

EUROPEAN COCOA ASSOCIATION aisbl

NEWSLETTER

2000 # 2 - OCTOBER

ECA intends to bring its Members regular news pertaining to its activities as well as to the European regulatory scene. This information will reach you by **Newsletter** or when urgency or importance dictate, by form of **internal communiqué**.

This is ECA's second Newsletter. Exceptionally, it will also be distributed to non-members.

ASSOCIATIVE & EU SCENE

Faithful to its line of open communication with the cocoa world, ECA continued to meet with representatives of other associations and initiated active participation in various forums.

As part of this process, Pierre Vermaut and Robert A. Zehnder, respectively ECA Chairman and General Secretary, **met with H.E. Guy-Alain Gauze**, recently appointed as **Ivory Coast Ambassador to the EU**.

They made a **presentation to the Board of the Cocoa Merchants Association of America (CMAA)** and attended its Fall Cocktail. They also met with the **[U.S.] Chocolate Manufacturers Association (CMA)** and with the **National Confectionery Association (NCA)**.

ECA **attended ICCO's Council Meeting**, in which Mr Saint-Cyr Djikalou, Ivory Coast's Minister of Commerce, was appointed ICCO's Chairman. It also participated as observer to a

task force meeting on ICCO's Quality Improvement Project.

ECA will be taking part to the EU-sponsored yearly workshop on OTA, together with representatives of EU Member States, to be convened for the first time late this year or early 2001.

ECA also meets regularly with **CAOBISCO** to review matters of common interest.

A FIRST: EUROPEAN GRIND STATISTICS

ECA announced early its intention **to publish European grinding figures**. ECA considers that globalisation of the cocoa industry has resulted in the need for Europe-wide figures.

The European grinding figures, to be released by ECA, will include grind statistics reported by its members. Figures released later this month cover the first three quarters of the year, with comparable figures for 1999.

These figures are compiled by an external neutral party. ECA wishes such statistics to be as comprehensive as possible and, therefore, encourages non-members, including chocolate producers to join ECA to make available their grind figures.

DOW JONES and REUTERS were **among the newswires and press to report on ECA's forthcoming grinding statistics**.

THE CONTRACT ISSUE

ECA's **Contract Working Group** has made substantive progress, benefiting from the participation, as expert, and contribution of Robin Dand. It is in the write-up phase, reserving its **initial conclusions and recommendations** for presentation to the Board prior to year-end.

NEW WORKING GROUP

An **ECA Technical Working Group (TWG)** was **set up**, composed of technical experts from the member companies:

- Dirk Aalten, Dutch Cocoa
- Pim Croes, ADM
- Norbert Gärtner, Hosta-Hamester
- Hilde Van Gerwen, Barry-Callebaut
- Han Zijderveld, Cargill
- Siobhan Mathers, Hill & Knowlton

Other members' representatives should join the group at a later stage.

Although its initial thrust will be concentrated **on OTA**, the TWG will also cover a number of quality and regulatory issues.

OTA STUDY

Jointly with CAOBISCO – who initiated the project -, ECA is to commission independent research on Ochratoxin A, against a 75,000 EUR budget.

REGULATORY ISSUES

• **Codex Alimentarius Meeting**

The next Codex Committee on cocoa products and chocolate will be held at the Hotel Golden Tulip, Grand Places 14, 1700 Fribourg, Switzerland, from Thursday 2 November through Saturday 4 November 2000.

Delegates from the member States will review the proposed draft standard for chocolate and chocolate products which is currently at step 4

of the procedure.

This will be the first meeting of Codex after the adoption of the EU of its new Directive on chocolate and chocolate products allowing the use of vegetable fats other than cocoa butter.

(info:

http://www.fao.org/waicent/faoinfo/economic/sn/codex/cccp18/Cp00_01e.htm)

• **Group of French senators to defend "pure cocoa butter chocolate"**

Discontented with the new EC Directive authorising vegetable fats other than cocoa butter in chocolate, a group of French senators has decided to take action to defend "pure cocoa butter" chocolate.

On 2 October 2000, Senator Michel Pelat and the members of the Republican and Independents group introduced a legislative proposal designed to allow French consumers to distinguish between chocolate made exclusively from cocoa butter and chocolate containing vegetable fats. The draft law would authorise chocolate manufacturers, sellers and users to use the term "pure cocoa butter chocolate" on labels, shelves and advertisements. This mention could be accompanied by a specific logo.

According to Michel Pelat, this initiative aims to combat a "gastronomic aberration", which will allow to use the name "chocolate" for products containing vegetable fats in addition to cocoa butter. In his view, adoption of this law would help traditional chocolate manufacturers to maintain the quality of their chocolate, while enabling consumers to distinguish "real chocolate" from "imitations".

This proposal may be considered by the National Assembly and the Senate if it is endorsed by the French government.

• **European Commission proposes duty and quota free access for all products from all LDCs into the EU**

On 20 September, the European Commission adopted a plan to provide full access for the world's poorest countries into EU markets. The

proposal covers **all** goods apart from arms – including a number of cocoa preparations and spreads.

The initiative, drawn up by the EU in the run-up to the WTO ministerial meeting in Seattle last year, goes beyond the agreement signed by the EU in June 2000 with African, Caribbean and Pacific (ACP) countries. This agreement ensured free access for “essentially all” products from the Least Developed Countries (LDC) by 2005 at the latest. The new proposal goes further, extending duty and quota free access by 919 lines to all products. This covers many products which are not currently imported into the EU due to the high level of tariff and quota protection.

Having been agreed by the Commission, the proposal will now go to the Member States (represented in the Council) and to the European Parliament before it can enter into force. It should be stressed, however, that key negotiations on this dossier will be between the Council and the Commission since the Parliament only has weak consultation powers on development policy.

List of Least Developed Countries

There are 48 LDCs on the UN list, 39 of them are ACP countries.

The ACP LDCs are:

Sudan, Mauritania, Mali, Burkina Faso, Niger, Chad, Cape Verde, Gambia, Guinea-Bissau, Guinea, Sierra Leone, Liberia, Togo, Benin, Central African Republic, Equatorial Guinea, Sao Tomé and Principe, Democratic Republic of Congo, Rwanda, Burundi, Angola, Ethiopia, Eritrea, Djibouti, Somalia, Uganda, Tanzania, Mozambique, Madagascar, Comoros, Zambia, Malawi, Lesotho, Haiti, Solomon Islands, Tuvalu, Kiribati, Vanuatu and Samoa.

The non-ACP LDCs are:

Yemen, Afghanistan, Bangladesh, Maldives, Nepal, Bhutan, Myanmar, Laos, and Cambodia

- **Indonesia, ICCO and the European Union**

At the end of August, the Indonesian Cocoa Association (Askindo) announced that it had decided not to become a member of the ICCO. Askindo considered that ICCO’s membership fees were too high and that the international organisation was not supportive of its efforts to lobby the European union on the import levies it impose on Indonesian cocoa

products.

The European Commission’s official responsible for Asia in the Directorate General responsible for trade told the ECA that no one had heard about any concrete initiative by Indonesia to reduce the import levies. In any event, the Commission’s view seems to be that discussions can not be opened ex-nihilo and focus specifically on cocoa. Such tariff reductions would have to be negotiated in a broader context in the WTO framework.

- Newsletter # 3 will cover a more detailed update on Codex Alimentarius, OTA and ECA’s involvement.

GOOD NEWS ABOUT CHOCOLATE AND HEALTH *

ACNE: Doctors know that skin blemishes like acne are caused by hormonal changes, but that has not stopped the chocolate can cause acne myth from circulating. In actuality, there has never been a study to positively link diet with acne. Heredity, stress and hormones are the real culprits behind this problem.

ANTIOXIDANTS: Chocolate, especially dark chocolate, contains a very high level of polyphenol antioxidants – some of the same compounds found in fruits, vegetables and red wine that scientists say may reduce the risk of developing cancer and heart disease. These beneficial substances in chocolate are absorbed by the human body. Research continues to determine their full impact on health.

CAFFEINE: You might be surprised to learn an ounce of milk chocolate contains only the amount of caffeine found in a cup of decaffeinated coffee – about six milligrams.

This is much less than the 100 milligrams of caffeine in regular coffee. Chocolate provides only about 1.5% of children’s total caffeine intake.

CHOLESTEROL: Numerous studies have shown that cocoa butter (the only fat in chocolate) does not raise cholesterol levels as might be predicted based on its saturated fat content. Cocoa butter contains stearic acid which, unlike palmitic or other saturated fatty acids that increase blood cholesterol, may

actually have a neutral effect on blood cholesterol.

DENTAL CARIES: For decades sugars have been implicated in the development of dental caries, or cavities, but dentists have long-known that fermentable carbohydrates – found in many different kinds of foods – are really responsible for the accumulation of bacteria on the teeth. Plus, the ingredients in chocolate actually clear the mouth much quicker than stickier types of food. Proper dental hygiene (including brushing and flossing) is the only way to help prevent cavities.

MIGRAINES: New research has shown that, despite popular beliefs to the contrary, there is no link between chocolate and any type of headache. Chronic headaches are thought to be caused by chemical releases in the nervous system, often triggered by stress, disrupted sleep, hunger or hormonal changes. But chronic headache sufferers can relax when it comes to chocolate – there's no reason to think America's favorite flavor is the cause.

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MEMBERSHIP

ECA is soon to open its **Associate membership** category to companies, further upstream or downstream in the cocoa chain, who are representative of a liberalised market.

Contributors from service sector companies, also interested in participating to **our senior management forum**, are always welcome.

BUDGET

ECA's 2000 budget is 450 k€. Its 2001 budget should be approved later this month.

ECA LIBRARY OF DOCUMENTS AND DATA

Reminder: ECA will gradually set up a library of relevant documents and data.

MEETINGS/ EVENTS:

- 2-4 November: Codex Committee on Cocoa and Chocolate Products, Freiburg (Switzerland)
- 10 November: EU Development Council, Brussels (Belgium)
- 20-22 November: Health Ingredients 2000 in Frankfurt (info: www.fi-events.com)
- 12-14 December: Chocolate Technology 2000, Cologne/Köln Messe – organized by the Zentralfachschule der Deutschen Süßwarenwirtschaft ZDS
- December, Colloquium on "Trade and Sustainable Development" organised by the French Presidency of the EU
- 28-31 January: ISM (Internationale Süßwaren Messe, Cologne)