

Following calls from Ecuador's president to nationalize questionable banana exporters, the country's Ministry of Agriculture, Aquaculture and Fisheries (MAGAP) has identified 20 buyers that have undercut farmers below the official price of US\$5.50 per carton.

The Ministry's Banana Unit chief Richard Salazar told *Hoy.com.ec* the 20 companies were found out of 180 banana exporters investigated, but the list still needed to be taken to the Banking and Internal Revenue Service (SRI) for finalization.

He said 300,000 of the country's 5.8 million banana cartons exported each week were sourced from farmers at a cost below the official price, the story reported.



Ecuador President Rafael correa

"This is partly because some farmers wanted to reach the highest price for the fruit until the last moment, and widened the signing of contracts," he was quoted as saying.

He told the website reduced quotas on ships were evidence of a fruit glut, meaning around 1.2 million cases of bananas would remain on farms.

Banana Exporters Association of Ecuador (AEBE) executive director Eduardo Ledesma requested on Monday the government identify exporters who were not respecting official banana prices.

The government body that will nationalize banana exports needs US\$40 million to start and will only sell the fruit of uncompliant companies, the story reported.

Economist Walter Spurrier told the newspaper the action could have negative consequences.

"They should have their market but also the ability to charge for what they sell - (this) would damage the market and they would have to withdraw," he was quoted as saying.

Related story: [Ecuador could nationalize banana exports](#)

Photo: Presidencia de la Republica del Ecuador

Source: www.freshfruitportal.com