

NEWS & MEDIA

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FAO urges more cooperation in banana sector, significant for some least developed and low-income food-deficit countries and smallholder farmers.

4th World Banana Forum Conference discusses challenges such as the climate crisis, fertilizer, and transportation costs and the TR4 disease.

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Rome – The 4th Global Conference of <u>The World Banana Forum (WBF)</u>, hosted by the Food and Agriculture Organization of the United Nations (FAO), opened at FAO headquarters today to discuss an array of challenges faced by banana producers, including the impacts of the climate crisis, high energy and fertilizer costs, and the spread of the destructive <u>Fusarium wilt Tropical</u> <u>Race 4 (TR4)</u> disease.

In his opening remarks to the WBF, FAO Director-General QU Dongyu highlighted the importance of banana in several aspects: "Bananas are among the most produced, traded and consumed fruits globally, with more than 1000 varieties produced worldwide they provide vital nutrients to many populations."

Qu noted that the banana sector is particularly significant in some of the least developed and lowincome food-deficit countries, where it contributes not only to household food security as a staple, but also to job creation and income generation as a cash crop. The Director-General also highlighted that he hoped that the conference would benefit smallholders the most as they continue to be a priority.

"Income from growing bananas can account for up to three quarters of the total monthly household income for smallholder farmers and generate over \$10 billion in export revenues annually, the bulk of which accrues to developing countries."

The conference is aimed at finding ways to boost the banana sector, which faces several constraints including high costs of transportation, energy, and inputs, in particular fertilizer prices, and the spread of diseases such as TR4.

In response to the various constraints, the sector should "turn these challenges into opportunities through close collaboration by partners across the banana sector," the FAO Director-General said. He called for all stakeholders to work together to boost investments and adopt more sustainable production practices.

Qu also noted that high inflation has reduced the purchasing power of consumers, placing bananas under increasing competition from various tropical fruits. "Better market access will require substantial investment of resources, including financial."

Among other participants in the Forum's opening event, were Danilo Palacios, Minister of Agriculture of Ecuador, the world's largest banana exporter, as well as representatives from Belgium, Cameroon, the European Commission, the International Labour Organization, the Latin American and Caribbean Network of Fairtrade Small Producers and Workers (CLAC) and the Coordinating Body of Latin American Banana and Agro-Industrial Unions (COLSIBA).

Diversification

The spread of diseases is a big concern in the sector. In 2019, TR4 reached several countries in Latin America after many years of spreading worldwide. As the Cavendish variety, which forms the bulk of banana exports, is vulnerable to the disease, the FAO Director-General said that variety diversification should be a key strategy to ensure the future of banana trade.

However, he noted that "acceptance by retailers and consumers of different varieties remains a challenge."

In this context, the Conference is also organizing a Banana Diversity Tasting Event aimed at raising awareness about the importance of conserving and utilizing the genetic diversity of bananas.

Banana producers also face the daunting challenge of climate change. Increasingly frequent droughts, floods, hurricanes, and other natural disasters have badly affected the Latin American and Asian producers who account for more than 95 percent of the global banana trade.

The agricultural sector is both a contributor to, and a victim of, <u>climate change</u> and FAO has consistently argued that rapid and forceful actions by all stakeholder groups are needed to address it.

Costs and disruptions

Another issue which the Forum is focusing on is the effects on the banana trade of high transportation costs and shipping disruptions in various areas of the world, including in the Black Sea, Red Sea and Panama Canal, caused by conflicts, geopolitical tensions and low water levels.

On the demand side, preoccupying participants meanwhile is the fact that inflation has reduced the purchasing power of consumers, while more stringent requirements in some major markets can make the production and export of bananas more complicated. These cover a range of aspects, including fruit quality, pesticide residue levels, and environmental and social sustainability, and affect smaller players in the market disproportionately. However, they may also offer producers opportunities for enhancing their operations, brand reputation and market access, with the needed substantial investments of time and resources.

The forum, which was established in 2009, offers its members a range of tools and resources to help the sector become more efficient, inclusive, resilient and sustainable. These include a <u>practical tool for measuring carbon and water footprints</u>, being piloted in nine countries and a <u>Banana Occupational Health and Safety Initiative (BOHESI)</u>, being implemented in Ecuador and Cameroon.

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