The European banana market

There are no seasons any more

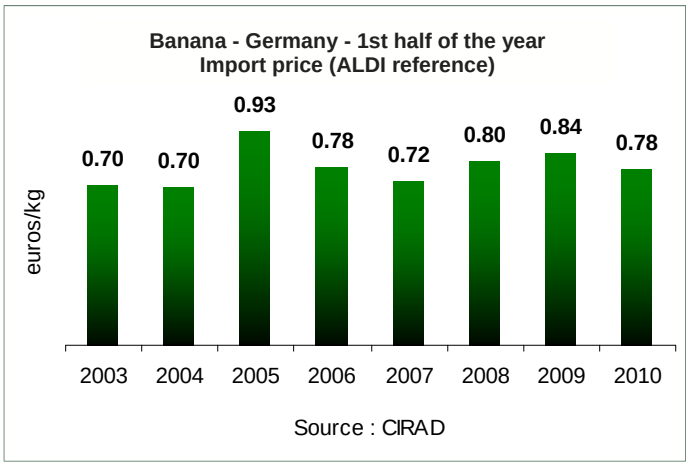
The first half of 2010 was one of the roughest rides of the last ten years. Continuing along the deplorable basis of the end of the 2009, week after week the European banana market has had a string of poor performances since the beginning of the year. Prices were disastrous for the first four months of 2010. There had not been a worse January since 2000. The German import price (Aldi reference price) climbed laboriously to EUR 0.67 per kg in comparison with EUR 0.71 per kg in January 2007, 2008 and 2009. The music was the same on the banana market until mid-May. The January to April average reached EUR0.75 per kg, that is to say 12% lower than in 2008 and 2009. The return of production in Costa Rica and the high potential in Colombia and West Africa contributed to swelling world supply and destabilising all the markets. The EU was unable to count on its tariff-based import regime to prevent markets from falling. This is clear proof that the protective or at least regulatory effect of a customs tariff at EUR 148 per tonne is pretty weak in the face of peaking world supply.

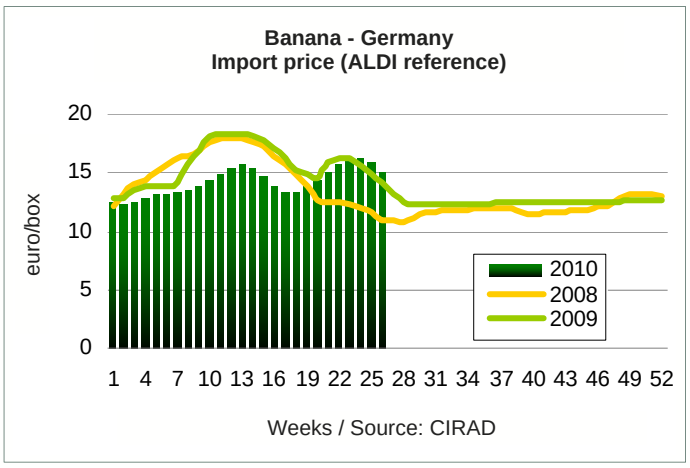
The banana market has become very good at changing everything. The pattern of the banana situation in 2010 has considerably upset the existing order which holds that the market should be buoyant from January to April and then enter a long lethargic summer period.

Sky-high market

Somewhat resigned, operators expected a catastrophic year. But this did not allow for unusual weather conditions that—as always—resulted in a drastic change in the situation. Everybody was affected in turn, starting with the competing fruit sectors—floods in Morocco and Spain at the beginning of the year and then in Poland in the spring, late and even lost production and cold wet weather throughout Europe, etc. Finally, banana supply was cut, with cold weather at the beginning of the year reducing production in Colombia, volcanic ash in Guadeloupe and then the same, plus cold weather, in Ecuador, a tropical storm in Guatemala, etc. The strong fall of the euro against the US dollar calmed the enthusiasm of the most modest operators. Their outlay increased automatically (purchase of fruit, freight and customs dues) while their returns became more and more meagre.

Smaller supply, increased risk, less competition and cold, wet weather combined





Synergie inter-DOM

Partage de pratiques innovantes : l'Institut Technique de la Banane s'ouvre aux autres filières

Le 7 avril 2010, l'Institut Technique de la Banane affirme son ouverture aux autres filières avec la création de l'Institut Technique Tropical (IT²). Revenons sur cette (r)évolution.

■ Pour garantir le succès du Plan Banane Durable, la filière Banane a créé fin 2008 son propre institut technique (ITBAN), à l'interface entre la recherche et les planteurs. De nombreuses problématiques techniques et environnementales étant communes aux différentes filières agricoles de Guadeloupe et Martinique, c'est en toute logique que l'ITBAN s'est ouvert aux filières de diversification. Ainsi, 2 ans après sa création, l'Institut Technique de la Banane devient l'Institut Technique Tropical (IT²).

■ L'IT² s'organise désormais en deux sections : Banane et Diversification. Cette dernière regroupe les filières maraîchère et vivrière, l'ananas, le melon et l'arboriculture. L'échange avec les Centres Techniques de la Canne et du Sucre (CTCS) et les filières d'élevage est aussi renforcé. « *Le développement de nos îles ne peut se penser qu'en synergie inter-filières et inter-régions ultrapériphériques, en mutualisant les moyens humains et financiers et en construisant une coopération étroite avec la recherche agronomique publique*», explique David Dural, Directeur de l'IT².

LA PAROLE À 2 STRUCTURES DE DIVERSIFICATION

Charles Cyrille, Président du Conseil d'administration de la SOCOPMA, Coopérative maraîchère et vivrière de Martinique

Que pensez-vous de l'ouverture de l'ITBAN aux autres filières ?

« Je suis convaincu de l'intérêt d'un institut régional multi-filières. Nous partageons le même climat et les mêmes sols, il est donc pertinent de mutualiser la recherche. Nous n'avons pas hésité un seul instant lorsqu'Eric de Lucy, Président de l'UGPBAN, nous a proposé cette opportunité. »

Quelles sont vos principales attentes?

« Le flétrissement bactérien de la tomate qui réduit les rendements, ou encore la lutte contre les larves d'insectes causant des crevasses dans les tubercules font partie de nos priorités. Par ailleurs, nos producteurs de bananes « plantain » doivent se préparer avec nos amis de la banane « dessert » à l'arrivée de la cercosporiose noire, champignon extrêmement néfaste pour les plantations : un exemple concret de problématique commune où l'IT² prend tout son sens. »

Radgi Bellone, Président de l'IGUAFLHOR, Interprofession Guadeloupéenne des Fruits, des Légumes et de l'Horticulture

Quels bénéfices voyez-vous à votre intégration à l'IT² ?

« J'y vois 2 avantages : un partage de savoir-faire technique sur nos pratiques culturales communes (enherbement, gestion de la fertilité des sols, etc.), mais aussi la possibilité de bénéficier de l'expérience et du réseau de la filière Banane pour nous structurer, et ce en vue de mieux répondre aux besoins du marché intérieur voire du marché à l'export. »

Quels sont vos besoins immédiats ?

« La sélection variétale est fondamentale. En effet, le climat tropical humide de nos îles ne convient pas à certaines variétés de fruits et légumes. Nous aimerions que la recherche se mobilise pour développer des variétés adaptées à la forte chaleur, capables de produire toute l'année et moins sensibles aux maladies. D'autre part, nous avons des besoins en termes de techniques comme la culture sous abri. Toutes ces avancées concourent vers un bénéfice commun : une agriculture durable. »

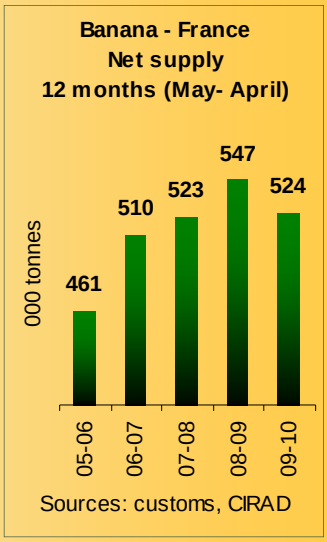
CAMPAGNE CO-FINANCÉE PAR L'UNION EUROPÉENNE ET L'OFFICE DE DÉVELOPPEMENT DE L'ÉCONOMIE AGRICOLE D'OUTRE-MER

RCS UGPBAN Fort de France 450 833 314

Supply: EU holding up while France marks time

Only the figures for supply during the first four months of the year are known at the time of writing. The balance is slightly positive for extra-community imports by EU-27 at 2% up on 2009, an additional 37 000 tonnes. Ecuador is the only producer country to have strongly reduced shipments to the EU, with a decrease of 12%, that is to say 65 000 tonnes less than in 2009. Costa Rica and Panama are recovering their positions little by little. ACP sources achieved the finest scores. The Dominican Republic pulverised pre-hurricane records and if the trend continues until the end of the year shipments to the EU should total at least 260 000 tonnes. African sources are also exporting strongly. Cameroon (+ 13%) and Côte d'Ivoire (+ 7%) completed a magnificent quarter and reduced shipments in April. The quantities shipped from Ghana (+ 42%) and Surinam (+ 47%) rocketed in the first four months of the year.

In contrast with the situation in recent years, the French market did worse than the EU market. Net French market supply shrank by 10% during the four-month period, with the decrease being as much as 34% in April! Guadeloupe, which was unable to ship fruits for 11 weeks (weeks 10 to 20), contributed to the poor figures but did not account the phenomenon as a whole. This period of weakness cancelled out the steady expansion of the market since 2007. Net supply during the twelve months from May 2009 to April 2010 was 524 000 tonnes, in comparison with 547 000 tonnes a year earlier.



to send the banana market sky-high. Everything started in Week 19. After a low point in Week 18, the market formed for 5 or 6 weeks. This had never been seen before at a time when the market generally enters its summer slump. Right at the end of June, in Weeks 25 and 26, prices reached all-time highs with the Aldi import price at between EUR 0.80 and 0.86 per kg, that is to say EUR 15 to 16 per box.

Finally, the average (not weighted by volume) was EUR 0.78 per kg during the first half of 2010. This matches both the 2007-08-09 three-year average of EUR 0.79 per kg and the 1999-2009 average of EUR 0.77 per kg. However, the standard deviation in the first half of 2010 is one of the smallest of the decade and confirms that even if performance was very positive in the spring, the usually very high prices in March are lacking in sector accounts. This may strongly affect the performance of the year as a whole, especially as supply potential is recovering almost everywhere. Although some operators believe that the summer will be quiet, the end of the year may hold surprises, and not just good ones. We cannot hope for a catastrophe each time the market requires regulation ■

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Banana — European Union — Imports							
tonnes	January to April					Variation 2010-2009	
	2006	2007	2008	2009	2010*	%	tonnes
Total extra EU-27, incl.	**1 448 601**	**1 605 318**	**1 625 636**	**1 559 687**	**1 596 364**	**+ 2**	**+ 36 676**
Total MFN, incl.	**1 182 802**	**1 326 265**	**1 326 163**	**1 259 776**	**1 250 438**	**- 1**	**- 9 338**
Ecuador	494 476	456 745	514 294	534 647	469 857	- 12	- 64 790
Colombia	297 182	396 926	365 232	365 821	375 654	+ 3	+ 9 833
Costa Rica	253 234	306 754	295 624	258 257	293 782	+ 14	+ 35 525
Panama	87 765	107 406	98 775	53 168	60 217	+ 13	+ 7 049
Brazil	28 480	30 519	25 223	23 407	23 021	- 2	- 386
Peru	7 903	10 243	13 502	16 288	17 301	+ 6	+ 1 013
Mexico	383	212	57	5 088	4 762	- 6	- 326
Honduras	1 741	9 058	7 658	2 313	4 433	+ 92	+ 2 120
Guatemala	7 143	3 069	5 672	506	1 325	+ 162	+ 818
Total ACP	**265 799**	**279 053**	**299 473**	**299 911**	**345 926**	**+ 15**	**+ 46 015**
Cameroon	73 317	76 817	103 138	83 974	95 022	+ 13	+ 11 048
Dominican Rep.	43 876	66 521	46 040	66 086	88 893	+ 35	+ 22 807
Côte d'Ivoire	81 728	66 445	71 196	77 133	82 880	+ 7	+ 5 747
Belize	21 774	15 188	25 983	20 706	23 819	+ 15	+ 3 114
Surinam	12 515	13 926	21 361	14 432	21 218	+ 47	+ 6 786
Ghana	2 476	8 279	16 288	13 428	19 119	+ 42	+ 5 691
St Lucia	10 289	14 580	10 520	11 093	10 683	- 4	- 410
St Vincent	5 723	6 235	3 966	2 924	2 173	- 26	- 751
Dominica**	4 308	3 788	937	10 101	2 074	- 79	- 8 027

* provisional / ** 2009 data for Dominica are largely overestimated to the detriment of Dominican Republic / Source: EUROSTAT