

**Title** Exporting bananas for improved livelihoods and social development: evidence and challenges from Latin American and Africa

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### **Abstract**

Small scale banana farmers are traditionally used by large banana marketing companies to buffer fluctuations in supply and demand. As a result, farmers face permanent commercial insecurity. Small farmers can gain direct access to export markets and even share in the upstream revenues. Instead of multinational marketing and production companies controlling the whole supply chain netting the profits, or on a local scale, middle men taking the lion's share of the profit, small farmers can effectively export and market their own bananas, if they organize in a proper way. Such is the experience in various countries in Latin America, where farmer cooperatives have succeeded in entering the European markets with their co-owned banana and fresh fruit importer AgroFair, operating under FairTrade certifications and marketing the fruit under its own Oké brand. As shareholders in AgroFair, the profits are maximally ploughed back into the farmer's communities, instead of being added to shareholder's value in stock exchanges. This improves the quality of the livelihoods of banana farmers and boosts social development throughout communities. At the same time the farmers respect the environment by means of integrated pest management or even organic agriculture, so that their supply chain is not only socially but also ecologically sustainable. Organizational models for farmer and supply chain organization need to be adapted to the context. The cooperative model does not perform equally well in every given circumstance. In Africa, good results have been obtained by a plantation that is partially co-owned by the worker, and by powerful export houses that work entirely in the interest of small producers. This article analyses succinctly the outline of the Fair Trade value chain from production to marketing, the lessons learnt, the social advantage that can be assessed, and the opportunities and challenges it presents to African banana producer communities.