

The productivity of Ecuador's banana sector has fallen by about 20% during the 2012 season. Deputy agriculture minister Luis Valverde attributes the decline to winter storms and Europe's economic crisis, while others say it has to do with a lack of formality and controls in the banana industry.



While the Ecuadorian government sets a fixed price of US\$5.50 per carton so that producers can keep profitability, El Guabo Small Growers Association (ASOGUABO) quality manager Patricio Jaramillo says farmers have had problems with the system.

"Exporters will pay anything between US\$2-3 per carton of bananas, directly damaging the grower who already has a cost of production of around US\$4-5," Jaramillo tells www.freshfruitportal.com.

Shippers have also recognized flaws in the system. Banana Exporters Association of Ecuador (AEBE) executive director Eduardo Ledesma says the banana crisis is mainly due to a lack of formality and controls.

"The Ministry of Agriculture, the Banking Superintendent and the IRS should regulate, control and punish those who violate the law," he says.

Valverde points to three key issues that are affecting Ecuador's banana growers; winter storms that meant fruit didn't ripen on time; an economic crisis in the country's biggest banana market Europe; and Black Sigatoka disease, which has mainly affected small growers.

Black Sigatoka

The presence of the disease in Ecuador has reached heightened levels, so much so that in the province of Los Ríos it has destroyed 30% of crops, according to newspaper *El Diario*.

"There are growers that lost their crops for not being able to fertilize and fumigate their plantations - others have sold their farms to engage in other businesses like cocoa," says Jaramillo.

Valverde says the government is collecting information to see what the real impact of Black Sigatoka has been.

"Aware of the problems that our farmers are experiencing by the infestation of black sigatoka, [a banana emergency was declared](#) three weeks ago, which was announced by the Minister Javier Ponce," he says.

The emergency measures are expected to have a total duration of eight weeks, allowing growers to receive fungicides to control the disease.

ASOGUABO is also working with 300 growers to spread of sigatoka, delivering fertilizers and pesticides to fumigate crops so that production can recover.

Industry challenges

Ecuador is the world's biggest banana exporter at 240 million cartons per year, which is why the government says it is taking the crisis very seriously.

"We are not only working on controlling prices and sigatoka, but we are presenting a productive improvement plan, as while we are already those who export the most, our levels of productivity could be better," says Valverde.

The improvement plan involves regulating all industry players to help make the industry more dynamic, through records of growers and exporters. There is a 30-day period for those not on the register to bring their operations up to speed and be registered.

"Of the 4.5 million cartons exported weekly only 3.6 million are in order."

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