

Supply of the European banana market

A new record!

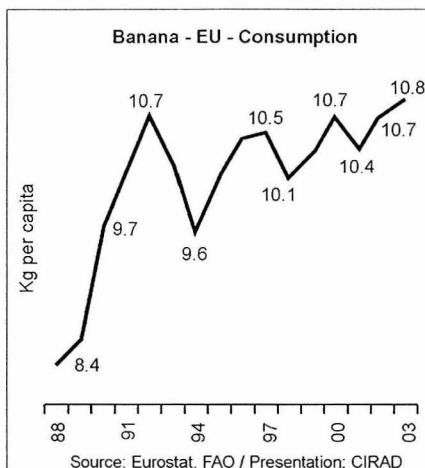
The European Union set a new record in its last year as EU-15. According to Eurostat, banana consumption exceeded 4.1 million tonnes in 2003. This is 50 000 tonnes more than in 2002, that is to say growth of hardly 1.2%. The modest increase hides marked trends by type of origin. Cameroon gained new market shares while Caribbean ACP countries continued to lose ground. Ecuador went down while Costa Rica gained ground. Colombia and Panama maintained their positions. Community production decreased a little. The market supply balance remained much the same: dollar origins 63%, ACP origins 19% and community origins 18%. Per capita consumption was very slightly up at just under 11 kg.

Community banana decreased by some 36 400 tonnes to 754 216 tonnes in 2003. All the major origins lost ground. Martinique displayed the worst results, losing 20 000 tonnes, followed by Guadeloupe (- 9 500 tonnes). Community banana production was about 100 000 tonnes over the maximum quantity opening the right to compensatory aid (854 000 tonnes). Community production had an approximate 18% share of the European market.

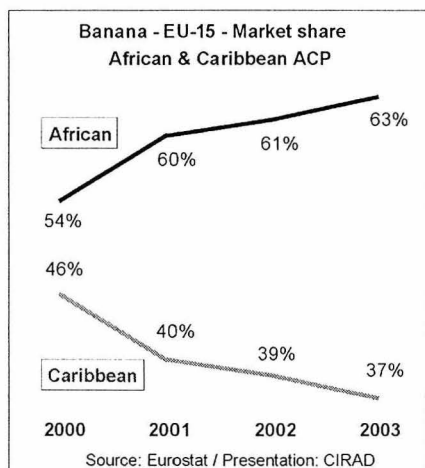
After two years of comparative stability, the situation of **ACP bananas** changed most from 2002 to 2003. The last time the import figures were so high was in 1996. Some 786 317 tonnes of ACP bananas were sold in the EU. It is the first time that they exceeded their current 750 000-tonne quota. Some fruits were therefore imported by virtue of A and B quotas and thus competed with dollar bananas.

Cameroon was dynamic

Cameroon's score was 63 000 tonnes up on that of 2002, an increase of more than 27%. Belize, the Central American ACP producer, did very well in 2003 after serious weather problems in 2002, with exports to Europe up by 93%, an increase of 35 600 tonnes. The Dominican Republic continued to perform well with a 12 200-tonne increase in exports and a growth rate of nearly 13%. It practically doubled its exports to the EU in only three years. The losers included St Lucia, St Vincent and Dominica, which all continued to



slide, losing more than 35 000 tonnes. Côte d'Ivoire also marked time with a decrease of nearly 9 000 tonnes. Surinam resumed exports in 2004 after stopping in 2003. The gap between African and Caribbean ACP countries widened a little more once again. The African ACP countries gained a further 2% in market share, reaching 63%. The strong increase in exports from Cameroon and the chronic weakness of Caribbean



production obviously account for the situation. ACP origins as a whole represented 19% of supplies to the European market.

Dollar suppliers were the best represented type of origin, accounting for 63% of EU-15 imports of 2 575 815 tonnes. If the figure is compared to the maximum quantities authorised by the EU by virtue of the A and B tariff quotas (2 653 000 tonnes), it appears that 97% of the dollar quotas were used. Allowing for the quantity management techniques, it can be considered that the dollar origins used practically their entire rights to export bananas to the EU. It is in any case the highest rate of saturation since the setting up of the common market organisation (CMO) of bananas.

With regard to origins, the four Latin American suppliers (Ecuador, Costa Rica, Colombia and Panama) accounted for 97% of dollar banana supplies. After a strong increase by Ecuador in 2002 (an absolute record with nearly 830 000 tonnes), a slight decrease of some 30 000 tonnes was observed in 2003. Costa Rica counterbalanced this decrease, gaining nearly 36 000 tonnes. Colombia and Panama were stable. Brazil gained ground again with an increase of nearly 30%, becoming the fifth-largest dollar supplier and the ninth extra-community supplier. Honduras is gradually losing ground on the European market, preferring to export to the United States. Exports only just exceeded 10 000 tonnes, that is to say a tenth of the quantity that it shipped to the EU in 2000.

Eurostat data reveal that there was practically no re-exporting to third countries (6 011 tonnes in 2003 against 35 000 in 2000). In contrast, they reveal substantial trade between member-states. Intra-community trade concerned a total of 1.6 million tonnes of bananas. Nearly 40% of the fruits consumed in the EU are the subject of trade between member-states. Five countries accounted for 90% of this intra-European trade—Belgium, Germany, France, the Netherlands and Italy. The quantities involved depend on the relations between a member-country and a producer country, on the status of European producer or simple importer, on the degree of openness of the market, on the presence of international ports, on the geographic position of the member-country, etc. In this context, it can be underlined that France cumulates these functions to different degrees. It has historical links with African producers, it is a producer country (Martinique and Guadeloupe), its market is very competitive as it is open to all origins, it has several ports on the Atlantic and the Mediterranean and it has a central position in Europe.

Consumption increasing

Per capita banana consumption in Europe in 2003 was 10.8 kg, 100 g

Banana — EU 15 — Imports			
Tonnes	2002	2003 provisional	Delta 2003/2002 (%)
Extra-EU-15, of which	3 287 936	3 362 132	+ 2
Ecuador	828 822	798 462	- 4
Costa Rica	686 820	722 546	+ 5
Colombia	665 723	671 597	+ 1
Panama	307 047	303 471	- 1
Cameroon	229 913	292 692	+ 27
Côte Ivoire	210 788	201 952	- 4
Dominican Republic	97 331	109 434	+ 12
Belize	38 178	73 806	+ 93
Brazil	36 053	46 421	+ 29
Jamaica	40 600	41 775	+ 3
St Lucia	49 313	32 520	- 34
St Vincent	32 520	20 911	- 36
Venezuela	9 276	11 981	+ 29
Honduras	20 396	10 798	- 47
Dominica	17 467	10 472	- 40
Peru	5 311	5 393	+ 2
Guatemala	49	1 685	+ 3 311
Chile	225	1 183	+ 425
Ghana	3 201	928	- 71
Bahamas	0	730	-
Canada	189	616	+ 225

Source: Eurostat

more than in 2002. In the same area (after the 1995 enlargement), consumption increased by 700 g per capita from 1995 to 2003. This is a 7% increase, while the population increased by less than 2% over the same period. Calculating banana consumption in each member state is a delicate operation for reasons of the substantial intra-European movements that are sometimes poorly evaluated and the fact that European production is not incorporated in customs statistics. While remaining aware of these limits,

it can nonetheless be noted that the difference between the largest and smallest European consumers is substantial, in proportions of 1 to more than 3. Sweden has the European record with per capita consumption of 20.4 kg. The figure for Greece is only 6.4 kg. The aberrant figure of only 4.6 kg for Belgium and Luxemburg is discarded from the analysis ■

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European Union — Evaluation of banana supplies — Tonnes							
Year	Banana type or origin				Sub-total	Exports	Supplies
	Community	ACP		Others (\$)			
		12 ex-traditional ACP	Dom. Rep. & others ACP				
1988	719 270	513 043	344	1 644 100	2 877 431	17 265	2 860 166
1989	698 925	542 628	855	1 716 500	2 959 541	13 415	2 946 126
1990	710 635	617 578	3 829	2 024 248	3 356 758	36 219	3 320 539
1991	695 402	584 516	9 681	2 286 019	3 577 837	53 468	3 524 369
1992	711 191	641 005	38 492	2 365 883	3 757 265	39 689	3 717 576
1993	646 242	683 583	61 662	2 219 721	3 614 083	36 138	3 577 945
1994	584 622	639 742	86 007	2 102 303	3 413 852	58 044	3 355 808
1995	658 206	687 162	75 046	2 405 180	3 827 352	43 082	3 784 270
1996	684 605	733 467	61 184	2 471 263	3 955 942	30 598	3 925 344
1997	810 537	640 532	46 520	2 464 412	3 968 003	16 571	3 951 432
1998	786 232	554 025	55 730	2 426 419	3 828 247	26 448	3 801 799
1999	729 303	631 548	42 125	2 522 455	3 927 751	27 359	3 900 392
2000	782 176	693 952	59 734	2 528 170	4 067 154	35 327	4 031 827
2001	767 268	639 104	89 672	2 474 665	3 970 709	34 284	3 936 425
2002	790 622	625 606	100 846	2 554 508	4 071 582	8 011	4 063 571
2003	754 216	674 576	111 741	2 575 815	4 116 348	6 011	4 110 337
	(1)	(2)		(3)		(4)	

(1)

(2)

(3)

(4)

(1) 1988 to 1993 inclusive: Eurostat + European Commission data for Madeira and Greece. From 1994 onwards: supplementary aid data.

(2) Cameroon, Côte d'Ivoire, Somalia, Cape Verde, Madagascar, Belize, St Lucia, Jamaica, Dominica, St Vincent, Grenada, Surinam.

(3) Eurostat data: all imports from non-community and non-ACP countries.

(4) Duty-paid bananas (released for free circulation) in one of the EU member countries and then exported outside EU-15.

General note: before 1994: dessert bananas + plantains / From 1994 onwards: dessert bananas. Before 1995: EU-12 / From 1995 onwards: EU-15. The study concerns extra-community import data for ACP and dollar bananas and re-export. The rules of operation of the common market organisation of banana (1993 version) have been applied to the data from 1988 onwards in order to give comparable results. Publication of the results in the supplement to *Info Banane* No. 71 published by CIRAD-FLHOR for ODEADOM.

Source: Eurostat (CD ROM sup 2-1997, sup 2-2002 and 4-2004), European Commission / Processing: CIRAD-FLHOR Market News Service