THE BANANA
A FRUIT LIVING ON BORROWED TIME
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INTRODUCTION
The banana, a fragile and perishable fruit, nonetheless is a staple food for 400 million human beings. And, as such, it has earned its qualification as Green Gold. It’s no surprise that the banana has been a money-making affair on an industrial scale since the mid-19th century, for European colonists in Africa and the Caribbean, and North American multinationals in South America.

The banana market has been shaped by these economic and geopolitical interests and now, more than any other time, reflects all of the tensions of the twentieth century, from the tumultuous North-South relations to the current questions surrounding sustainable development.

Its exploitation is synonymous, against a background of North American hegemony, with attacks on the environment, the undermining of the health of planters and the overexploitation of workers in developing countries.

And yet it is also synonymous with the birth of unions in Latin America; the commitment of the first groups supporting the Third World; and the first organic, sustainable labels granted to a fruit. Its marketing has revived old rivalries between the US and Europe, games of arm-wrestling between small farmers and international groups and the increasing grip of large distribution on the organisation of international trade.

This notwithstanding, the banana was also, thanks to the persuasive efforts of NGOs, one of the first sectors to adopt the notions of fair trade. And to apply them.

Bent under the weight of these challenges, the banana is first and foremost a symbol: that of the global economy. A truly modern fruit, whose performance is actively studied by hundreds of researchers. But one that nevertheless still remains on a slippery slope. This is because the last remaining special systems for former European colonies have just expired and this market representing five billion Euros per year is more than ever faced with still fierce competition between multinationals (who hold more than 85% of the market) and cooperatives of small producers.
PART I:
A PLANT IN DANGER
A SYMBOLIC FRUIT

In ancient times they were right when they put the banana into a category of its own. Unstable and fragile for Buddha, an incarnation of Lakshmi, the goddess of beauty for Hindus, a forbidden tree in the garden of Eden in the Koran, possibly mischievous in the Old Testament, because the fig leaf of Adam and Eve was nothing other than a leaf of the banana-fig variety! Today, pulpy and luscious, the banana, which is available in a thousand varieties throughout the world (dessert and for cooking), is rich in potassium and sugar (90 kcal/100 g). Its content in carbohydrates, phosphorus, calcium, iron and vitamins B6, C and A further supports its nutritional value. And these are just yet further reasons why the fate of the banana is planetary, with more than one hundred million tons produced each year in 150 countries. (1)

Dessert or Plantain

Though the banana is nearly exclusively known in our hemisphere in its sweet form, called “dessert” bananas, the banana is also widely consumed in its countries of production in its form to be cooked, generally the Pisang Awak in Asia and the Plantain in Central and Western Africa (150 varieties). There are also high altitude banana varieties and beer varieties where the pulp is fermented, mainly in Eastern Africa (2).

In those countries, when intended for local consumption, banana farming still cultivates many varieties, thus helping to safeguard the diversity of banana trees. Nevertheless, intensive farming aimed at supplying importing countries concentrates on monovarietal farming of sweet bananas - the subject of this publication. However, only 15% of sweet bananas are exported as, together with bananas to be cooked, they form an essential part of the diet of producing countries.

A Northern Fruit

Because it is easy to eat, the banana is highly prized in Western countries, to which over 15% of global production is exported (14 million of the total 69 million tons). Indeed, it is the most exported fresh fruit in the world. Though annual banana consumption exceeds 12 kg per inhabitant in the US, it barely reaches 8 kg in Japan, 5 kg in China and 3 kg in Russia. In the EU, where it is the most widely consumed exotic fruit, it represents 11% of all fruit eaten and 20% of fruit imported. Its notoriety continues to grow and imports increased by 25% in value (23% in volume) between 2003 and 2007 (Eurostat, Faostat, 2008, CBI). Paradoxically, the more it moves northward, the more popular the banana becomes. The star of fruit baskets in Sweden at 19 kg per inhabitant, it is among the leaders for the Danish (14 kg), Germans (13 kg) and British (12.5 kg), though it only comes in at third place with the French, at 8.5 kg per inhabitant.
A Food Crop

Nine million hectares worldwide are devoted to the cultivation of bananas. However, a fact unknown to most, 85% of bananas remain in their country of origin. The third biggest tropical fruit crop and the fourth biggest food crop in the world, the banana is a key part of the diet of the developing world. On average, 21 kg are consumed per inhabitant per year, with peaks of 243 kg in Uganda, 100 to 200 kg in Rwanda, Cameroon or Gabon, four countries where, as noted by an FAO report (3), it constitutes 12% to 27% of the daily caloric intake for the populations.

The banana is an essential foodstuff in all of the producing countries in Africa, Latin America, Asia and the Caribbean – with the exception of the producing zones of the EU such as the Canary Islands and the overseas departments and territories of France (DOM-TOM). “Bananas contribute to the food security of millions of people in a large portion of the developing world and, sold on local markets, it constitutes a source of jobs and income”, points out the FAO (3).

A Cornerstone of the Ecosystem

A second misconception should also be disputed: The large majority of banana production is destined for self-consumption and the large majority of bananas are produced, not by large plantations controlled by multinationals, but in the gardens of local farmers. Farming families in tropical and subtropical regions plant bananas as a basic foodstuff or to increase their farming revenues (5).

### Production of dessert bananas in the world (in tons - 2008)

<table>
<thead>
<tr>
<th>Rank</th>
<th>Country</th>
<th>Production (tons)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>India</td>
<td>18580</td>
</tr>
<tr>
<td>2.</td>
<td>China</td>
<td>7380</td>
</tr>
<tr>
<td>3.</td>
<td>Brazil</td>
<td>6630</td>
</tr>
<tr>
<td>4.</td>
<td>Ecuador</td>
<td>5320</td>
</tr>
<tr>
<td>5.</td>
<td>Philippines</td>
<td>4290</td>
</tr>
<tr>
<td>6.</td>
<td>Indonesia</td>
<td>3220</td>
</tr>
<tr>
<td>7.</td>
<td>Columbia</td>
<td>2550</td>
</tr>
<tr>
<td>8.</td>
<td>Costa Rica</td>
<td>1960</td>
</tr>
<tr>
<td>9.</td>
<td>Mexico</td>
<td>1770</td>
</tr>
<tr>
<td>10.</td>
<td>Guatemala</td>
<td>1510</td>
</tr>
<tr>
<td>11.</td>
<td>Uganda and others</td>
<td>15990</td>
</tr>
<tr>
<td>World</td>
<td></td>
<td>69200</td>
</tr>
</tbody>
</table>

Note: The principal banana producing countries (India, China and Brazil) consume most of their production. Ecuador is the leading exporting country. Uganda produces 10 million tons of plantain bananas for its local consumption.

Source: FLO - LI-Meeting, Bonn, October 2010
The banana tree is also cultivated as a shade tree for cacao and coffee trees in some regions of Africa, such as in Côte d’Ivoire. As Rony Swennen, Director of the Division of Crop Biotechnics and Laboratory of Tropical Crop Improvement of the Katholieke Universiteit of Leuven (Belgium) points out, its preservation is crucial, if only for this function. Joaquin Vasquez, President of the federation of small producers in Ecuador, also insists on the symbiotic functions of the two plants: “When the cacao tree is still young, the shade of the banana tree protects it. In return, with its much deeper roots, the cacao tree helps to channel nutritive substances from the deep soil to the surface. It also protects it from “sigatoka” (cercosporiosis) through the beneficial microclimate generated by plant diversity”.

It is therefore not surprising that, given its position as an essential source of food for nearly 400 million inhabitants of tropical countries, the banana attracts so much attention in agronomical research. Nevertheless, one formidable hurdle still lies ahead: this sensitive plant is the prey of several assailants such as insects, fungi, not to mention climatic factors.

A Sterile Plant

Both the fruit and the plant are highly vulnerable. The victim on several occasions of disasters such as Panama Disease (caused by Fusarium, a soil fungus), the banana has been eradicated several times over thousands of hectares. Not to mention the devastating effects of hurricanes such as Dean in the Caribbean in 2007. The unleashing of these disasters and their combined effects has brought scientists on several occasions to predict the disappearance of this unusual seedless and pitless fruit. And yet it continues to survive despite its fragility.
It is true that, resulting from successive crossbreeding, the banana found on European markets is nearly totally of the Cavendish variety from Asia. The Gros Michel or “Big Mike” variety that was supplanted in the 1960s and 70s as a result of Panama Disease, now only represents 12% of production worldwide. And yet the Cavendish, chosen at the time for its increased resistance, now also seems to be rather poorly armed from a genetic standpoint to fight off attacks from diseases and pests. Moreover, this variety of the banana is sterile and seedless, unlike its wild variant. Thus, making cross-breeding difficult. In short, because it is sterile, this plant is “too stable” to adapt. And to resist.

Fragile Health

Recently, a new variant of Panama Disease that arose in the 1990s in tropical zones has now revived the threat of extinction. In addition to that, there are a host of other factors:

- Fungal diseases such as cercosporiosis (also called Black Sigatoka or Black Leaf Streak Disease), a leaf fungus that reappeared in 2010 in the Caribbean and French West Indies;
- Bacterial diseases such as Moko Disease transmitted by machetes or Banana Xanthomomas Wilt (BXW) that has been ravaging Eastern Africa by wilting plants;
- In the form of viruses such as the bunchy top (2), also called Banana Bunchy Top Disease or BBTD, carried by an aphid.
Banana trees multiply through vegetative shoots and diseases are thus spread from the mother plant. For several of these diseases, there is currently no resistant variety. Furthermore, the banana is also prey for pests: nematodes, microscopic roundworms present in soil, live as parasites on the roots and bulbs and feed on them.

Difficult to Satisfy

The banana likes heat (27°C) and humidity (at least 2000 mm/year). Cultivated at a density of 600-1200 plants/ha (Giant Cavendish) to 2500 plants/ha (Dwarf Cavendish), it requires rich soil such as that found in South America or even volcanic soil such as that present in the Caribbean. Note that drier climates such as that found in Peru are ideal for the cultivation of organic bananas because they require fewer agricultural inputs. Banana cultivation also requires large irrigation and drainage systems, especially when intensive. Lastly, as the banana is a perishable foodstuff, it requires reliable and rapid refrigerated means of transport to bring it to ports.

The principal importing countries (X 1000 tons)

<table>
<thead>
<tr>
<th>Country</th>
<th>Tons</th>
</tr>
</thead>
<tbody>
<tr>
<td>European Union</td>
<td>4513</td>
</tr>
<tr>
<td>USA</td>
<td>4004</td>
</tr>
<tr>
<td>Japan</td>
<td>1253</td>
</tr>
<tr>
<td>Russia</td>
<td>990</td>
</tr>
<tr>
<td>Canada</td>
<td>471</td>
</tr>
<tr>
<td>China</td>
<td>332</td>
</tr>
<tr>
<td>Argentina</td>
<td>319</td>
</tr>
<tr>
<td>South Korea</td>
<td>308</td>
</tr>
<tr>
<td>Saudi Arabia</td>
<td>248</td>
</tr>
</tbody>
</table>
In late 2009, cocaine was found in a shipment of bananas at the port in Antwerp. This news item shed light on the significance of the Belgian port in banana trade in Europe. Of all banana imports, 26% (in value, figures from 2007) passes through Antwerp, the main port of entry of bananas into Europe (18% for Germany, 12% for the United Kingdom and 8% for Italy). Though, with 13% of European banana suppliers, Belgium largely surpasses Germany (7%), the Netherlands (5%) and France (2.2%). Bananas are rapidly re-exported, mainly to Northern and Eastern Europe where they are allowed to ripen.

“Antwerp has two advantages: the port historically has significant expertise in the unloading of banana ships and in storage. Furthermore, with its good location inland, it is linked to all infrastructural connections,” explained Kris Van Ransbeek, Vice-President of the Product Supply Chain Department of Chiquita. Antwerp is the second largest of the eight ports used by the group in Europe. Twenty percent of the brand’s imports pass there.
CULTIVATION DEPENDENT ON RESEARCH

Requirement for Productivity

Like a large grass, the banana tree does not offer much resistance to tropical storms or to fungi and insects. Nevertheless, one of its advantages is that it grows very rapidly: flowers appear by the sixth month and harvesting can start after nine to twelve months of growth. Therefore, it is a bulb and not a seed that bears the fruit. The sturdy shoots then give rise to new banana trees. On average, a banana plantation survives for six to seven years. The bananas can be harvested without interruption.

This capacity for rapid production is a welcome attribute because, as the banana is eaten in all seasons, with peaks in the winter, and is a foodstuff that cannot be stored, banana production is under great demand in terms of productivity. The Cavendish, representing nearly the entire production, provides around 40 tons/ha. Its performance varies from one continent to the next. In South America, production reaches 44 to 59 tons/ha/year, while the average is 30 tons/ha in the Caribbean. In Africa, however, both the poor climate and soil are not very conducive to the cultivation of bananas, except in Cameroon, Côte d’Ivoire and Rwanda. Production in Côte d’Ivoire varies between 25 and 60 tons/ha (9).

Resistance

Nevertheless, for the reasons mentioned above, the banana remains a fruit living on borrowed time. Not that it will disappear – according to researchers at the Katholieke Universiteit of Leuven, there are said to be a total of nearly 2000 varieties – but because the Cavendish, the variety known in Europe, is under great threat. While in the past, agricultural inputs were presented as the solution to attacks from fungi or bacteria, research now focuses on other methods.

Furthermore, more and more planters show reticence towards the use of agricultural inputs. This trend is not only motivated by the increasing resistance of pests and fungi to such products, as some molecules are now known to be ineffective. Nor by the economic cost of such methods. The ecological toll paid by planters and producing regions has also weighed heavily. It is no longer possible to count all of the health problems connected with the substances spread. DBCP (dibromochloropropane), a pesticide better known by the name of Nemagon, has caused tens of thousands of victims among the “bananeros”, making them sterile and leading to congenital malformations and cancers. (10)
Professor Rony Swennen is the Director of the Division of Crop Biotechnics and the Laboratory of Tropical Crop Improvement at the Katholieke Universiteit of Leuven (KUL – Belgium)

Your laboratory holds the largest living banana library. What does this collection consist of?

We have stored 1300 varieties of banana in vitro. This exceptional collection is the largest in the world and is maintained with the support of the United Nations. The plantlets are transplanted once per year to test tubes and then placed in a cold chamber at 15°C under conditions of low light to ensure slow growth.

What is the goal of storing the plants?

To preserve the biodiversity of the banana. Each day we send 5 to 7 varieties to producing countries. We provide five samples per variety and 75% of these samples are sent out to researchers on site, 25% to producers. We collect and add to the body of data on cultivating conditions, the characteristics of these varieties, the various ecological systems in which they grow, all with the goal of better classifying them. Aside from access to the varieties, which is key for small producers, we provide healthy material. Actually, the fact that we are located in Belgium, a region above all suspicion of possible banana tree contamination, pleaded in favour of us. We are now supported by the FAO, the EU, Biodiversity International and the Belgian Government.

Does your “collection” also help to preserve the heritage of the banana in the world?

Of course. Forests are destroyed in Asia every day and the wild bananas found there are threatened by extinction. We still have to collect around 700 varieties and we store all banana varieties throughout the planet at -196°C in liquid nitrogen. We already have 700 varieties frozen and, with those remaining to be collected and frozen, we have at least twelve years of work ahead of us. This is a race against time. This will be the first collection of frozen plants in the world. The aim is to ensure access to biodiversity to guarantee food security. We should point out that the technology that we have perfected already helps other plants. Indeed, researchers focusing on date palms, sweet potatoes, manioc or even strawberries will apply it.

Does your work also help to make the plant more resistant?

We are also developing a process for the production of cells in suspension. Our technologies will help to identify more resistant genes and to insert them into cells. Once a plant has been generated from the cell, we will have produced, through genetic modification, banana plants that are more resistant to their environment.
Furthermore, the memory of chlordecone, a pesticide of the same family as DDT, prohibited in the US but used in the West Indies until 1993, still remains vivid. For good reason: 8% of the land is still highly contaminated and the production of rooting or vegetable plants remains prohibited. The farmers have decontaminated the soil of their banana plantations little by little, using systems where the land is left fallow, but much more time is still necessary to erase these traces.

In vitro

As opposed to chemical solutions, genetics emerges as the way to save the banana. Various research institutes, some of which are entirely devoted to the banana, have focused their efforts on improving the varieties and, in particular, the Cavendish, the true Green Gold of exporting countries. Most of these institutes work in a network and involve the planters in the application of their research.

In France, the Cirad (French Agricultural Research Centre for International Development) has devoted part of its research activities to genetic improvement of the banana using conventional methods. As summed up by François Côte, Head of the Banana Department, the goal is to “ensure the sustainability of the crop in the face of agricultural inputs and pesticides”. Producers in the French West Indies, associated under the UGPBAN (Union of Banana Producer Associations of Guadeloupe and Martinique), are involved in the Cirad’s programmes: “We work to develop varieties starting from the main relatives of the current variety, the Cavendish. We are planning to search the Comoro Islands for an ancestor of the Cavendish that is more resistant to cercosporiosis. Nevertheless, this is a long-term project that could take five to ten years as crossing through pollination takes a great deal of time”, explained Philippe Ruelle, the Director General of UGPBAN. He added, “The problem is that the Cavendish is the variety that transports the best and remains the most productive. We are performing trials on four to five new types each month, but they cannot be transported as their skin is too thin or they are not productive, giving only 19 tons/ha while the Cavendish yields 40 tons/ha”.

Biotechnologies

For both the Cirad and the Katholieke Universiteit of Leuven (KUL), it is not a good idea to pit the methods against each other, but to combine them. “French teams are searching for ancestors and, by crossing them, are attempting to obtain a plant that will guarantee both sterility and resistance. We, on the other hand, are starting with the situation in the field and are attempting to improve it through genetic modifications,” stated Prof. Rony Swennen, the Director of the Division of Crop Biotechnics and the Laboratory of Tropical Crop Improvement at the KUL. He added: “While our previous method - applied by researchers in Uganda - consisted of inserting DNA from other plants, we now insert banana DNA directly into a banana cell.”
The method has its critics, including in Uganda and Nigeria where environmental protection organisations denounce “food colonization of Uganda by GMOs” and the “use of Africa and Africans as guinea pigs” (8). Moreover, labelling organisations such as Max Havelaar categorically refuse to issue a label to a genetically modified banana. However, for Rony Swennen, it is now urgent to find resistant varieties. The bacteria Banana Xanthomomas Wilt (BXW) is responsible for annual losses of over 500 million dollars in banana harvests in Western and Central Africa.

**Chips on Banana Weevils**

Another line of research consists of finding methods to protect the plant naturally. This is the second part of the Cirad’s activities aimed at achieving sustainable systems.

According to François Côte, much more than just covering land, the reintroduction of diversity, particularly through “service plants”, has helped to leach soils of fertilizers, promote microporosity and prevent soil erosion. Furthermore, in terms of space, such diversity has also helped to close the loop of biological cycles, alongside fallowing as another such tool. The Cirad has also devoted efforts to the observation of banana weevils that prey heavily on banana trees: electronic chips placed on their backs has allowed for the study of their movements.

**Climate Changes**

In today’s world, research is also faced with another challenge: that of determining the effects of climate changes that affect in particular banana producing zones - more specifically, the Caribbean. The phenomenon of cyclones is, of course, not new, but their intensity has called into question the viability of this crop. In reaction to these climate changes, a new worldwide strategy has emerged, consisting increasingly of opting to move banana cultivation to drier zones, thus requiring genetically modified bananas with reduced water needs.
BASF: OPTIMIZING TREATMENTS

The idea of renouncing the use of pesticides in banana cultivation is currently unthinkable. “Black cercosporiosis is one of the biggest threats at the planetary scale,” stated Markus Frank, the Marketing Manager for the Fungicide Department of the German group.

Nevertheless, this affirmation has not prevented the German chemist from continuing his research in the fight against banana diseases.

BASF, one of the market leaders in pesticides for the banana (Boscalid, F 500, etc.), devotes 36% of its R&D to pesticides, though the market only constitutes 7% of its activities. The group is currently studying the alternative use of fungicides on bananas. As a result, it has launched a bio fungicide, Serenade, which is the result of fermentation of a bacterium and is spread by air. BASF supports planters in a safety strategy during treatments as well as for waste collection and removal. The planters are also trained to cope with potential banana tree resistance to cercosporiosis by making rational use of the chemical and agronomic “tool box”.

THE QUEST FOR ADDED VALUE

Bananas also include dried bananas, chips, mashed bananas, beer, wine, alcohol, etc. With variants in flour, soups or cereals. Or even industrial versions of fruit salads and smoothies. Without forgetting the use of fibres from the skin in handbags, shoes and envelopes. Forced by the “banana agreement” (see part three) to become more competitive on international markets, Africa has become highly imaginative in conceiving ways to transform this foodstuff into products with added value.
Laurent Verheylesenone is the Retail Market Manager at Max Havelaar, one of the main fair trade labelling organizations of agricultural products.

What is the position of the fair trade banana in Belgium?

Max Havelaar-labelled bananas represent around 7% of the market, which, all things considered, amounts to over 6 million bananas or nearly one banana per second! We should point out that all fair trade bananas on the Belgian market are also organic, thus federating two groups of consumers: those looking for a fair trade product and those who prefer organic food.

In this context, what are your current lines of development on the Belgian market?

Certified producers from the South are still not able to sell all of their production under fair trade conditions. Fair trade must still gain a larger market share. We are pursuing all means to gain more references: with organic stores that currently enjoy great success in Belgium as well as with company restaurants – a partnership has been established with Sodexo that now only serves fair trade bananas - or even schools, sporting clubs, etc. Eventually, one could also envision fair trade bananas in smoothies, fruit salads, etc. We encourage the use of fair trade bananas in new products.

What kind of growth do you expect for fair trade bananas?

Laurent Verheylesenone: I think that we can still reasonably bank on annual growth of 10 to 15% for several years to come. Increasing the profile of bananas also serves another purpose. Unlike coffee, for example, this transgenerational product is a good vector of communication about fair trade and serves as a good opener with the consumer. Supermarkets are aware of this image function of the banana and use it as a bait product.

Large retailers, such as Plus in the Netherlands, which now only sells fair trade bananas, is increasingly aware of this product. Has this trend forced banana multinationals to modify their production methods?

Yes. Fair trade bananas have been gaining ground all over, which has forced market leaders to react. For example, Dole* has launched a pilot project with Max Havelaar (France). And, Chiquita*, though not yet converted to fair trade, has signed a contract with Rainforest Alliance. This is one of our successes: having brought about change in major companies. Our end goal is to transform the industry by working with all parties involved. However, keep in mind that this is not a sell-off of our standards. Much to the contrary. We strive to guarantee the label, regardless of the size of the company with which we are working. Most importantly, one of our favourite crusades has been to preserve the role of small producers in the supply chain to supermarkets.

* Respectively number one and number two on the market
GREEN BANANAS AND UNRIPE BANANAS

“Aldi verde” is listed among reference prices. In banana jargon, this term means nothing more and nothing less than the price of the German discount grocer that serves as the index on international markets. As for the colour “Green”, it refers to the degree of ripeness of the banana during the commercial transactions leading up to its arrival at European ports. Thus, in addition to the purchase price, there is the cost of ripening, a process involving the industrial-scale application of the banana’s natural ripening agent, ethylene. This completely separate activity is carried out in the importing country, as close to the consumer as possible. Ripening can be carried out by the logistical importer, but is most often left up to the wholesaler/distributor or even the supermarket chain.

It is sometimes even the producers who take care of this activity. This is the case of the federation of West Indies producers, the UGP-BAN, who bought out the ripening rooms of Fruidor. Chiquita also has its own ripening centres spread throughout Europe. In general, the banana arrives pre-packaged at the ripening rooms, but it is also sometimes up to them to perform the packaging.

For organic or sustainable bananas, the passage through ripening rooms is not completely risk-free. Indeed, as the volumes are marginal, the configuration of the ripening rooms is calibrated on the dominant and thus “conventional” bananas and is thus not completely suited to the “organic” profile. Lastly, in order to avoid “contamination” from contact with other treated bananas, organic bananas are covered in plastic film that is not highly ecological.
Théodomir Rishirumuhirwa, owner of Agrobiotec in Burundi, is a pure product of Belgian research applied on African soil. An agronomist trained as a soil sciences engineer at the Université Catholique of Louvain (UCL), he carried out his studies in Leuven and then in Louvain-la-Neuve. The banana tree was already the focus of his attention when he began work on his doctoral thesis at the EPFL (Ecole Polytechnique Fédérale of Lausanne – Switzerland). “I chose the banana for its in vitro cultivation because this technology allows for rapid multiplication of plantation material, especially for plants characterized by vegetative multiplication. Furthermore, the banana is very important in Burundi as it is the leading food-producing crop in terms of production,” he explained, adding: “One of the keys to the revival of agricultural production is high-quality seeds and plants suited to the agricultural and ecological conditions of our tropical regions, resistant to diseases and also high-producing to ensure both food security and progression of farming revenues in our highly populated regions.”
Forty Certified Varieties

After having been employed in agricultural education in his country, where he created the Higher Agricultural Institute, he decided to start his own company – Agrobiotec – in 1998 and renewed his ties with Leuven. Since then, this cooperation with the International Transit Centre of Leuven has allowed him to receive parent plantlets selected for their productivity and disease resistance. In addition to the in vitro culture laboratory that applies biotechnologies among other methods, Théodomir Rishirimuhirwa has created a network of five nurseries in close proximity to farmers. Agrobiotec, that currently has 80 employees and plans to double its workforce in the coming two years, has also just signed an agreement with the US ADF (US African Development Fund) for the promotion of bananas in the provinces of Ngozi and Kayanza. Demand continues to grow, as do the projects on the main crops, with the support of donors (World Bank, European Union, FAO). However, interest is also increasing as a result of new diseases threatening crops, the fight against which necessarily involves the multiplication of sufficient quantities of healthy plantation material. “The forty certified varieties meet these criteria and are classified into the categories of beer bananas, cooking bananas, dessert bananas and a few plantains. We are also considering the diffusion of one or two organic banana varieties for the European market,” explained Théodomir Rishirimuhirwa, reassuring us that, for the time being, “the issue of GMOs has not met with organised resistance. It is also true that most plants diffused are not GMOs.”
PART TWO
A GLOBAL FRUIT
No other fruit is as much a symbol of the geopolitical upheavals that have affected our planet as the banana. A heritage from colonial times, it has successively embodied the extreme liberalism of multinationals in Latin and Central America, the mirage of capitalism for satellite countries of the USSR during the Cold War, to then become the first product symbolizing access to a consumer society for those same countries once the iron curtain had fallen.

No other foodstuff, aside from sugar and, to a lesser extent, coffee, has been burdened to such a high degree by the weight of North/South relations and social struggles or even political crises. Nor, undoubtedly, has any other crop been so afflicted by the environment.

Rural Ghettos

Few fruit crops have modified entire landscapes as much as banana plantations. Forests such as the Costa Rican jungle have been decimated. Cultivations have been restructured. “In Costa Rica, as part of the “National Banana Promotion Plan”, the cultivated surface area nearly doubled between 1989 and 1993,” explained Alistair Smith, going on to point out that, starting in the 1930s, the company United Fruits (now Chiquita) created “land banks” to anticipate possible Panama Disease epidemics. The company thus owns “twenty times the 55,000 hectares that it had planted with bananas. At that time we witnessed the destruction of tropical primary forests covering the land most suitable for the cultivation of bananas.” The population was moved and abandoned in “rural ghettos” once the plantations, decimated by an epidemic, were no longer profitable. The companies even hired illegal migrant workers from bordering countries.

Alistair Smith cannot find tough enough words to denounce this industry “where pregnant women and workers looking to join a union were fired (...), where workers were forced to work 48 hours per week to earn a salary that did not even cover their fundamental needs...”

Banana Republics

So many sacrifices for a result that, when all was said and done, was minimal, because the economic dependency of the populations led to the loss of their food security. Thus, Alistair Smith points out, the Windward Islands that produce bananas, “80% of national food was imported, in large part in ships of Guest, the company that was exporting the bananas!”

The history of social struggles and the fight for democracy in these countries is also an underlying theme of the history of this crop. The organisation of workers against labour conditions (absence of social protection, wage dumping, sexual harassment, child labour, etc.) dates back to the 1930s. The most emblematic fights were the first strikes of workers at United Fruits in Columbia in 1928 and in Costa Rica in 1934, which were repressed with violence and bloodshed. Thereafter, several social movements, mainly on the South American continent, gave birth to union organisations. For nearly five decades their rights were violated and their members were intimidated, blacklisted or even assassinated.

It was only recently, with the rise of the idea of sustainable production, that union confederations and multinationals have been able to find common ground. Nevertheless, as the main employers in entire regions of Central America, multinationals remain in a dominant position with respect to that of both workers and the small independent planters who supply them. The companies wield such economic weight that they have been able in the past to overthrow governments, impose new presidents, make and break policy in these producing countries. Thus, as told by Laura T. Reynolds, “in 1954, United Fruits played a decisive role in the overthrow of the president in Guatemala. In 1974, the same company was involved in a corruption affair involving the president of Honduras...” The subjugation of power to the banana business in those countries, mainly in Central America, gave rise to their qualification as “Banana Republics”.
DESSERT BANANA ...

Share of world production (%)

Community production (1% of the world total)

Share of world imports (%)

*Ncluding Switzerland, Norway, Ireland
Production: 69,200,000 t
World trade: 13,850,000 t

EU-27: 11.3
EU-12: 6.2
Japan: 9.8
USA: 9.7
Russia: 6.0

MEDITERRANEAN: 4%
CENTRAL EUROPE AND RUSSIA: 11%
AFRICA: 11%
ARABE PENINSULA: 2%
ASIA: 15%
ASIA: 53%

Sources: FAO, customs & Cirad
Source: Max Havelaar, 2010
A Complex Universe

The addition to these power relationships of the contingencies of delicate production and the transport of a perishable foodstuff led to the creation of a parallel world. A multitude of parties with often diverging interests have ties with banana production (13). This is particularly true for the countries in Central and Latin America where the three main multinationals are established: Chiquita (formerly United Fruits), Dole (formerly Standard Fruit) and Del Monte (see text in box).

New Situation

In response to this hegemony of North American companies, workers on the banana plantations of six South American countries created their own union, the Colsiba (Coordination of Latin American Banana Workers’ Unions).

As for the producing countries of Central America, where over 60% of the cultivations are dominated by multinationals, they also fought back against this economic imperialism by creating in 1974 the UPEB (Union of Banana Exporting Countries), based on the model of the OPEC (Organisation of Petroleum Exporting Countries) and designed to defend the interests of producing countries, especially in negotiations with the WTO (World Trade Organisation). In 1977, the UPEB even created a new company, Comunbana, designed to compete with multinationals that, in turn, did everything in their power to dissuade producers from joining. (11)

At the global scale, other producing countries such as ACP (Africa, Caribbean, Pacific) countries have not lobbied as much against multinationals as towards international trade organisations and European Union bodies to maintain their specific compensatory aids (see part three).

As for producers in the French West Indies, associated under the UGP-BAN, they also are actively striving to achieve recognition of their originality. These are only a few examples of the various special interest groups concerned with the production and trade of a fruit. Not to mention the growing power over the last three decades of retail business that has signalled the rise of a new era. Retail trade multinationals have now supplanted fruit companies to impose their diktat over prices and control export flows. As a result, the banana price of the German discount grocery chain, Aldi, now functions each week as the index on the market.

Value as an Example

This picture would not be complete without mentioning the NGOs that, starting in the late 1970s, made the banana the product symbolizing their fight for a more just world. In the late 1970s, the banana thus became the standard of the fight for the rights of workers in Nicaragua and other countries in Central America were flourishing in Europe.

Today, the banana has its lobbies: its network of research institutes (Biodiversity International), its delegation to the EU – the CMOB (Common Market Organisation for Bananas) – its Forum reuniting concerned NGOs and producers, its European network (Euroban), its conference (the IBC – International Banana Conference) and even an association (“Banana Link”) entirely devoted to its fair and sustainable trade.

While NGOs are at work in the field with unions and cooperatives, other organisations in consumer countries are involved in the distribution of fair trade bananas, first and foremost through the channel of the Oxfam “Magasins du monde”. However, Oxfam very quickly turned to supermarkets. The fair trade banana left its “confin es” on 18 November 1996 when, on the initiative of the NGO Solidaridad and of Max Havelaar, linked through Agrofair (see text in box), the first fair trade banana was marketed in Dutch and then Swiss supermarkets (Migros chain). Today, Oxfam has given up on the sale of bananas in its own stores, because “as the only perishable fruit, it required special care that was also not profitable as most supermarkets now sell fair trade bananas,” according to the headquarters of Oxfam in Belgium. This pioneering role gave rise to emulators with various European fair trade organisations, whether in the “Magasins du monde” or “Artisans du monde” associations or even labelling organisations such as Max Havelaar (see interview). Today, European consumers can choose from a wide selection of fair trade, sustainable or organic bananas.
**Jargon**

The influence of these various parties, the diverging economic and political interests of three or even four continents and the various production trends have given rise to a world with a highly unique language. One deals in **cartons** (18.14 kg) or XU, one speaks of **green kilogram** for the price of exported bananas or of “hands”, a group of at least four bananas attached to each other and corresponding to the European standard.

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**The fair trade banana in the world (in thousands of tons): 2.25% of global sales**

<table>
<thead>
<tr>
<th>Country</th>
<th>Tons</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dominican Republic</td>
<td>152.5</td>
</tr>
<tr>
<td>Columbia</td>
<td>142</td>
</tr>
<tr>
<td>Ecuador</td>
<td>93</td>
</tr>
<tr>
<td>Peru</td>
<td>59</td>
</tr>
<tr>
<td>Windward Islands</td>
<td>56</td>
</tr>
<tr>
<td>Costa Rica</td>
<td>9.6</td>
</tr>
<tr>
<td>Ghana</td>
<td>5.5</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>517.6</strong></td>
</tr>
</tbody>
</table>

Source: Max Havelaar Belgium / FLO

---

**Distribution of the sustainable banana market as a function of global exports – 2009 figures –**

- **Fairtrade**: 2%
- **Rainforest Alliance**: 15%
- **Conventional**: 80%
- **Bio**: 3%
- **Peru**: 11%
- **Ecuador**: 18%
- **Dominican Republic**: 30%
- **Columbia**: 27%
- **Ghana**: 1%
- **Windward Islands**: 11%
- **Costa Rica**: 9.6
- **Philippines**: 6%
- **Colombia**: 20%
- **Panama**: 12%
- **Nicaragua**: 1%
- **Honduras**: 7%
- **Guatemala**: 12%
- **Costa Rica**: 23%
- **Ecuador**: 13%

Source: FLO

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**Origins of Rainforest Alliance certified bananas (2008 figures)**

- **Peru**: 6%
- **Philippines**: 6%
- **Colombia**: 20%
- **Panama**: 12%
- **Nicaragua**: 1%
- **Honduras**: 7%
- **Guatemala**: 12%
- **Costa Rica**: 23%
- **Ecuador**: 13%
AN OLIGOPOLISTIC MARKET

A Tripartite World

This apparent diversity on the shelves of European supermarkets where one-third of the global production of bananas is sold should not however hide a completely different reality. This is the oligopolistic configuration of the market, which dates back to the origins of this industry. The top five banana multinationals (Chiquita, Dole, Del Monte, Fyffes and Noboa) together represent 87% of the global market.

Likewise, the banana world is divided up according to three continents with radically opposed interests and cultivation conditions. While on the Ameri-
can continent, banana growing is dominated by multinationals that dictate intensive farming over large areas, banana production in the West Indies is based on a network of small independent producers. It should be noted that European bananas produced in the French overseas departments and in the Canary Islands remain marginal in terms of volume, even though they provide for one-third of French consumption.

**Rule of Three**

The marketing of bananas itself is configured in a triangle structure in which African bananas are brought to Europe, South American bananas to the north of the continent and bananas from the Caribbean to Europe. As for Asian bananas (Philippines), they are exclusively destined for local markets and export to Japan. This global division is not without consequences on trade and customs agreements. In short, it gives rise to the opposition of two ideologies: the free trade advocated by South American banana production clashes with the protectionism of certain European countries (France and the United Kingdom) in favour of their former colonies. This struggle between the so-called dollar banana and the so-called ACP banana has given rise to a fierce dispute called the banana war.

**An Industry Takes Shape**

One year after the end of the banana war in December 2009 (see part three), the status quo remained extremely fragile. It was this same fragility that spurred on new parties to envision restructuring of the banana industry. The work of NGOs and organizations such as Banana Link certainly had their influence on this new awareness. Demand from consumer countries for sustainable, fair trade or even organic products put the final touch on this movement.

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**ONE ECUADORIAN BANANA OUT OF TEN**

UROCAL is an Ecuadorian confederation of farmers that includes 1,500 families of small banana producers. They are organic, organic fair trade and conventional fair trade plantations. Urocal has been exporting organic bananas since 1998 and has currently reached a volume of around 5,000 cartons of organic bananas per week, or one-tenth of the total volume from Ecuador on the organic market. Urocal works with NGOs such as Pure Equitable (France), Fruta Fresca (Equicosta - Canada), Alberorganic (USA) and Banafair (Germany). Urocal’s commercial partner in Belgium is Belbana (importer in Blankenberge) and its financial partner is Alterfin*. 

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* company investing in microcredit institutions and associations of small producers involved in fair trade
What are the main concerns of producers in your organisation today?

Our chief problems are currently the increase of productivity, organic soil fertilization to control sigatoka1 and access to the market, keeping in mind that we are faced with high operating and logistics costs (transport and packaging). We are also confronted with aerial fumigation of neighbouring conventional plantations that perturbs our organic plantations.

In thirteen years existence, what has your organisation accomplished?

We have observed a consolidation of the organisation of organic producers recognized nationally. This was made possible in particular by the combination of our know-how. At the same time, we have formulated proposals at the national level (fair prices, access to loans, adjustments, etc.). At the local level, we take part in the committee of banana plantations on the Ecuadorian coast and have created “dialogue rooms” between small producers and with the government in order to define an integral “banana plan” that is fair and sustainable and contains rules to be followed by the public and private sector.

How has this affected living standards and conditions for planters?

We have observed an improvement of living standards by around 80% for small producers. This can be seen from the houses that, formerly built of reed, are now in cement, the education of children, public health, the production infrastructure...

Do you believe that you have reached a sufficient level of food security for your planters?

Unfortunately not, even though we have made progress in the area of food security for families working in the banana sector. Urocal set up a food security programme in 2004, one of the priorities of which is the most vulnerable groups of the communities.

Have you seen a change in demand from consumer countries?

There has been an increasing trend of consumption of organic products worldwide, leading to a drop in prices. At the same time, we have also noticed that the market is increasingly demanding in terms of volume and, especially, quality and, lastly, compliance with norms and standards.

What does this mean for your producers?

This has led to an increase in the productivity of our producers, increased efficiency of the system, a greater capacity to comply with standards dictated by the corresponding agencies and an improvement of internal auditing. Lastly, for Urocal, this has meant the recruitment of new organic producers. But the increasing number of international standards and certificates has incurred costs, which naturally has financial consequences for small producers.

1 See page 6
Nevertheless, it is still too early to speak of a transformation as the contingencies in the area of cultivation and marketing are still heavy. And yet the signs are beginning to appear. While multinationals, urged on by public opinion, have revised their production policies and now work together with certification bodies (Chiquita with Rainforest Alliance, Dole with Max Havelaar and the French organic farming label AB), other producers have emerged to offer an alternative on the market.

This is the case of the West Indies banana that boasts sustainable production through massive communications since the summer of 2010 (see interview with Philippe Ruelle). Further south, in Ecuador, small producers have switched over to the principles of sustainability with the help of European NGOs. This is also the case of countries such as Côte d’Ivoire or Cameroon, which have come out with their own brands. We are still only at the stage of faltering attempts, as pointed out by Henri Njalla Quan, president of Makossa Banana, a Cameroonian brand created in the fall of 2009: “It is still premature to make a complete assessment. We have currently developed one-third of arable land, 1500 ha by the end of 2011, for an annual production volume of 80,000 tons.”

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CHIQUITA, DOLE AND DEL MONTE: THE THREE WINNERS ON THE BANANA MARKET

The global banana export market is dominated by three big names: Chiquita, Dole and Del Monte. This triumvirate has consistently fought over 66% of the market share for over forty years. The long-standing leader with 36% of the market, Chiquita has given way slightly and the positions are now more evenly distributed with 25% for Chiquita and Dole and 16% for Del Monte. Though they have suffered from the European banana system and its preference for ACP bananas, the three North American multinationals continue to fight with the Irish Fyffes (8%) and Ecuadorian Noboa (12%) for over 85% of the global market.
Nevertheless, all of these initiatives are based on the values of sustainable, fair or organic trade, vectors that currently ensure marketing in countries in the Northern hemisphere. This positioning has been successful for the Dominican Republic that is now specialized in organic bananas. Or even for Peru, which thanks to its climate that is conducive to organic cultivation – low degree of humidity requiring reduced use of fungicides – very recently became specialized in this type of production.

Three-fold Challenge

For these newcomers, the niche in the global banana market is still narrow. They will need to meet sustainability or organic criteria and meet with price pressures that in no way reflect the production requirements. At the same time, they will need to keep up with fluctuating demand for bananas from importing countries. Thus, overcapacity can be suddenly followed by shortages on the heels of a vicious season of cyclones. In light of these unknown factors, forecasts are difficult. Moreover, this does not take into account the fickle behaviour of consumers (see part three).
Philippe Ruelle is the Director General of the UGPBAN - Union of Banana Producer Associations of Guadeloupe and Martinique.

In August 2007, Hurricane Dean devastated all of the banana plantations. Today, the banana sector has come back to life in a sustainable form. In hindsight, do you think that Dean was a godsend?

The sector was already in the process of restructuring since 2003, sparked by the desire to produce differently. This was needed because European regulations, the most restrictive in the world for social rights and phytosanitary products, as well as WTO market regulations meant that our product would no longer be profitable. We needed to change. But it is true that Dean sped things up. Once 100% of banana plantations are razed to the ground, you can all make a fresh start at the same time, on different, common foundations. Our 700 planters went back to ground zero.

Were the planters in the region more open to new production methods because they had already been hit by the chlordecone affair?

It is certain that this sector comprising 6,500 direct jobs and 10,000 indirect jobs was conscious not only of the economic impact but also of the environmental aspects of their activities. In our search for alternative methods, we opted for cooperation with the Technical Banana Institute in the West Indies and the Cirad, as well as with producers in the Canary Islands.

What has this transformation into sustainable production involved?

Today, our entire production – 250,000 tons per year – is sustainable. To get to this point, we took an inventory of good practice and exchanged our methods to use fewer agricultural inputs. For example, we catch weevils in hormone traps. To avoid the use of herbicides, we sow endemic plants at the same time as the plantations. These plants, such as clematis, do not compete with the banana tree, but cover the soil. All waste such as plastic sheaths are fully collected and recycled and the water is collected in treatment stations. Since 1996, we have reduced our use of treatment products by 74%. And, our “sustainable banana” plan provides for a 50% reduction of phytosanitary products between 2008 and 2013.

Unfortunately, there has been a wave of Black cercosporiosis in Martinique for the past few months. Does this question your methods? What about organic-based products?

As for cercosporiosis, we need to perform one aerial treatment nearly every week, which is still within reasonable proportions. The products used are fungicides approved by the European Union that do not represent a risk for the population or environment. Moreover, one out of every three treatments is composed only of mineral oil used in organic farming. As for natural products such as tea extracts or yeasts that give good results against fungal diseases in the Dominican Republic, we are blocked by European regulations that, paradoxically, authorize the importation of bananas treated in this manner, but prohibit the production methods. Therefore, we cannot currently produce organic bananas, unlike the Dominican Republic. We are not opposed to the strictest of regulations, but provided that they are coherent…

“Are you mature for fairtrade banana?”

INTERVIEW
PHILIPPE RUELLE: “EUROPEAN REGULATIONS MUST BE COHERENT”
PART THREE:
AN INDUSTRY
IS BORN
ACP BANANAS VS. DOLLAR BANANAS

The banana indeed deserves its nickname of “Green Gold”. This is because, like oil, this fruit sold in its original colour has led to the creation of fronts and tensions up to the highest floors of the WTO.

To simplify, the banana world can be divided into three clans. On one side, there is the dollar banana produced in the spheres of US political influence (South and Central America, the Caribbean). This is the banana imported mainly by North America. It also makes its way to Europe via ports on the North Sea, such as Antwerp, which constitutes a true hub. On the other side, there is the ACP (Africa, Caribbean and Pacific) banana, produced in the former French and British colonies and that is often imported in Europe via southern ports on the Mediterranean Sea as well as in Dunkirk that has been gaining fame for fruit imports. Lastly, the third protagonist is the European banana produced by French overseas departments and in the Canary Islands. A category in a class of its own: produced in the European Union, it is not subjected to customs tariffs or import quotas.

Battle Lost

Martinique, Guadeloupe and the Canary Islands are not the only producers to benefit from a special status on the global banana market. Since the creation of the Single European Market in 1993, imports of ACP bananas have been exempt from customs tariffs for quotas of 875,000 tons/year. Another of the rights inherited from the commercial preferences of the Lome convention in 1975 drawn up by the CMOB (Common Market Organisation for Bananas). At the same time, the bananas coming from Latin America were still subject to quotas and taxed by the European Union at €176/ton. This situation was denounced as discriminatory and protectionist by the three multinationals controlling the South American market, as well as by independent producers subject to market laws.

On 15 December 2009 there was a dramatic turn of events in the banana world. At the WTO headquarters in Geneva, the European Union finally gave in to pressure from South America and signed an agreement with producing countries on the continent. It agreed to reduce its import tariffs progressively to €114/ton by 2017. In exchange, the US and four other Latin American countries renounced the appeals brought before the WTO against the European Union.
Europe thus ended nearly twenty years of banana wars: a unique dispute in the history of global trade relations. However, though it has been hailed as a significant step forward in the Doha Round negotiations, this “banana agreement” (or GATB for Geneva Agreement on Trade in Bananas) nevertheless sounds the bell over the medium term signalling the end of the preferential system for ACP countries. As noted by the European deputy Charles Goerens, rapporteur for the “ACP Bananas” dossier (14), “this is a struggle between emerging countries and less developed countries, which thus requires a more cautious approach to commercial preferences.”

New System

Indeed, this easing of trade restrictions on the market will have great consequences for ACP countries. Their 900,000 tons of bananas exported to the European Union will suddenly find themselves on equal ground competing with the 4 million tons from multinationals that benefit from economies of scale in their transport and transaction costs. Already in 2008, banana producing ACP countries had expressed their alarm in the “Yaoundé Call” on the disastrous consequences of this “extravagant liberalism”. This refers to a cry of alert relayed in a report by the ICTSD (International Centre for Trade and Sustainable Development) (15) that judged that ACP countries will lose nearly 15% of their market share and predicted the disappearance of certain small producers such as Jamaica and Surinam. Cameroon, Côte d’Ivoire and even Ghana will also experience difficulties.

Handling the Post-2013 Era

To cushion the effects of the transition, Europe has decided to launch a programme of supporting measures for 200 million Euros between now and 2013 (whereas ACP countries were calling for 500 million Euros). On that date – which coincides with the entry into force of the new CAP (Common Agricultural Policy) – ACP countries will need to renegotiate their conditions. For fair trade players, this EU banana agreement constitutes a new challenge. “We are worried about the impact of this agreement on banana producers in ACP countries, and, in particular, on small farmers who will compete with the less expensive bananas from Latin America,” admitted Rob Cameron, member of the executive board of FLO*.
BREAKDOWN OF THE PRICE OF ONE KILOGRAM OF BANANAS

CONVENTIONAL BANANA: €2 PER KILOGRAM

- Small producer: €0.12
- Transformation and exportation price: €0.38
- Importation, transformation, packaging, distribution price: €1.49

BANANA WITH THE MAX HAVELAAR LABEL: €2.21 PER KILOGRAM

Sources: Max Havelaar
Based on averages, notably for the figure regarding small producers of conventional bananas that is based on prices in Ecuador, Columbia, Ghana, Windward Islands, Costa Rica and Dominican Republic.
Even in South America, reactions seem to be mixed because, as pointed out by Carla Veldhuysen, regional coordinator of FLO for Columbia, Venezuela and Panama: “For our producers, the decision to reduce customs tariffs should provide the opportunity to increase their revenues. However, the overriding question is who will really profit from this agreement. Will the price difference be returned to the producer?” Especially, for banana producers from the Dominican Republic and the countries of the Windward Islands who are in direct competition with the dollar banana and have high production costs. For Rose Renwick, director of the Windward Islands Farmers Association (WINFA), a cooperative of fair trade of certified bananas from the Windward Islands “this regulation is yet another devastating blow not only against the banana industry but also against economic and social development in general.”
Alistair Smith is the author of the book “The Banana Saga”* and founder of Banana Link, an association promoting fair and sustainable trade in the banana sector.

In the past, the rules of the game on the banana market were imposed by multinationals. Now, it’s the distribution sector that sets the conditions. When did this change in power relations come about?

Starting in the mid-1990s and increasingly since 2000, the distribution sector has indeed gained the upper hand. A parallel should be drawn between this change and strong concentration in this sector in addition to the rationalization of its supply networks. While, in the past, retailers had five suppliers, for example, now they only have two. The German retailer Rewe even bypassed multinationals in the trade, coming directly out with its own brand. Moreover, this has led these retailers to take on increasing responsibility towards consumers.

Should the declining momentum of unions in producing countries be associated with this increasing power of the distribution sector?

No, not at all. It dates much further back. This is evidenced by attempts to break trade unions in Costa Rica as early as the 1980s, which originated in the Cold War fears sparked by the strong communist ties of these unions. It is possible, however, that, in certain countries, the unions would have disappeared without the support of NGOs and unions in Europe and other consumer countries. Today, they are greatly weakened in Costa Rica but have survived for example in Honduras, though they are under very strong pressure during negotiations of collective agreements. In Columbia, despite the political chaos, the banana sector union has a national collective agreement with more than 300 plantations and represents 90% of workers in the industry.

Can Europe speak with a single voice, particularly on the subject of sustainable bananas?

What slowed down the process was the WTO war and the fact that governments were pulled in three directions by the European banana market, the ACP and the dollar bananas. There are movements aiming to pull the West Indies, Latin American and African markets upwards, but the issue remains low prices. However, liberalization of the market in 2006 also reinforced “downward” competition. There is no coherence between the free trade discourse and sustainability. Joint work that remains to be initiated at the international level now consists of integrating these social and sustainable criteria into the WTO.

These fears expressed by producers again highlight the disparity between costs from one continent to the next and from one cultivation method to the next. “Our planters earn in one day what their colleagues in Central America earn in one month,” stated Philippe Ruelle, president of the UGBPAN (federation of West Indies producers). The GATB, which was supposed to lead to a drop in banana prices in European supermarkets by increasing competition between producers, thus makes the situation more precarious than ever. Moreover, José Manuel Barroso, president of the European Commission, did not hide the aim of this new trade order designed to “stimulate the system” to allow consumers to pay less for their kilogram of bananas.

**Fluctuations**

The banana is an exotic fruit that is not seen as such. At the very least, its price in no way reveals its origins. The retail price in Europe varies from €1.09/kg (Germany) to €1.60/kg (France). Wholesale prices show wide discrepancies depending on the origin and importing country. For example, in December 2009, one ACP banana was valued at €1.45/kg at the wholesale price in Belgium, while a dollar banana only cost €1.20 (€1/kg for that from the EU). In France, however, the price of the three origins was levelled at €0.80 per kilogram. (15)

For imports, the average European price, which was €0.67/kg in 2009, has recently fallen to €0.64/kg in France, a per kilogram price close to €0.70 for Aldi - the weekly European banana price index. We have no choice but to recognize that the consequence of the GATB has been overproduction at the global level. Such overproduction is not only the result of increased availability but also of the drop in European consumption. Net supply to the Union of 27 thus fell by 330,000 tons in 2009, representing 700 g less per inhabitant (16). The price of the banana is thus still subject to the correlation between demand and production capacity that is affected by climate uncertainties.

In 2008, flooding in Costa Rica – the third biggest exporter globally – led to the drop of North American and European markets respectively by 12 and 6%. “This market does not have the possibility for self-regulation,” pointed out Denis Loellet (17). And yet, according to him: “regulation through volumes is crucial because, like other agricultural products, the banana is not just any commodity.”

**Overproduction**

For the time being, in the absence of a regulatory body, production is at full capacity, with the risk of overheating. Ecuador, that already announced record production for 2009 at +6%, is preparing to repeat that performance. Costa Rica, now recovered from the flooding, will record 110 million cartons this year. As for Columbia, its production is on the rise at 97 million cartons. All of these scores announce a worst-case scenario. Even Chiquita has taken fright in the face of such overproduction... which now even concerns fair trade bananas, with dangerous consequences for producers looking to launch labeling efforts.

**Maturation**

Labelling that was previously the prerogative of cooperatives supported by NGOs is now a key issue of multinationals. Chiquita and Dole have taken up the precepts of sustainability or fair trade and, as such, are examples of the changes and rebirth of the banana sector. Thus, new players have also entered the ring, in Cameroon with Makossa Banana as well as in Côte d’Ivoire or even in Senegal (see boxed text), countries where the governments have defined the sector as a strategic priority.

These new positioning efforts are signs of maturation of the market in a sector that includes players in fair trade, sustainable production and organic production. This trend is based on changes among consumers who are “seeking to make socially aware purchases” and is promising a bright future, so much so that “one could wonder whether
In Belgium, the fair trade banana, that is also chiefly organic, is well-established. Sold by supermarkets such as Delhaize, Colruyt or Carrefour/GB, the banana is the fair trade product that is most widely consumed by Belgians after honey and coffee. From 1.33% in 2001, its market share has risen to 7.96% in 2005.

Consolidation

As for the sustainable banana, its sales are literally exploding with a 63% increase over the past two years. At 3.5 million tons in 2009, it now constitutes 20% of exports. As such, it largely beats other products such as cocoa, tea or coffee. Latin America, which is the biggest supplier of conventional bananas with 72% of the market share, has beaten its own record, as 97% of sustainable bananas are produced there.

These efforts aimed at creating a unique identity, combined with labelling requirements, have slowly brought producers to optimize their organisation. The sector as such still remains to be identified. This is an idea defended by banana NGOs such as Banana Link that has been calling for the integration of social and sustainable criteria into the WTO.

STANDARDS, LABELS, CERTIFICATIONS

Europe imposes a format for bananas in the areas of colour, quality and form. Bananas that arrive on European soil must have the apparent qualities of good health and cleanliness and intrinsic qualities such as less than 0.50 mg lead per kilogram, less than 0.05 mg cadmium and 0.03 mg mercury. Its other qualities: sustainable, fair trade and organic are handled by various certification and labelling bodies: Rainforest Alliance and its red frog for sustainability, Certisys in Belgium, Naturland in Germany, AB (Agriculture biologique or Organic Farming) in France, IFOAM and SAI (SA 8000) for organic criteria. As for the fair trade label, it is issued by FLO that, since early 2011, has redesigned its rectangular logo.

*Fair Trade Labelling Organizations International (FLO) based in Bonn federates all fair trade labelling organizations*
INITIATIVE:
AGROFAIR AND VREDESEILANDEN UNITE FOR THE SENEGALESE BANANA TREE

Help promote the emergence of a banana sector in a region that, until then, was not highly specialized in this product: this was the challenge that Agrofair set for itself following the call of a cooperative of around 1,200 small producers from Tambacounda in Senegal (250 ha). For this small tropical fruit import company, 90% of whose products pass through the port of Antwerp, the banana represents a large portion of its total activities (turnover in 2009: 52.8 million Euros), 59,200 tons of bananas, of which 27.6 in fair trade and 24 in organic free trade, were sold in 2009 by Agrofair, 30% of whose shareholdership is composed of small producers.

Agrofair is thus not just an importer like any other. One of its aims is to put trade to work for the development of local populations. Indeed, while the situation of producing countries in South America such as Costa Rica has improved significantly, Africa requires more acute intervention in terms of know-how and job creation. Thus the commitment of Agrofair (alongside the Belgian aid organisation for the development of small farmers, Vrede- seilanden) in Senegal despite less favourable conditions than on the South American continent.

Production Chain

Nevertheless, Chris Claes, coordinator of the sustainable farming department of Vredeseilanden, confirms that Senegal presents good conditions for the cultivation of organic bananas: “The climate situation, unpolluted soil, humidity that is lower than in Latin America and thus less conducive to the development of diseases: these are major strengths!” The Senegalese government has furthermore developed a programme to support the organic banana.

It is thus in this environment that Vredeseilanden and Agrofair are supporting the farmers’ organisation Aprovag (Association of producers of the valley of the Gambia river) in order to “help these planters to put their products on the local market and thus stand up to competition from bananas from Côte d’Ivoire,” continued Hans-Willem van der Waal. He still hopes, one day, to export them to Europe. Aside from improvement of the production chain, the project has two other goals: the economic strengthening of farmers’ organisations under an umbrella entity, the Unafibs (National Union of players in the banana sector in Senegal) and the creation of connected activities. “We help with the creation of companies managed by women who transform the fruit into by-products such as juice, jam, vinegar, etc.,” explained Chris Claes.
George Jaksch is the Senior Director of Corporate Responsibility and Public Affairs at Chiquita.

Chiquita is the biggest multinational to accept inspections by an NGO, the Rainforest Alliance, to label the sustainability of its production. What is a sustainable banana for Chiquita?

It must meet several challenges. Its production must not be harmful to the environment, to the health of the planters or to that of the consumers.

Nevertheless, this sustainable character is a first step. What does this type of production consist of?

It is based on protection of the environment and biodiversity and on good agricultural practice. It guarantees good social conditions for the planters and communities and, lastly, management ensures that these standards are continuously applied.

How has your approach changed since its inception in 1992?

At the time, we started with two farms and obtained the certificate two years later for our farms – 15,000 ha – in Panama, Costa Rica, Honduras and Guatemala. Little by little, the independent planters working for us have joined this effort. Our principle is indeed to diversify the production to not be dependent on climate uncertainties. As a result, one-third of our bananas derive from our own production, allowing us to progress technically. We also have a research centre in Costa Rica. Since 2000,
CONCLUSION
REQUIEM FOR THE CAVENDISH

This large grass, which resembles a tree though it is not one, hides a forest of economic and ecological challenges at the planetary scale. Both by its history and its production, it is characterized by a host of paradoxes that reinforce the complexity of its cultivation. Indeed, this fruit without seed or pit is not lacking in contradictions. Decidedly tropical, the banana is the most widely eaten fruit in the West. Likewise, after having taken a heavy toll in terms of human life, the banana is now synonymous with food security or indeed survival for hundreds of millions of human beings. Lastly, its cultivation and marketing have given rise to the exploitation of humans by humans and to struggles for a more just world.

For all of these reasons, the banana remains a symbol of hope as its sector is undergoing radical changes. It embodies the efforts devoted to fights for more sustainable cultivation and fairer trade. Without forcing optimism, we must still admit that the biggest success of these actions has been to slowly bring large producers with their highly controversial practices to adopt these values.

And yet, several challenges remain. A new one is on the horizon. One that looms much larger this time because it involves nothing less than the survival of the banana. Panama Disease T4 is currently wreaking havoc in Malaysia and the Philippines. It is a very serious threat that will increase in magnitude once it reaches Latin America.

During the 1950s and 60s, when Panama Disease spread through the Gros Michel, the Cavendish was already in the “waiting room”, as it is called by Rony Swennen from the Katholieke Universiteit of Leuven. Today, the market no longer has varieties that can replace the Cavendish. This does not mean that the banana tree will disappear, because there are a host of varieties. But the Cavendish, the production of which represents 57 of 69 million tons, will die. Multinationals have not found a replacement for it. The market thus needs science more than ever. The race against time has begun.
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The Trade for Development Centre is a programme of BTC (Belgian development agency) to promote fair trade, sustainable trade and Aid for Trade.

This Centre has three main missions:

**Centre of expertise**
- It is the centre of expertise on Aid for Trade, fair trade and sustainable trade. It collects, analyses and edits information (opinion polls among consumers, market studies...).
- It coaches a working group of the “Business for Development” platform, which supports the private sector.

**Support to producers**
The Trade for Development Centre supports producers’ organisations. It supports marginalized producers, micro and small enterprises as well as social economy projects that are embedded in Fair Trade or sustainable trade.
- Strengthening of organisational, technical and productive capacities.
- Transmission of relevant information (about the markets, existing certifications...)
- Advice in strategic marketing and market prospection

**Raising awareness**
The Centre sets up campaigns and develops awareness-raising tools for consumers, economic actors and Belgian authorities.
- Fair Trade week
- Presence at different exhibitions, fairs
- www.befair.be Internet site