

# French banana growers have a plan

After a serious slump that seemed to be leading inexorably to the decline of West Indian banana plantations, French producers are starting to have hope again. In any case, the current excitement shows that Europe will have to count with the production and shipments chains in the French West Indies.

Activity is intense in the French banana world. Reports, studies, meetings, initiative, working groups, white papers, etc. fill the diaries of trade and political leaders in the sector. They are all at the bedside of a patient who the most pessimistic think is dying and who the others think is trying to recover strength to arise again.

French producers want to take the initiative in the face of an increasingly open European banana market as the European budget has increasing difficulty in covering differences in competitiveness between origins and a rule for the compensation of loss of income that has become extremely favourable for Canary Island growers.

Professionals, led by those of Martinique, are currently measuring the difficulties and outlining new strategies. An initiative aimed at grouping banana supplies from Martinique has emerged, with impetus from the Hayot group and Eric de Lucy. It is in the form of the founding in Martinique of the *Union des groupements de producteurs de bananes de Martinique* (President: Eric de Lucy) and in Europe of the

extension of the functions of Banamart company. The volumes hitherto handled by Banalliance and Cobamar are being merged with those of the Sicabam and Gipam groups. It is obvious that the Guadeloupean groups Karubana and Banagua will finally be federated.

## Expectations

What are the reasons for this approach? Even though this seems obvious, producers have urgent need to carry weight in the face of the import sector, the ripening sector and, with all the more reason, the European retail distribution sector. The French example is typical of the ever-increasing power of distributors, with 90% of distributors' food purchases channelled through only four purchase centres. Thus, what could a scattered formation do in the face of distribution heavyweights?

Furthermore, producers wish to withdraw from a trade system that they consider to be inefficient and lacking in transparency — that of *commissionnaires-vendeurs* (agent-sellers). This is a longstanding criticism and caused the reconciliation of the former rivals Sicabam et Gipam. The *Union des groupements* will make it possible to make economies of scale at the commercial level by establishing a single sales office and by the joint negotiation of purchases of packaging, agricultural inputs, etc. Beyond this good management reflex, product image will be improved by a joint commercial and marketing policy.

Logistics must be taken into account in efforts to master the sector. Transport-ripening-distribution is the threesome to be assembled to make the sector prosper. The range of possibilities is broad for producers, running from fully integrated to a full partnership system, the taking over or construction of a network of ripening facilities to a partnership or service agreement. But it is difficult to see how producers could

do without sector contracts with the European distributors.

## Combined efforts

Another initiative — combining politicians and professionals — is the founding of the *Front de défense et de promotion de la banane antillaise* (FDPBA). This lobby is aimed at supporting the structuring efforts made in the sector forming a relay with national and European authorities. The FDPBA will also have the task of promoting the fruit on European markets. Here, growers have everything to gain in linking their strategy to the downstream part of the chain.

The French banana sector is drawing up its ranks. The obstacles are numerous and the new management structures will be judged in the light of the main result expected: an improvement of planters' financial returns. The latter must also contribute by providing reliable supplies of fruits ■

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## A lot of thinking about bananas

### In France...

- White paper — French producers, 2003.
- Soft loan of 13 million euros — French authorities, 2003.
- Interministerial report — Ministries of Agriculture and Overseas Territories and Departments, 2003.
- Working groups — professionals and French authorities, 2003.

### ...in Europe

- Audit of CMO banana — European Commission, 2004.
- Negotiations for the enlargement to 25 members and tariff-only system — 2003 to 2005.

Key FWI production figures	Martinique	Guadeloupe
Banana area (ha)	8 900	4 600
Production sold (tonnes)		
2002	263 880	95 063
Average 2000/01/02	256 289	90 566
Net return * (euros/tonne)		
2002	590.0	576.0
Average 2000/01/02 **	615.3	612.7
FWI production / European prod. (%)		
2002	33.4	12.0
Average 2000/01/02	32.9	11.6
EU-15 consumer market share (%)		
2002	6.5	2.3
Average 2000/01/02	6.4	2.3

\* : net return = selling price + compensatory aid

+ complement

\*\* : average weighted by volumes