

FCC Training Course - Introduction to Cocoa and its Institutions
21st –23rd June 2010 at the Nestlé Training Facility – Rashleighs,
Darlings Lane, Maidenhead, Berkshire SL6 6PD

Outline Programme

- **Introduction to the Federation of Cocoa Commerce**
Background and History, Formation and Aims, Composition and Membership, Committees/Working Groups, Contract and Arbitration overview, Benefits to Members, Membership Rules and Regulations.
- **Cocoa Production – the producer’s perspective**
Varieties of cocoa in the main cocoa producing countries – types of cocoa trees, comparison of structures for management of the sector in the various countries – marketing board, internal private sector, the role of COPAL, challenges for Cocoa Producers. Institutional quality controls. Geographical distribution of production.
- **Cocoa Production – Crop forecasting**
How does the cocoa market estimate production of cocoa - pod counting, mathematical modelling, analysis’ tools. Why does the market react to production data? Factors influencing production.
- **Major threats to Cocoa Production**
Pests and Disease and pesticide residues – research institutions. Resistant and high yield breeding.
- **Cocoa Consumption – the Consumer’s Perspective**
Key cocoa consumption data, role of CAOBISCO, challenges for manufacturers and retailers of cocoa based products, EU legislation, food safety. Use of cocoa and cocoa products in food , research and product development. Advertising and marketing, use of promotions, Supermarkets and their demands.
- **Regulatory aspects affecting the Cocoa Trade**
EU Ruling non-cocoa fat in chocolate, Food Hygiene Directive, Pesticide Regulations, Pesticide Residues, Import Regulations. Role and responsibilities of the European food standards agency. Resources available, areas of investigation, responses to EU regulations, Examples of actions taken and regulations enforced.
- **International Cocoa Organisation**
Role of ICCO – structure, statistics, expert groups, stocks, quality, public/private sector partnerships, market information, transparency, fine and flavour varieties, projects, import tariffs on cocoa beans/cocoa products, pesticide residues and manual of best practice of application, sustainability of cocoa economy.
- **Cocoa Processing**
Evolution and economics of cocoa processing, product categories, market trends, shelf life, just in time deliveries, road transport, packaging and labelling. Processing in cocoa producing and consuming countries.
- **Chocolate Manufacture – what the bean market needs to know**
Why do chocolate manufactures need cocoa of different qualities and attributes – what are the consequences for them if post harvest cocoa is not well managed from farm to factory. Flavour issues, Nutritional issues. Customer awareness.

- **The Physical Cocoa Trade Explained**
Who buys cocoa? Major producing countries and the physical characteristics of their beans – premiums and discounts. Mid and main crops. Supply chain overview. Developments in the bulk transport of cocoa and cocoa products. FCC Contract Terms explained and Buyers/Sellers and Third Party responsibilities.
- **Risk management**
Current state of the market, Physical risk, Performance Risk, Market risk.
- **Physical Market and relationship to Futures Market**
Physical Market, Futures Market, futures contracts, terminology, hedging and types of hedge, futures brokers, differential trading, Options market.
- **Financial aspects of Cocoa Trading**
Working capital, bank relationships, role of banks in a commodity trading, Letters of Credit.
- **Visit to Reading University – cocoa research projects**
- **Shipment of Cocoa**
Marine transport, Containers, Combined transport terminology, Standard trading conditions, Physical safeguards, Modes of shipment, EU Port restrictions, Bulk Shipment, Contracts of Carriage: Bookings and Export Documentation, Bills of Lading, Clauses and Certificates.
- **Insurance**
London Insurance market, FCC CIF and FOB Contracts, Utmost good faith, General Average, Inherent Vice, Institute Commodity Trade Clauses etc. Insurance and risk, Seller's Interest. Transshipment Issues.
- **Superintending and Storage of Cocoa and Cocoa Products**
Introduction to the FCC Superintendents Scheme, Warehouse Inspection, Reporting and Classification of Shipping Space, Infestation issues, Drawing and Dispatch of Contractual samples. FCC Sampling and Weighing Rules. Sample size and labelling.
- **Warehousing and Documentation**
Stock Management, Preparation and use of storage facilities, Storage practices, Infestation and fumigation at Origin, pests, rodents, biological controls, other forms of fumigation. Fumigation on arrival.
- **How to respond to the demands for a sustainable cocoa economy**
Niche v mainstream markets, socio-economic issues and challenges, sustainability, public private partnerships
- **Course Round Up and Questions**
Strengths and weaknesses of the course, possible areas for delegates for future Cocoa trade studies, Final questions to the Course organisers and observations from the delegates.