



PRESS CONFERENCE ON THE OUTCOME OF THE MEETINGS OF THE 83RD REGULAR SESSION OF THE INTERNATIONAL COCOA COUNCIL

FRIDAY, 25 MARCH 2011

**ATTENDED BY THE CHAIRMAN OF THE INTERNATIONAL COCOA COUNCIL,
THE CHAIRMAN OF THE EXECUTIVE COMMITTEE AND THE EXECUTIVE DIRECTOR A.I.**

Ladies and gentlemen of the press, I would like to thank you very much for coming here today for this press conference at the conclusion of the 83rd regular session of the International Cocoa Council and 143rd meeting of the Executive Committee this week.

May I firstly introduce to you our Chairman of the International Cocoa Council, Mr. Tony Fofie, who is Chief Executive of the Ghana Cocoa Board. We are also joined by our Chairman of the Executive Committee, Mr. Rafael Jaén, who is the Commercial Counsellor at the Embassy of Spain based in London.

Over the course of the week, the delegates representing the 44 Member countries of the ICCO reviewed several topics, some of which I will report to you on:

On the subject of **membership**, one of our main news stories is the formal announcement by the Government representatives that Indonesia will join the International Cocoa Agreement, 2010. Indeed, we were delighted to receive a strong delegation from Indonesia to our meetings this week, headed by the Directors General from the Ministries of Agriculture, Trade and Foreign Affairs. When Indonesia becomes a Member, this will have a hugely positive impact on the activities and functioning of our Organization, and will bring global representation by producing Member countries to well over 95% of world output.

Also on the subject of membership, **Sierra Leone** joined our current International Cocoa Agreement, 2001, thus bolstering membership by African cocoa producing countries. Regarding the new International Cocoa Agreement, 2010 which was concluded in Geneva in June last, we are pleased to announce that the Government of Switzerland has signed, and we expect several other countries in the African, Latin American and Central American regions to join our new Agreement very soon. [*See attached summary of benefits of the new Agreement*].

Among the topics on the agenda for discussion this week, the Council considered developments in the **London cocoa terminal market** in the wake of the events which took place on the July 2010 contract, when a particular market player took a dominant position in the market. Council Members expressed their concern over the perceived lack of transparency and regulations in the London terminal market, which has affected the confidence of several market participants in relation to the functioning of the London market. The Council acknowledged that futures markets play an important role in the cocoa market through its price discovery mechanism and hedging function, and agreed to maintain communications with representatives of NYSE/LIFFE. (There will be a Seminar in June for ICCO Member countries in which NYSE/LIFFE will participate). The ICCO Secretariat was instructed by the Council to continue monitoring developments, and indeed developments of new regulations on commodity markets at the European Union level and to report to our Council accordingly.

On the subject of **project activities**, we now have approval by our Executive Committee for several project profiles, including **SPS Capacity Building in the Latin American and Asian** regions, which, in parallel with the project being undertaken for African countries, will seek to maintain market access for cocoa beans by ensuring the production of good quality cocoa that complies with the relevant international regulations and legislation on pesticide residues and other harmful substances. For the SPS Capacity Building project in Africa, there will be a Workshop hosted by Cameroon in Yaoundé this June 2011.

The Committee was delighted with the outcome of the **International Workshop on the Safe Use of pesticides in Cocoa** which took place in Kuala Lumpur in January this year, and has recommended the establishment of a Working Group to monitor legislation on food safety and pesticides in future.

We also have approval for the project profile on **Improving the Marketing Competitiveness of Fine/Flavour Cocoa** which will help countries that produce fine/flavour cocoa to market the distinct flavour or aroma characteristics of their fine/flavour cocoa, thus enhancing the capacity of producing countries to significantly improve their global market position.

The Executive Committee gave its approval for the submission of the project proposal on **Achieving Sustainability in the Production and Trade of Cocoa in Africa** to the Common Fund for Commodities, subject to small amendments. The main aim of the project is to substantially improve farmers' incomes through the realization of production and commercialization of sustainable cocoa in an efficient, highly productive and diversified cocoa supply chain.

The list of projects I have just mentioned will give you an indication that it is indeed the aim of the Organization to place more emphasis in future on the development of projects in the cocoa sector. An example of this is our planned work on the generic promotion of cocoa consumption in China, where there is a huge potential for consumption of chocolate confectionery.

The Council discussed possible synergies with organizations such as the African Capacity Building Foundation (ACBF) and was delighted to welcome the Head of External Affairs and Communications from the ACBF to the meetings. We believe that ICCO can benefit strongly for forging stronger links with the ACBF in the future, particularly in our project work on capacity building. We also received a presentation from UNIDO on collaboration in the area of cocoa certification.

We also welcomed representatives from the Salon du Chocolat in France, who gave a presentation on the Cocoa of Excellence chocolate awards last November, as well as their planned events during the year. We believe it won't be too long before there is a Salon du Chocolat event in a cocoa producing country!

Thank you for your attention!