestry for tree and food crops with the identification of and application of adequate soil conservation and pest and disease control practices.	ICCO has written to CEPLAC on the need to review the project proposal in view of a similar proposal currently being financed in Brazil by the Dutch Government.
3.3	Fast Track Proposal on feasibility study for opportunities on organic cocoa production in West African countries	KIT Development Policy & Practice	Côte d'Ivoire Cameroon Ghana Togo	1. US\$ 159,976 2. US\$ 120,000 3. 0 4. US\$ 39,976	Proposal: EX/134/12		6 months	The objective of the project is to conduct a study to better understand the opportunities for organic cocoa production in West Africa.	The Consultative Committee of CFC has recommended the proposal for approval by the Managing Director of CFC subject to certain amendments to the proposals. A revised proposal has been sent to the CFC
3.4	Fast Track Project Proposal on Host Plant Resistance for Sustainable Cocoa Pod Borer Management	Malaysian Cocoa Board (MCB)	Malaysia Papua New Guinea	1. US\$ 263,000 2. US\$ 120,000 3. 0 4. US\$ 143,000	Proposal: EX/134/13		2 years	The objective is to develop simple, reliable and quick screening protocols for the identification and selection of clones tolerant to CPB.	The Consultative Committee of CFC has recommended the proposal for approval by the Managing Director of CFC subject to certain amendments to the proposals. A revised proposal has been sent to the CFC

SECTION IV – PROJECTS IN AN ADVANCED STAGE OF PREPARATION									
	<i>Project title</i>	<i>Project Executing Agency (PEA)</i>	<i>Location</i>	5. <i>Total Cost (US\$)</i> 6. <i>CFC financing (US\$)</i> 7. <i>Co-financing (US\$)</i> 8. <i>Counterpart contribution (US\$)</i>	<i>ICCO document</i>	<i>Starting Date</i>	<i>Completion Date</i>	<i>Brief description of project</i>	<i>Status of project implementation</i>
4.1	Generic promotion of cocoa and chocolate in the Russian Federation	To be decided	Russia	To be determined				Russia is a huge potential market for chocolate and other cocoa products as indicated by the feasibility study. The project will conduct a generic promotion to increase cocoa and chocolate consumption in the country, currently low in terms of consumption <i>per capita</i> .	The Executive Director has received information that ASCOND is now prepared to launch the project without a second feasibility study, as requested earlier.
4.2	An Integrated Programme for the Control of Cocoa Swollen Shoot Virus Disease in West Africa and Central Africa	Cocoa Producers' Alliance (COPAL)	Cameroon, Côte d'Ivoire, Ghana, Nigeria and Togo				5 years	The overall objective of the project is to develop an integrated programme for the control of the Swollen Shoot Virus Disease (CSSVD) in the view to improve the welfare of the large number of small-holder cocoa producers in west and central Africa.	A revised proposal sent by the Secretariat of COPAL has been reviewed by the ICCO Secretariat and preliminary comments were communicated to COPAL. A technical committee set up by COPAL is working on a revised proposal
4.3	Project on Market Information System for Cocoa and Coffee	<i>Bourse du Café et du Cacao</i> (BCC)	Cameroon, Côte d'Ivoire, and Nigeria	To be determined			4 years	The main objective of the new proposal is to improve the performance of the markets by increasing the transparency of the information delivered to all stakeholders, in particular, the smallholding farmers.	A meeting was held in Douala, Cameroon in March 2008 to discuss modalities to improve and implement the project proposal. Further consultations are ongoing to finalize implementation arrangements

SECTION V – PROJECTS IN AN EARLY STAGE OF PREPARATION									
	<i>Project title</i>	<i>Project Executing Agency (PEA)</i>	<i>Location</i>	1. <i>Total Cost (US\$)</i> 2. <i>CFC financing (US\$)</i> 3. <i>Co-financing (US\$)</i> 4. <i>Counterpart contribution (US\$)</i>	<i>ICCO document</i>	<i>Starting Date</i>	<i>Completion Date</i>	<i>Brief description of project</i>	<i>Status of project implementation</i>
5.1	Generic promotion of cocoa consumption in Central Africa	Sic-Cacao, Cameroon	Cameroon, Gabon, Congo	To be determined				This project will focus on developing strategies on generic promotion of cocoa and chocolate consumption in Central Africa.	Consultations have resumed between ONCC in Cameroon and the ICCO Secretariat in order to revive the project proposal.
5.2	Improvement of fine or flavour national cocoa production and post harvest systems.	ANECACAO	Ecuador	1. US\$749,302.52 2. US\$592,702.52 3. US\$ 4. US\$152,400.00				The main objective of this project is to increase the productivity of traditional cocoa farms and to establish appropriate post harvest techniques.	The project proposal had to be reformulated. A second draft is presently under review by the ICCO Secretariat.
5.3	Sustainable cocoa production and strengthening of farmers' organization in Cameroon	SODECAO	Cameroon	1. US\$10,000,000 2. US\$ 6,000,000 3. US\$ 3,120,000 4. US\$ 880,000				This project aims to re-launch the cocoa sector in Cameroon through training farmers for sustainable cocoa production and strengthening existing and new farmer organizations.	The ICCO Secretariat held consultations with SODECAO to improve the project profile. A second draft is expected after further consultations between ICCO, CFC and SODECAO on the loan component of the project.
5.4	Development and dissemination of sustainable cocoa production systems	CNRA	Côte d'Ivoire, Nigeria, Togo, Benin					The project aims to identify and disseminate systems of cocoa growing that are consistent with a sustainable cocoa production system.	In view of the apparent similarities between this project and other project proposals, the Secretariat is considering a possible merger of this initiative with others.
5.5	Improving the quality of fine or flavour cocoa	CRU, Trinidad & Tobago	Ecuador, Trinidad & Tobago, Venezuela, Colombia					The project aims to understand and determine the effect of environmental factors on the quality, flavour and productivity of fine or flavour cocoa.	A first draft of a project proposal has been submitted by CRU. Further work will be required to finalize the proposal taking into account the results of the Fine and Bulk Cocoa project.

SECTION V – PROJECTS IN AN EARLY STAGE OF PREPARATION (Contd.)

	<i>Project title</i>	<i>Project Executing Agency (PEA)</i>	<i>Location</i>	9. <i>Total Cost (US\$)</i> 10. <i>CFC financing (US\$)</i> 11. <i>Co-financing (US\$)</i> 12. <i>Counterpart contribution (US\$)</i>	<i>ICCO document</i>	<i>Starting Date</i>	<i>Completion Date</i>	<i>Brief description of project</i>	<i>Status of project implementation</i>
5.6	Area Wide Management of Cocoa Pod Borer	Malaysia Cocoa Board	Malaysia and possibly Papua New Guinea and Indonesia					The overall objective of the project is to use a combination of methods to effectively manage CPB.	A full project proposal will be formulated, following implementation of the fast-track project mentioned above.