

Monthly Commodity Report August 2007

Your Business Gateway to West Africa

Contents >>

GENERAL

Secretariat Directory	2
WABA Representatives Overseas	2

COMMODITY REPORTS

Cocoa	3
Cotton & Textiles & Chemicals	4
Minerals & Mining	5
Nuts, Pulses, Spices, Tobacco, Fruits & Vegetables, Live Animals	6
Oil and Gas/Electricity	6
Rubber	9
Timber	9

The West Africa Business Association prepares the contents and comments in this Newsletter, unless otherwise stated. Whilst every effort is made to ensure the accuracy of statement and the validity of assessments made, The West Africa Business Association cannot accept responsibility for any errors or omissions. Members are advised to seek professional advice before taking decisions based upon information or opinions given in this publication.

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Monthly Commodity Reports

Cocoa Report >>

Websites

International Cocoa Organisation, London (ICCO) www.icco.org
Cocoa Association of London (CAL) www.calcocoa.com
Cocoa Merchants Association of America (CMAA) www.cocoamerchants.com
Chocolate Manufacturers Association (CMA), United States www.candyusa.org
National Confectioners Association (NCA), United States www.nca-cma.org
German Cocoa Trade Association, through the Association of Wholesale, Import and Export Trade, Hamburg
www.wga-hh.de
International Office of Cocoa, Chocolate and Sugar Confectionary Industries (IOCCC) through the
Confectionery Manufacturers of Australasia www.candy.net.au/IOCCC/
Biscuit, Cake, Chocolate and Confectionary Alliance (BCCCA) www.bccca.org.uk
Association of the Chocolate, Biscuit and Confectionary Industries in the EU www.caobisco.com
Chaine confiseur, Switzerland www.chocolat.ch
Food and Agriculture Organisation of the United Nations (FAO) www.fao.org
Common Fund for Commodities (CFC) www.common-fund.org
International Trade Centre UNCTAD/WTO (ITC) www.intracen.org
Malaysian Cocoa Board www.koko.gov.my
Ghana Cocoa Board (COCOBOD) www.cocobod.gh/indexcoco.cfm
Asociacion Nacional de Exportadores de Cacao – National Association of Exporters of Cocoa (ANECACAO),
Ecuador www.anecacao.com
Comissao Executiva do Plano da Lavoura Cacaueira (CEPLAC), Brazil www.ceplac.gov.br

News

Transnational Cocoa Route To Be Rehabilitated

The Ghanaian Parliament has approved 4.5million euros to finance the Sefwi-Wiawso-Benkyeman junction road rehabilitation project. The road, along the western corridors, forms part of a transnational route linking Cote d'Ivoire a main route for the movement of cocoa and other cash crops. [GNA

Barry Callebaut To Boost Cocoa Processing Capacity In Ivory Coast By 50%

Barry Callebaut will boost its cocoa processing capacity by more than 50% in the Ivory Coast over the next two years in response to growing demand for cocoa liquor. The Swiss-Belgian chocolate group will double the amount of beans it buys from farmers in order to secure its supply of raw materials. The planned increase will create around 60 new jobs in Barry Callebaut's existing cocoa processing facilities in the Ivory Coast. The move comes amid demand created by three large outsourcing contracts Barry Callebaut won earlier this year with Nestle SA, Hershey Creamery Co and Cadbury Schweppes PLC.

Cameroon To Produce 200,000 Tons Of Cocoa In 2008

Cameroon's cocoa production, which currently stands at 170,000 tonnes, could hit the 180,000-tonne mark next year and the government's targeted 200,000 tonnes in 2010 and 320,000 tones by 2015. Beyond increasing production, the objective is to improve quality, offer better prices to producers and boost the Cameroon label to make it more competitive on the world market. Following a slump in the 1990-2000 period resulting from a drop in the basic prices, the Agriculture and Rural Development ministry and SODECAO revived the production after providing growers with seedlings and seeds.

As Africa's sixth leading cocoa producer and fifth exporter, Cameroon gains annual revenues hitting US\$231.8 million.

US\$70 Million Cocoa Factory Underway In Ghana

US company, Cargill has begun construction of a US\$70 million factory at Tema to add value to Ghana's raw cocoa beans. The state-of-the-art plant to process 65,000 metric tonnes of cocoa annually into liquor, butter and powder. It will be the fifth cocoa-processing factory in Ghana. President Kufuor cut the sod to mark the commencement of work stating "this testifies the success of the Government's policies and measures, which have put the economy on the growth path."

Ghana, which saw a production of 740,00 tonnes of cocoa beans in the 2005/2006-crop year, has projected to process 350,000 tonnes of its cocoa by 2008

Nigerian State Passes Law To End Cocoa Adulteration

A law prohibiting the adulteration of cocoa and other malpractices in the industry has been passed by Nigeria's southwestern Ondo state, which accounts for 40% of Nigeria's production. The law will come into effect from the beginning of the 2007/08 cocoa season in October.

Nigeria Cocoa Grading Resumes As Strike Ends

Cocoa grading has resumed in Oyo state after a month-long strike by the state's public-service workers over changes to the minimum wage. After the intervention of the Ibadan traditional ruler the government has now agreed to pay a minimum \$73.82 a month to all workers. Officials of the Produce Department, who grade cocoa are now back at work. The strike held up a lot of cocoa in warehouses as the cocoa could not be sold without grading as it is illegal to export ungraded cocoa from Nigeria. Cooperatives in the Egbeda area reported 50 tons of cocoa stockpiled to be graded. Oyo is one of the five cocoa-producing states in the southwest cocoa belt, which accounts for 70% of Nigeria's annual cocoa production of 242,000 tons.

Ivorian Cocoa Prices High, Volumes Low

Farmgate cocoa prices in Ivory Coast's growing areas were mostly above the recommended price of 400 CFA per kg [\$0.83] from June 25-30, Coffee and Cocoa Bourse [BCC] data showed as buyers battled for the small quantities of cocoa available. Months of dry weather earlier this year badly dented the April-September harvest. The BCC announced it was maintaining its recommended guideline price for cocoa at 400 CFA per kg for the next three months. Farmers usually complain they receive much less than this amount and have called for it to be made a mandatory sum but buyers say the price bears little relation to market realities. Few farmers have cocoa to benefit from current high rates. A recent attack on the prime minister's plane has pushed up delivery prices in the ports to 625 CFA per kg on average.

Ghana 06/7 Main Cocoa Crop Down

Ghana's 2006/07 main crop, measured by purchases declared to the Cocobod regulator, fell to 586,581 tonnes from 649,671. The 33-week-long October-May main crop accounts for the vast majority of cocoa produced in Ghana, which had a record 740,000 tonne total harvest last season. Cocobod often waits several months before announcing final main crop figures based on purchases declared to it by private buyers operating in the country's semi-privatised cocoa marketing system. Output has been hit by a lack of rain in the early months of 2007. Recent rains bode well for a strong and early start to the 2007/08 main crop, but have come too late to help the mid crop. The mid crop is scheduled to open on July 6, and industry sources have forecast a harvest of 50,000-65,000 tonnes. Cocobod Chief Executive Isaac Osei has said total 2006/07 output is unlikely to greatly exceed 620,000 tonnes.

Cotton & Textiles & Chemicals Report >>

Websites

[Cotton Incorporated](#)

[Global Cotton News](#)

[USDA cotton](#)

[Cotton Council International](#)

[The Cotton Foundation](#)

[National Cotton Council](#)

[International Cotton Advisory Committee](#)

[Cotton Incorporated](#)

[Cotton on the Net](#)

News

Slashing Cotton Subsidies Rejected By US

The US chief agriculture negotiator rejected a World Trade Organization [WTO] proposal on slashing cotton subsidies, a highly sensitive issue for American farmers and West African countries. Joe Glauber said a new WTO agriculture proposal unveiled earlier this month would require Washington to make excessive cuts in cotton subsidies, while other countries were doing far less on commodities they support or protect.

The draft agreement written by the WTO's farm trade mediator, Crawford Falconer, calls for an 82% cut in trade-distorting handouts to American cotton farmers. That would mean Congress would have to reduce the subsidies to around US\$500 million annually from a current average above US\$3 billion as part of a new global trade deal. "I do not think it's acceptable," Glauber told reporters at WTO headquarters in Geneva.

Critics of the subsidies say they drive down prices, making it impossible for small farms to compete in international markets, and more difficult for poorer countries to develop their economies by selling their agricultural produce abroad.

Under an agreement reached in Hong Kong in December 2005, rich countries pledged to eliminate export subsidies for cotton by the end of 2006 and to step up reductions in other types of support – a victory for the West African cotton growers. But that deal never went into effect because it was dependent on an overall trade treaty addressing global agriculture, industrial trade and services markets, which is still far from completion six years into negotiations.

Falconer said he included in his proposal the formula for cotton subsidy cuts originally designed by West African cotton-growing countries Benin, Burkina Faso, Chad and Mali because there weren't any other serious offers – including from the United States. Glauber sidestepped questions as to whether the US would make a counterproposal. Any demand for major cuts in US subsidies to farmers will likely fall on deaf ears in the US Congress, where no dramatic changes are expected in the current system of payments for major crops such as corn, cotton, rice, soybean and wheat as part of the new Farm Bill it is negotiating.

Ghana: Village Complex Established

The Government of Ghana under its Presidential Special Initiative programme has established a €62 billion Garment Village Complex at the Tema Export Processing Zone. The Village is expected to provide modern factory units for companies manufacturing for the export market particularly to the United States under AGOA. According to Alan Kyerematen, Minister of Trade, Industry, Ghana's export of garments and textiles to the US market have grown tremendously from just a little over \$300,000 in 2002, to \$7.1million in 2004 and to \$8.8 million by the end of 2008.

Minerals & Mining Report >>

Websites

Mbendi - www.mbendi.co.za

Petroleum News - <http://www.petroleumnews.com/pnarch/040509-44.html>

Afcan - http://www.afcan-mining.com/west_africa_project.html

Orezone - http://www.orezone.com/site/about_us/index.asp

[Birim Goldfields Inc.](#)

[Golden Star Resources Ltd.](#)

[Nevsun Resources Ltd.](#)

[Newmont Mining Corp](#)

News

Ghana Mine Workers Want Review of Incentives to Foreign Investors

The Ghana Mine Workers Union of Tud has asked the government to take a second look at the over-generous incentives offered to foreign investors, especially in the mining sector, to ensure that the country derives maximum benefit from mining operations.

Nigeria: Fears Over Infrastructure At Niomco

Workers at the National Iron-Ore Mining Company, Itapke, Kogi State, have raised alarm over the state of infrastructure at the Company. The Company supplies iron-ore concentrates by rail to Ajaokuta and Delta steel plants for the production of billets and steel.

Ghana Etruscan And Haber to Seek Gold in Ghana

Halifax-Based Junior Miner Etruscan Resources Inc. and Haber Mining Ghana Ltd. have agreed to form a joint venture to explore 1,331 square kilometres of gold concessions in southern part of the Western Region of Ghana.

Central Africa: Can AF Group Acquires Great Lakes Minerals

TSX Venture Exchange listed mining concern, Can af Group Inc has completed the acquisition of Great Lakes Minerals Limited, a holding company with interests in Zimbabwe's Indirama Mining Lease.

Liberia: Mining Company Gets Positive Signal In Sinoe

An American conducting oil exploration in Sinoe County, Leonard Kragness, has announced positive results in his effort. He has already established a company in Liberia known as Sinoe Mining and Exploration Incorporated with an initial investment capital of US\$50 million. The company was one of two companies certificated recently by the Liberia National Oil Company to conduct offshore exploration for crude oil in the country.

Nuts, Pulses, Spices, Tobacco, Fruits & Vegetables, Live Animals >>

News

Gambia Groundnuts Exports Cease

This year's groundnut crop has been rejected this year due to a high level of aflatoxins, a carcinogenic fungus. Therefore no exports of the commodity have been made.

Oil & Gas / Electricity Report >>

Websites

[Marathon Oil Corporation](#)

[ROC Oil](#)

[Chevron](#)

[Amerada Hess Corporation](#)

[Ocean Energy](#)

[Energy Africa](#)

[TotalFinaELF](#)

[Mobil](#)

[Petronas](#)

[Equatorial Oil](#)

News

Sao Tome may have attracted ample supplies of oil-related corruption

A decade ago, geologists found signs that one of Africa's least-known countries, the tiny island nation of Sao Tome and Principe, might hold a king's ransom in oil.

The first drop of oil has yet to be produced. But these days, little Sao Tome may have attracted ample supplies of something else, federal investigators suspect -- oil-related corruption.

Sao Tome, a former Portuguese colony off the coast of Nigeria, was supposed to be different. In recent years, a steady stream of activists like the Columbia University economist Jeffrey D. Sachs have gone there to try to make sure that any energy boom would benefit its 150,000 people, rather than politicians and companies. "Oil can be a blessing or a bane for a country," Mr Sachs said. "The theory was to help Sao Tome avoid the resource curse."

Things, however, have not quite worked out that way. The recent Justice Department indictment of William J. Jefferson, a Democratic congressman from Louisiana, contends, for example, that he solicited a bribe from a company seeking his help with an oil-related dispute involving Sao Tome.

Separately, federal authorities are investigating a small Houston-based company whose only assets are large holdings in Sao Tome to determine if it bribed the country's officials. On another front, a powerful Nigerian businessman who is the chairman of the Houston company, ERHC Energy, is under investigation in his country for possible insider oil dealings. All those involved -- Mr Jefferson, ERHC, and that company's chairman, Emeka Offor -- deny that they did anything wrong.

Still, the experience of Sao Tome, a poor country that supports itself by selling cocoa and commemorative stamps featuring celebrities like Elvis Presley and Brigitte Bardot, shows how just the hint of oil can set off a scramble for riches. Along with Mr Sachs, those who sought to help included George Soros, the billionaire turned philanthropist, and a high-powered Washington lawyer, Gregory B. Craig, who defended President Bill Clinton during the Monica Lewinsky scandal.

At the centre of the Sao Tome story stands ERHC, a tiny company whose ranks have included a collection of characters and politically connected entrepreneurs like Mr Offor. According to a 2005 report by the attorney general of Sao Tome, Mr Offor is one of the largest donors to Nigeria's ruling political party and a close ally of Olusegun Obasanjo, who until recently was Nigeria's president.

Sao Tome's unusual journey through the backwaters of the oil industry traces back to the mid-1990s, when ERHC arrived there. Large underwater oil deposits had been found nearby, off the coast of Nigeria, and ERHC believed that the tiny island might be the next big prize in West Africa. At that time, the Texas company was owned by some wildcatters and an enterprising Florida businesswoman named Noreen Wilson. Over the years, she has been involved with several penny stock companies including a short-lived enterprise called Pizza Group.

In 1997, Ms Wilson signed a \$ 5 mm contract that gave ERHC, which was then known as the Environmental Remediation Holding Corporation, exploration rights in Sao Tome for 25 years. The contract was soon described by some outside experts as extremely lopsided.

Soon afterward, Ms Wilson resigned from ERHC during an investigation of the company by the Securities and Exchange Commission. But she appeared to retain an interest in the island's future; in 2001, for instance, she apparently reached out to Mr Jefferson for help there, his indictment suggests. At that time, Sao Tome's new president was threatening to break a number of oil-related deals, including ERHC's.

Ms Wilson is not named in that indictment. But the filing describes how two unnamed people, a business executive and a lobbyist, went to see Mr Jefferson about an oil-related dispute on Sao Tome. In return for a promise of help, Mr Jefferson demanded that a family member receive benefit, a demand that was met, the indictment states.

Mr Artabane, who said that Ms Wilson testified before the Jefferson grand jury, declined to confirm that she was the executive involved, but he did not dispute it either. The lobbyist involved was James P. Creaghan, according to his lawyer, E. Barton Conradi, who said his client has cooperated throughout with authorities. Mr Creaghan worked with Ms Wilson during that time. (Neither of them has been accused of wrongdoing.) Meanwhile, wheels were already spinning in Sao Tome when activists like Mr Sachs, the economist, arrived. Their mission: To prevent it from following in footsteps of other African countries where corruption and waste typically follow oil. In Nigeria, the continent's largest producer, most people live on less than \$ 2 a day while politicians have stolen or squandered billions.

Initially, hopes were high. Soon after his election as president, Fradique de Menezes, a cocoa plantation owner, vowed that his country would be different. And he turned for help to outsiders like Mr Craig, the Washington lawyer who represented President Clinton during his impeachment trial. But Mr Craig, like others who followed him, found himself facing some powerful adversaries: Nigeria and Mr Offor. In 2001, Nigeria had jumped in the picture when it signed an agreement with Sao Tome to share oil revenues from waters between the two nations. Mr Offor, the ally of Nigeria's president, bought ERHC, which was then near bankruptcy, just a few days before that agreement was signed.

Mr Craig said that while he successfully renegotiated contracts with other oil companies in Sao Tome, Mr Offor would not budge. In time, ERHC did agree to some changes in its contract, but the company retained extremely favourable terms, including the right to choose among the best oil blocks without paying the type of special one-time fee that governments typically demanded.

Mr de Menezes continued to seek assistance; in 2003, for instance, he reached out to Mr Sachs. "He called and said, 'Look we've found some oil and the sharks are swimming around us now, and I'd like some help to manage this properly,'" Mr Sachs recalled.

As part of that effort, a Columbia University team and others helped draft a new oil law that contained safeguards to make sure Sao Tome spent its oil-related revenue properly. The team then travelled around the country, holding meetings on cocoa plantations and in churches, where they explained to residents how the new statute would protect their interests.

By late 2005, however, a report by the attorney general of Sao Tome delivered a dose of reality. Among other things, it found that some companies that won blocks in the zone controlled jointly by Sao Tome and its neighbour were headed by Nigerian businessmen with political ties but no oil experience.

In addition, the report found some large multinational oil companies were so suspicious of ERHC that they decided not to bid and added that ERHC "may have made improper payments to government officials." ERHC has disputed those findings and said in a statement that it received its rights legitimately and that it has also made numerous concessions to Sao Tome.

The attorney general's report may have precipitated last summer's raid on ERHC's Houston offices by the FBI. Among other things, FBI agents took a file marked "William Jefferson," a reference to the Louisiana congressman, a publicly filed subpoena shows.

Whatever the case, ERHC has emerged thus far as the biggest winner in Sao Tome. Over the last year, it has sold off various rights to its holdings in Sao Tome, making tens of millions of dollars in the process. As for the reform effort by Mr de Menezes, the country's president, he has been far less publicly vocal over the last year, outside consultants said.

Despite earlier predictions of vast oil finds, it is unclear whether waters off Sao Tome will ever produce oil in commercial quantities. Last year, Chevron drilled the first exploration well there but failed to find much oil and, for the moment, has no immediate plans to drill again. ERHC said that it and a partner planned to drill next year.

Nigeria approves Kano gas pipeline project

The federal government has approved the re-routing of the gas pipeline to Kano as a measure to boost electricity supply and revive ailing industries in the state, the government said. The action will ensure the routing of the pipeline project that will pass through Katsina state to some West African countries. The state's Commissioner for Commerce, Mines, Cooperatives and Tourism, Alhaji Ahmed Ibrahim Yakasai, said the pipeline will help in no small way by providing energy source to the numerous industries in the state. He said when completed, the project will also boost electricity supply, enhance economic activities and compliment government's efforts to restore the declining economic activities in the state.

"As you know that one of the major problems bedeviling the commercial and economic activities in the state and which has led to the closure of most of the working industries is electricity. We believe with the approval for the re-routing this menace will soon be a thing of the past," he said.

Of the over 600 operating industries in the state as at 1999, only 106 are currently functioning according to the state's office of the Manufacturers Association of Nigeria, MAN.

The state government, he said, is working relentlessly to support initiatives that will enhance the economic development of the state through partnerships and collaborations. He also said that the state government is collaborating with other partners for the establishment of an independent power project which will also help provide energy to the industries.

"All these measures are aimed at ensuring adequate energy supply to the industries so that the era of industries closure will be over and the economy of the state enhanced," he said.

The commissioner also announced the state's collaboration with the federal government to develop the Kano free trade zone. He said the Panisau site which is under construction by the federal government will now be collaborative effort in which the state government will pay for 60 % of the total cost of the project. He said the N 4.7 bn project is expected to provide businessmen in the state and others around the world, a free duty zone to boost economic and commercial activities in the state, adding that already the federal government has released N 600 mm for the project. The free trade zone which is on a 230 hectare land, also has an 11 KVA generator, access roads, internal roads and other facilities, and is expected to be completed soon.

New oil discoveries turn spotlight back to West Africa

Western and emerging Asian powers so keen to diversify oil supply sources to feed growing needs have recast their attention to West Africa following the latest discovery of new potential reserves. British oil and gas company Tullow Oil announced that it had discovered up to 600 mm barrels of oil on the West Cape Three Points block off Ghana's coast.

But the figures fall below that of regional oil giant, Nigeria with its reserves of 36.24 bn barrels, or that of Angola which has proven reserves of more than 5.4 bn barrels of crude oil. Of the 2.7 mm bpd produced in West Africa, 2.6 mm come from Nigeria alone, according to the continental African Petroleum Producers Association (APPA).

But at the global level, West Africa remains a modest player in the oil sector. It represents less than a third of the total Africa production, which in itself is less than 12 % of world production, far behind the Middle East Russia and Brazil.

But with geo-political uncertainties and the emergence of Asian economies such as India and China, any oil reserves make the so-called "black gold" a rare and expensive commodity.

"It is becoming more and more difficult to work in the Middle East. The whole world as a result, is diversifying the supply sources, and the rush is general, in Africa as is everywhere," an expert in the oil sector said in Abidjan.

Between 2004 and 2007, African oil production climbed from 7 mm bpd to 9.5 mm bpd. And Africa is now the top production area for the French oil giant and world's number four Total.

Angola's parliament gives green light for gas project

Angola's National Assembly (parliament) recently gave Government green light to legislate on the exploration of gas, within the framework of the "Angola LNG" gas project and on oil award for appraisal, development and production of natural gas.

The information is contained in a recent edition of the State Gazette and follows a Government petition to the National Assembly for authorisation to legislate on the matter, within the framework of the development, transportation, treatment and processing of natural gas.

The authorisation also considered the need for approval of the contract for oil concession for the appraisal, development and production of natural gas in the areas of Quiluma, Enguia-Norte, Atum and Polvi, with a view to their supply for the "Angola LNG" project. The Government is thus to grant fiscal incentives in the form of

exemption, fixation and reduction of taxes, including those of customs nature and fiscal transparency mechanisms.

The Government is also responsible for creating a gas tax and setting a methodology to establish the revenues of fiscal reference resulting from products sold by the project.

Nigeria to prioritize gas for domestic use

18-06-07 Nigeria's new president, Umaru Musa Yar'Adua, has asked Nigeria National Petroleum Corp. (NNPC) to draw up a plan for providing gas for domestic needs, particularly power generation. Yar'Adua held a 3 hour meeting with senior NNPC officials, led by Group Managing Director Funsho Kupolokun. Nigeria has 187 tcf of proved gas reserves, and Yar'Adua's requirement of NNPC raises questions about supplies for future gas export projects. Nigeria currently utilizes 2,000 MW of power and wants to increase its power generation capacity to 12-15 GW.

An NNPC spokesman told that Nigeria would continue to honour its international commitments for gas supplies that have been set aside for export either as pipeline gas or LNG.

Local reports quoted Yar'Adua as saying "...we cannot begin to address, in a fundamental manner, the problems of the economy until we successfully tackle the power and energy issue. It is critical to all my plans. So I am more interested in how much gas we can tap for domestic use than what we can get for export. We must power this economy."

Criminal activities in the Niger Delta have cut oil production by almost a quarter, with production shut-ins in May reaching a high of nearly 1 mm bpd and averaging more than 800,000 bpd for the month. Yar'Adua has stressed that it is his priority to deal with these criminal activities through development

Rubber Report >>

Websites

[Association of International Rubber Trade](#)
[European Rubber Journal](#)
[Rubber Division](#)
[Rubber Manufacturers Association](#)
[Rubber News](#)
[Rubber World](#)
[The Rubber Room](#)

News

Rubber Puts A Spring In Ivorian Cocoa Farmers' Step

Many farmers angry at the disorder in the Ivorian cocoa sector are switching from cocoa to rubber, which provides a steadier and, thanks to high prices, bigger income. Recent Chinese demand has driven a four-fold rise in Tokyo rubber futures prices from a 30-year low in 2001 to a 26-year high in 2006, pushing up potential farm earnings.

Rubber also provide a year round crop for 11 out of 12 months unlike cocoa which falls in two seasons offering a much more reliable income. Farmers are also indicating that the semi-privatized cocoa marketing bodies swallow up much of the cocoa revenues, leaving the farmers barely enough to buy fertilizers and insecticides let alone make a living.

It costs a lot to set up a rubber farm. Some farmers want to do it but they don't have the means. This has given rise to new companies like GEPDH, a business in Abengourou which supplies and plants rubber trees for \$1,518 per hectare including maintenance and specialist advice for the first three years.

GEPDH ask for an upfront deposit then monthly payment for three years. Once trees have matured the potential earnings is approx US\$631 per hectare each month. But some farmers say they earn only half that, and the African Rubber Plantation Company [SAPH], which is dominant in this eastern region, puts average revenues at a much lower.

Timber Report >>

Websites

[World Wide Wood](#)
[Timber Trade Federation](#)
[Forest Products, Wood Science & Marketing](#)
[Hardwoodmarkets.com](#)
[Global Wood Trade Network](#)
[ForestNet](#)
[Certified Forest Products Council \(CFPC\)](#)
[Woodweb](#)
[Scottish Timber Trade Association](#)

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News

Log Prices Relatively Stable - Central/West Africa

The overall movement of logs was more positive due to the implementation of Congo's log quota system, which significantly cut log exports. This has kept prices relatively stable, reducing pressure on producers by removing substantial volumes from the market. Despite this movement of logs, log stocks of West African species in China were still high and mostly of lower grade species. Consequently, log shipments to China were still heavily restricted. Okume had been the species worst hit by this trend, although premium species were less affected. Producers continued to look for alternative markets for okume, even to North African and European destinations.

Sipo and sapele logs were in demand for all markets and prices for these species were higher. For sawn lumber, sipo and sapele had notable price hikes while all other species were firm in May. Although there remained some nervousness in the market, producers had been able to diversify markets and hold most prices stable. Major okume producers faced the biggest problem, but had yet to reduce prices.

Satellite Mapping Reveals Extent Of Logging Roads

The first comprehensive satellite mapping of central Africa's forests revealed that logging roads accounted for a high proportion of all roads in the area studied. The study, conducted by the Woods Hole Research Center in Falmouth, Massachusetts, analyzed 300 satellite images and mapped more than 52,000km of logging roads within central Africa, tracking the expansion of logging roads from 1976 to 2003. Their results indicated that in the six central African countries of Cameroon, Equatorial Guinea, Gabon, Congo, CAR, and DRC, more than 600,000 km², or 30% of forests, are under the control of logging companies with only 12 % set aside for conservation.

Ghana Records Robust Surge In Wood Product Exports

As reported by EUWID, shipments of Ghanaian wood products increased 28% in volume and 17% in value during the first quarter of 2007, up from previous year estimates. The Ghana Timber Development Division published data that revealed exports from January – March 2007 increased to 136,898m³ from 106,892 m³ during January – March 2006. Ghanaian plywood shipments also rose approximately 50% to 6,903m³, and overland exports had more than doubled. Exports to Europe remained about the same, while shipments to Asia, other African countries and the US showed upward trends.

New Minister Of Lands, Forestry And Mines In Ghana

Eight top ministers vying for the 2008 presidential slot of the NPP political party have recently resigned from their government posts. As a result, President J A Kufuor has announced a cabinet reshuffle in his government, which has affected the Ministry of Lands, Forestry and Mines. Pending approval by the Parliamentary Select Appointments Committee, Miss Esther Obeng Dapaah will replace Professor Dominic Fobih, the former minister of the Ministry of Lands, Forestry and Mines. Before Prof. Fobih departs the Ministry, he will have launched a website for the Ministry's Land Administration Project (LAP), which will be available at www.ghanalap.gov.gh. The website will contain comprehensive information on Ghana's land administration system, and include information from the Survey Department, Town and Country Planning, Land Valuation Board, Stool Lands, Land Title Registry and the Ministry of Lands, Forestry and Mines. Prof. Fobih said the underlying principle of the website would be to provide access to information as well as serve as an interactive platform for the policies and activities being implemented by the Ministry.

Ghana Minister Alarmed At Increasing Chain Saw Operations

Andrew Adjei Yeboah, Deputy Minister for Lands, Forestry and Mines has expressed concern about the upsurge in the activities of chainsaw operators. Speaking at the 13th AGM of the Ghana Institute of Foresters [GIF] Mr Adjei Yeboah said the Ministry was lobbying for a law to prosecute illegal chain saw operators. Kweku Prah Ghartey, National President of GIF noted that foresters had failed to effectively control illegal exploitation, promote natural regeneration and sustainable management of forest resource. Ghartey proposed stiffer sanctions for forest offences, adding that laws covering the supply of wood products to the domestic market should be reviewed.

Ghana is among three tropical countries likely to attain the International Tropical Timber Organisation Objective 2000, where timber products could be certified as coming from well managed forests.