

The Latin American banana industry has slammed what they describe as a severely unfair system under which producers and exporters have to bear the burden of soaring costs amid falling global market prices.

Industry associations and members from Ecuador, Colombia, Guatemala, Honduras, the Dominican Republic and Costa Rica - which represent over 60 percent of global production - have released a joint statement saying that the future of the industry is being threatened and that changes must be made.

"In the course of this year, the banana industry in the region has experienced significant cost increases due to the growing prices of essential tools such as fertilizers, cardboard, plastic as well as the production lost from the new maximum residue limits at destination markets," the statement said.

"These limits ignore the needs and reality of producing regions, the standards imposed by a certified market, the adoption of biosecurity measures to avoid contamination of containers with illicit substances and also, due to the general increase in the cost of maritime freight by up to 62 percent due to the global shortage of containers, the structuring of operational alliances between shipping lines and the consolidation of this sector."

The Latin American banana industry members went on to say that these costs have a direct and negative impact on the economic sustainability and competitiveness of the banana industry, which it said has already suffered "incalculable damages" over the last couple of years due to weather events and the higher costs stemming from the pandemic.

Prices have experienced a significant decrease over recent years, in Europe recently reaching €10 (US\$11.90) for an 18-kilogram box - a situation it describes as "inconsistently with reality".

"The future of the banana industry, on which more than 808,000 families depend directly in Latin America, requires that these externalities are not borne only by the producer-exporter countries, which are those who have already assumed care of the plantations, responsibilities and other sacrifices necessary for an extended period of time to bring the banana to every corner of the world, but instead to involve the entire value chain especially at the other end of it," it said.

"It is crucial that, within the framework of the concept of shared responsibility, these necessary aspects are discussed to ensure the commitment of all actors involved in the sustainability of the global banana industry."