Banana
2019 supply to the EU by type of origin

Dollar bananas down, ACP and EC production up

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The EU-28 market consumed 6.5 million tonnes of bananas in 2019, down by 0.7 % over one year. The dollar group saw a distinct downturn, while the ACP origins and EC production registered a really fine year. In terms of market share, the vast majority of the supply remained in the hands of the dollar banana, with 73.6 % (- 1.5 points), as opposed to 16.8 % (+ 1 point) for the ACPs and 9.6 % (+ 0.5 points) for European production.

In terms of consumption per capita, there was a drop for the first time since 2012 to an average of 12.7 kg per year, i.e. down by 115 g. This average does not have much significance when we bear in mind the difference that there is between a Romanian or Bulgarian consumer (between 5 and 7 kg per year) and a British or Swedish consumer (between 17 and 18 kg per year).

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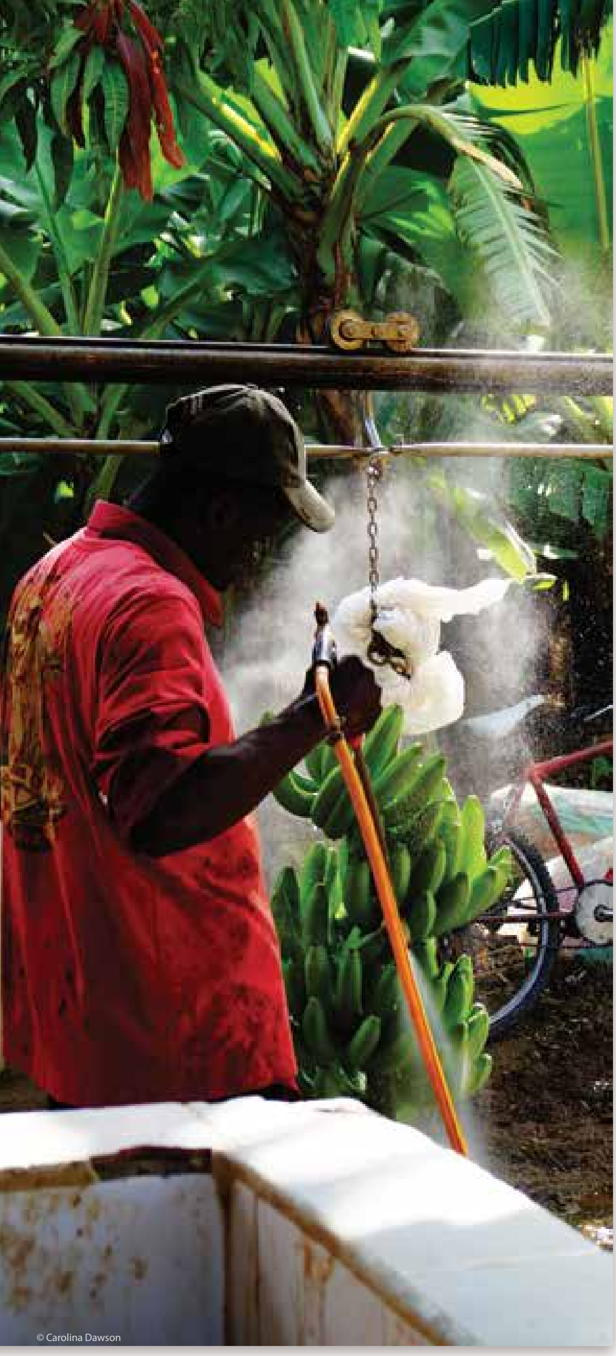


By origin

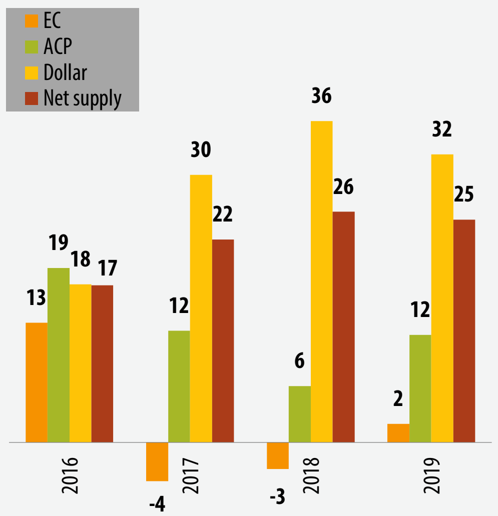
European production

After two lean years due to the climate vagaries in the Caribbean, European production registered a really fine performance in 2019. In total it passed the 600 000-tonnes mark, reaching 624 000 tonnes (+ 5 %). The big four production zones were up: the Canaries (+ 3 %), Martinique (+ 3 %), Guadeloupe (+ 42 %) and Madeira (+ 22 %). The two minnows of the European class (Greece and Cyprus) scaled back their supply. While for the Canaries (400 000 tonnes), the sector was practically at its zenith, this was not the case for Martinique (154 000 t) and Guadeloupe (43 000 t), which are on a long-haul quest to regain levels representative of the last decade, i.e. 175 000 tonnes for the former, and 57 000 tonnes for the latter. The combined effects of climate vagaries and black Sigatoka held back volumes considerably.

ACP origins

In 2019, the ACPs confirmed their good health with the level holding up above the million mark (as has been the case since 2013), at 1 095 000 tonnes. They were up by 56 000 tonnes (+ 5 %) on a market which fell by 0.5 %. So a fine performance, albeit one concealing very high heterogeneity. Far ahead in terms of performance was the Dominican Republic, which was up by 21 % over one year, returning to its best performances pre-cyclone and flooding (2016). Staying in the Caribbean, we can mention the increasingly modest exports figure from Saint Lucia (6 500 tonnes), down by one third. Suriname saw a tumble which led to a complete halt to its exports. It was a happier time for Belize, whose exports to the EU were up 5 % to 86 000 tonnes, its best year since 2015. In Africa, Cameroon registered an 11 % downturn over the year, especially due to operations shutting down in the English-speaking zone. With 189 000 tonnes, we are now a long way off the volume of 297 000 tonnes set in 2016. After hitting a plateau in 2016, 2017 and 2018, Côte d'Ivoire took an upturn with 7 % annual growth, reaching 339 000 tonnes of exports to the EU, and major growth potential. Finally, Ghana saw its exports to the EU rise by 13 % to 85 000 tonnes, i.e. double its 2013 level. We can finish the African panorama with Angola, which initiated its export flow to the EU in 2017, and which achieved 4 900 tonnes in 2019.

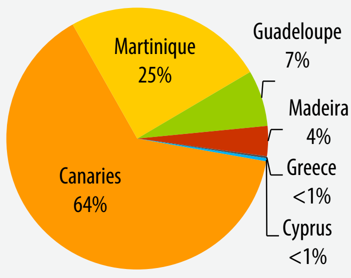
Banana - European Union
Supply dynamics by origin group
(Index 0 base 2011 | sources: Eurostat, CIRAD)



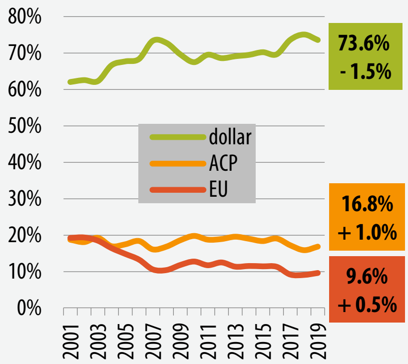
Dollar origins

We need to go back to 2012 to see the dollar group under-perform. In 2019, the dollar origins (all third countries except the ACPs) were down by 2.7 %, i.e. 134 000 tonnes, a record fall. Two countries were responsible for this slide: Ecuador (- 140 000 tonnes) and Costa Rica (- 54 000 tonnes). While Costa Rica could not have done any better due to a limited export potential in 2019, Ecuador clearly withheld from the EU, with a trading policy favouring Asia in particular. To a lesser degree, Peru also scaled back its shipments a bit to the EU, after a record year in 2018. Colombia, with a smaller export potential, favoured trade with the EU, further cutting back its exports to the USA. Panama is nibbling into EU market share year on year, as well as Guatemala, which is earmarking increasingly big volumes for Europe. Nicaragua and Mexico, marginal dollar origins on the EU market, scaled back their volumes in 2019. We can note an astounding bounce-back by Brazil, which doubled its tally from 2018, with 18 000 t.

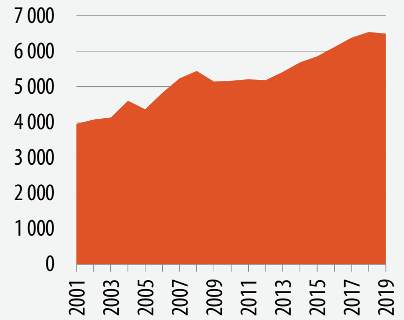
Banana - EU - Community sources
Total 2019: 624 425 tonnes
(source: European Commission)



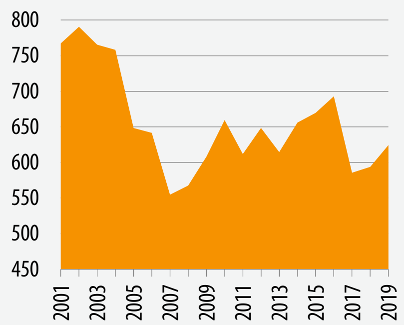
Banana - EU
Market shares by origin
(source: Eurostat)



Banana - EU - Net supply
(in 000 tonnes | source: Eurostat)



Banana - EU - Community sources
(in 000 tonnes | source: European Commission)

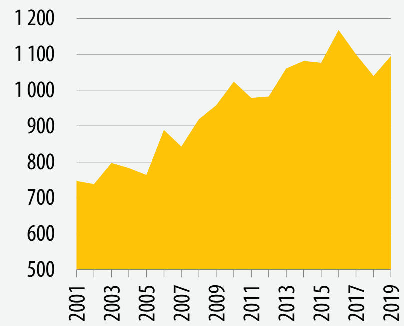


Banana — EU — European production

in tonnes	2016	2017	2018	2019	2019/2018 in %	2019/2018 in tonnes
Canaries	417 176	399 164	387 873	399 733	+ 3 %	+ 11 860
Martinique	179 888	119 844	150 146	154 383	+ 3 %	+ 4 237
Guadeloupe	68 608	40 003	30 450	43 215	+ 42 %	+ 12 765
Madeira	21 167	21 763	19 123	23 248	+ 22 %	+ 4 125
Cyprus	4 382	3 161	3 841	2 352	- 39 %	- 1 489
Greece	1 733	1 647	2 353	1 494	- 37 %	- 859
Total	**692 954**	**585 582**	**593 786**	**624 425**	**+ 5 %**	**+ 30 639**

Source: Eurostat

Banana - EU - Imports from ACP sources
(in 000 tonnes | source: Eurostat)

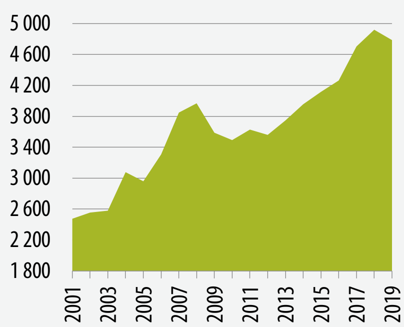


Banana — EU — Imports from ACP origins

in tonnes	2016	2017	2018	2019	2019/2018 in %	2019/2018 in tonnes
Dom. Rep.	375 239	305 366	300 643	365 145	+ 21 %	+ 64 502
Côte d'Ivoire	308 169	315 855	315 725	339 295	+ 7 %	+ 23 570
Cameroon	297 058	270 208	211 921	188 564	- 11 %	- 23 357
Belize	71 741	84 635	82 071	85 930	+ 5 %	+ 3 858
Ghana	57 873	70 372	75 406	85 113	+ 13 %	+ 9 708
Suriname	49 739	44 265	40 004	19 146	- 52 %	- 20 858
St Lucia	7 364	8 291	9 692	6 447	- 33 %	- 3 245
Total, incl.	**1 167 516**	**1 099 611**	**1 039 599**	**1 095 222**	**+ 5 %**	**+ 55 623**

Source: Eurostat

Banana - EU - Imports from dollar sources
(in 000 tonnes | source: Eurostat)



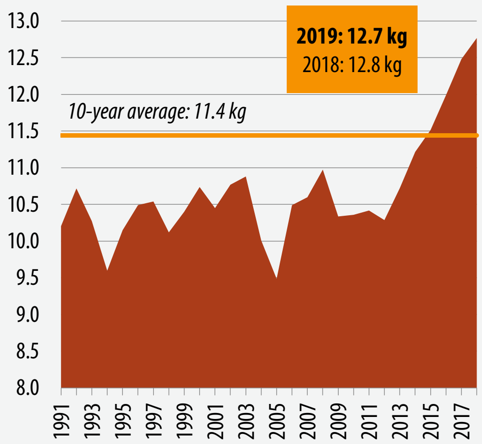
Banana — EU — Imports from dollar origins

in tonnes	2016	2017	2018	2019	2019/2018 in %	2019/2018 in tonnes
Ecuador	1 297 578	1 488 068	1 619 895	1 479 748	- 9 %	- 140 148
Colombia	1 289 676	1 413 262	1 395 063	1 406 070	+ 1 %	+ 11 007
Costa Rica	1 125 301	1 153 374	1 212 748	1 159 099	- 4 %	- 53 648
Panama	200 915	249 410	256 525	285 876	+ 11 %	+ 29 351
Guatemala	98 795	112 501	154 975	201 631	+ 30 %	+ 46 656
Peru	115 480	117 847	128 360	110 683	- 14 %	- 17 678
Nicaragua	34 467	83 205	81 307	74 658	- 8 %	- 6 649
Mexico	72 636	64 472	41 387	29 399	- 29 %	- 11 988
Total, incl.	**4 263 540**	**4 704 045**	**4 920 313**	**4 786 420**	**- 3 %**	**- 133 893**

Source: Eurostat

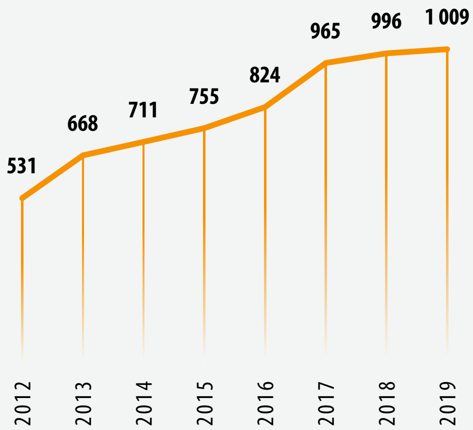
Updated April 2020

Banana - EU - Consumption
(in kg per capita | provisional data | sources: Eurostat, CIRAD)



Note: incl. EU enlargements

Banana - EU 13 New Member States - Imports
(in 000 tonnes | source: Eurostat)



By Member State

The EU's 28 Member States form a single market. While intra-Community movements are statistically monitored, this is not comprehensive, and is partly obscured. The movement of EC production, the cross-border yellow banana trade or modest loads often slip through the net of Customs administration. Furthermore, double-counts are possible. The same merchandise crossing several borders is not necessarily declared on exiting the Member State. In short, getting an idea of net consumption for each Member State is sometimes a challenge, especially for transit countries or countries where the fruit enters.

After these preliminary remarks, let's try to draw some of the main lessons from analysis of the flows into Europe. Once imported and in free circulation, bananas are only rarely exported to third countries. This export flow is estimated at under 10 000 tonnes per year. The thirteen so-called New European countries, the most recent members of the EU, apparently took in approximately 1 million tonnes of bananas in 2019, a figure very slightly up by 1.3 %, a long way off previous growth rates of between 3 and 17 %. Is this proof of the catch-up dynamic running out of momentum? Note that this + 1.3 % is much better than the market's fall of - 0.7 %.

The biggest consumers are the United Kingdom and Germany, with approximately 1 million tonnes each. Following these, with little to choose between them, are France (668 000 tonnes), Spain (662 000 tonnes) and Italy (655 000 tonnes), and then Poland (379 000 tonnes). Belgium and the Netherlands are recorded as huge consumers, but their status as entry points for imported bananas could be greatly distorting the figures. This is also the case with Denmark, for example.

With Brexit looming large, let's review the details of the British market's supply. It is the EU's biggest consumption market, with an annual volume of one million tonnes. Its consumption per capita is around 15 kg per year, a long way down from its 2013 peak of 17.3 kg; so it is a falling market. In 2019, its supply was down by 0.5 %, at the same tempo as the EU-28. It comprised 69 % dollar bananas, 27 % ACP bananas and 4 % bananas from other EU Member States, with no defined origin. A big market for the organic and Fairtrade banana, it receives one third of the Dominican Republic's total bananas imported by the EU. It is also the main outlet for Belize's bananas. Africa (Cameroon, Côte d'Ivoire and Ghana) has a fairly strong position on this market, with a combined total of 87 000 tonnes (2019). Finally, to round off the ACP origins, the United Kingdom takes in 100 % of Saint Lucia's exports. Colombia (large proportion of Fairtrade bananas), Costa Rica and Ecuador make up 88 % of the dollar supply. Finally, Ireland re-exports to its British neighbour nearly 30 000 tonnes of bananas, hence the legitimate concern over the tightness of the borders post-Brexit. For the ACPs, there is also concern as to their status as a favoured origin. And finally, doubts have not been cleared up over the status of the dollar origins on the British market ■

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