

How the Market Works

France is a major European banana market, although per capita consumption of bananas is not as high as in Scandinavia or Germany. French consumers have high income levels and are increasingly health and fitness conscious, particularly younger people who are attracted to the easy peel, nutritious and convenient characteristics of bananas. Banana pulp has also become an important additive to dairy products, particularly yoghurt, in France.

Historically nearly all bananas sold in France originated from its overseas territories (DOM - Martinique and Guadeloupe), or former colonies, particularly Cameroon and Cote d'Ivoire. The issue of import licences aimed to preserve a balance of about a 65% market share for DOM suppliers and 35% for ACP suppliers. There were very limited supplies of Dollar bananas to this market, normally only when DOM or ACP production was unexpectedly reduced, after hurricanes for example.

The market was organised by the Comité Interprofessionnel Bananier (CIB), which is made up of representatives of preferential producers, shipping companies, agents, ripener/wholesalers, retailers and relevant government authorities. Import licences and the import quota system are monitored and administered by the Groupement D'Interet Economique Bananier (GIEB), which allocates import licences to commission agents, allowing them to import fruit from non-traditional suppliers when their suppliers cannot meet demand.

This system of administration is still largely in place and continues to administer the licences required for the importation of bananas. The main difference following the introduction of the new regulation is that Dollar bananas have access to the French market under the terms of the tariff quota.

Bananas from Martinique and Guadeloupe are generally shipped in vessels of the Compagnie Generale Maritime (CGM) which are fully containerised and carry about 9,500 tonnes of bananas each. The containerisation of DOM bananas has been very successful, involving much less handling and consequently better quality and lower farm to ship costs. This serves as an example for Commonwealth growers who may be able to fill vacant space on CGM ships and thus enter the French market when licences are available. Le Havre and Le Verdon are the most important ports for DOM fruit but Marseilles is the main port for fruit from Cote d'Ivoire and Dieppe is still used for shipments from Cameroon.

Bananas become the responsibility of importers/commission agents once they arrive in France. Agents represent growers' organisations and sell bananas on a commission basis which generally does not exceed 3% of the free on rail (FOR) selling price.

Non-DOM bananas are handled by agents on behalf of GIEB. The banana trade is dominated by three large importers (BANEXCO, POMONA and Compagnie Fruitiere).

Importers/commission agents distribute the bananas to ripeners, although it is actually the ripeners who purchase from growers, FOR, French ports. Most ripeners deal directly with the commission agent. Retailers buy directly from ripener/wholesalers or intermediary wholesalers. French retailers often buy by producer's mark. That is, some traders have come to know which growers can consistently produce and pack top quality fruit. These producers and their fruit receive a premium return.

Supermarkets are very important in the Paris region (Ile de France) and account for about 60% of banana sales in France. However, open air markets, which are actively encouraged in most of France, are an increasingly important outlet for bananas throughout the country and currently account for more than 30% of banana sales. Fruit shops and specialist "superettes" (small supermarkets with a limited product range) are starting to attract customers from supermarkets because of their convenient locations and account for over 10% of French banana sales.

Market Requirements

Bananas are marketed in France under three grades broadly described as follows:

- Red: **Extra (finest) Quality** with finger length 17-18 cm
- Green: **Middle Quality** with finger length 15-16 cm
- Yellow: **Average Quality** with finger length less than 14 cm

French consumers are extremely quality conscious and are willing to pay a premium for the best quality produce. Quality must always be high in France, the yellow grade being more an issue of finger length than fruit quality.

Despite this, the quality of DOM and ACP bananas exported to France is generally below that supplied by other Caribbean and Latin American producers to the EC market. Vacuum packing in plastic is not a major feature of the market, although DOM shipments have been made in this form in the past.

Packaging for the Market

- Most bananas supplied to the French market are shipped in corrugated, telescopic cartons of stapled construction.
- 18 kilogram carton sizes are preferred but "minipacks" of 13 kilograms are also used.
- Cluster packing is preferred for the French market but hands are accepted.
- Most importers supply supermarkets with pre-packed, graded and labelled fruit, as in the UK.

- Graphic design of most cartons from Africa and the French Caribbean in the French market is poor with weak branding compared to cartons used by Dollar banana producers.
- Fruit handling in French wholesale markets is generally rough so good packing and strong cartons are required.
- All wording on cartons and documentation must be French and metric weights and measures must be used.

Promotion in the Market

There is a widely held industry belief that banana consumption in France could be increased by about 11% on 1991 levels if the banana industry could organise itself to mount a consumer campaign promoting the benefits and uses of fresh bananas.

Banana marketing is very poorly developed in France and there are opportunities for large banana exporting group, such as those in the Caribbean, to enter the market with attractive cartons and simple merchandising to support sales of high quality fruit.

There are certainly opportunities for Commonwealth ACP producers to work with other ACP growers to secure an increased share of an expanding French banana market. It may be possible to do this with assistance from the EDF under the Banana Protocol of Lomé IV.

There is no banana branding in France and fruit labelling is extremely rare, especially for ACP fruit. However, well branded fruit with labels should sell at a premium over unbranded fruit once a reputation for supply consistency and high quality is established.

Key Market Contacts

The enterprises included in this list, which is not exhaustive, are key traders in the French banana market. However, it should be noted that all exporters should carefully assess the capability of any company with whom they hope to trade, since the Commonwealth Secretariat takes no responsibility for the financial standing of these enterprises.

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F-94538 Rungis Cedex

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POMONA IMPORT

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Fax: +33-1-402858954

BANEXO S.A.

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COMPANIES DES BANANES

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OTHER BANANA IMPORTERS

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SIIM

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DUNAND ET COMPAGNIE,

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FRANCE
BANANA IMPORTS FROM NON-EC SOURCES
'000 TONNES

	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992
CAMEROON	49	52	47	50	46	35	54	75	89	79
COLOMBIA	19	10	6	6	15	12	3	4	0.2	1
COSTA RICA	10	11	4	3	2	12	4	6	0	1
ECUADOR	19	3	6	3	1	0.5	3	17	0	0.5
GUADELOUPE	103	124	102	116	115	125	91	74	116	115
GUATEMALA	2	2	3	0	8	0	4	1	0	0
IVORY COAST	76	78	92	81	77	74	85	94	115	130
MARTINIQUE	155	155	163	186	172	182	198	217	180	197
PANAMA	11	3	0.2	1	2	1	0.3	1	0	0
TOTAL	444	438	423.2	446	438	441.5	492.3	489	500.2	523.5

Source: EC NIMEX

FRANCE
VALUE OF BANANA IMPORTS FROM NON-EC SOURCES
'000 ECU

	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992
CAMEROON	27,423	28,231	28,319	27,564	24,669	18,857	29,205	47,137	62,479	52,172
COLOMBIA	9,862	5,409	3,976	3,014	8,984	6,659	1,420	2,343	155	637
COSTA RICA	4,725	6,169	3,165	1,791	1,520	5,689	1,755	3,227	0	0
ECUADOR	9,724	2,108	4,947	1,497	947	234	1,494	10,141	0	0
GUADELOUPE	55,217	73,513	65,491	76,085	74,674	80,348	52,671	40,863	75,978	65,424
GUATEMALA	1,017	1,207	2,305	0	4,870	0	1,939	774	0	0
IVORY COAST	48,591	44,493	56,442	52,142	51,220	46,385	55,236	60,209	80,597	83,956
MARTINIQUE	84,466	93,214	102,426	125,196	115,052	120,250	114,435	137,098	121,201	111,634
PANAMA	4,983	1,362	188	619	1,201	832	181	296	0	0
TOTAL	246,008	255,706	267,259	287,908	283,137	279,254	258,336	302,088	340,410	313,823

Source: EC NIMEX

FRANCE
IMPORTED FROM NON-EC SOURCES
ECU/TONNE

	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992
CAMEROON	560	543	603	551	536	539	541	628	702	660
COLOMBIA	519	541	663	502	599	555	473	586	775	637
COSTA RICA	473	561	791	597	760	474	439	538	na	na
ECUADOR	512	703	825	499	947	468	498	597	na	na
GUADELOUPE	536	593	642	656	649	643	579	552	655	569
GUATEMALA	509	604	768	na	609	na	485	774	na	na
IVORY COAST	639	570	614	644	665	627	650	641	701	646
MARTINIQUE	545	601	628	673	669	661	578	632	673	567
PANAMA	453	454	940	619	601	832	603	296	na	na

Source: EC NIMEX