

**OBTAINING THE TARIFF EQUIVALENT TO THE CURRENT
BANANA REGIME IN THE EUROPEAN UNION (25), ACCORDING
TO THE ATTACHMENT TO ANNEX 5 OF THE WTO AGREEMENT
ON AGRICULTURE**

By

José Luis Pérez Sánchez

Técnico Comercial y Economista del Estado.

**Joint Permanent Representative for commercial matters for the WTO and
other International Organizations in Geneva from 1993 to 1998.**

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I. TARIFF EQUIVALENT LEVEL TO THE CURRENT BANANA REGIME IN THE EU (15)

1. INTRODUCTION

Faced with the proximity of the 1st of January 2006, the latest date on which the current EU banana regime must be transformed into a new one named “Tariff only”, various documents that try to set the new tariff only level have been coming out. In particular, two of them declare that they have done their calculi by applying the price gap system that we established on the occasion of the agricultural product’s Tariffication when negotiating the inclusion of the Agriculture into the Agreement that has its name inside the general negotiation package known as the Uruguay Round. It ended happily with the Marrakech Agreement that establishes the World Trade Organisation, and whose signing I witnessed in Marrakech on April 1994, after a period of hard negotiations in which the Agriculture had a predominant interest, both in an intra-community aspect and in relation with Third countries. This system to calculate the tariff equivalent according to the price gap is included in the Attachment to Annex 5 of the Agreement on Agriculture (AA) and it was included in the WTO texts because of the optimum results that it produced at that moment, given the simplicity and easiness of its calculus method and the transparency with which we obtained the results. This system has always provided a good negotiation basis and for this reason it was established as obligatory for additional tariffication processes although it was provided with the flexibility implied by its characterisation as guidelines.

Unfortunately the texts from the documents to which we are referring to, have, from the beginning, a certain bias in defence of the EU market access to the Banana Dollar. And then, in the development of their reasoning, they mistakenly and incorrectly apply this system: Particularly both coincide in the achievement of comparing the prices of the banana dollar with those of the ACP banana, in one case and in the other the prices of the ACP banana together with the EC production. These basic comparisons are mostly incorrect and invalidate the

analysis that have been done, since we are not trying to obtain a tariff equivalent that equals the banana prices from all origins at a UE port position. On the contrary, we are trying to obtain the tariff equivalent to the current import system entirely considered and according to its characteristics.

For this reason it seems necessary to clearly and simply explain how we must apply this procedure, doing this transparently and obtaining the results that come out of it, irrespective of whom they may benefit or damage.

Consequently we shall focus this present study in obtaining the correct tariff equivalent level to the current EU banana regime by the price gap procedure that we designed and successfully applied in the previously mentioned Uruguay Round.

2. THE METHODOLOGY OF THE PRICE GAP SYSTEM

The theoretical basis of the procedure is very simple: If we have the price of a specific product at the border, before going through customs of a certain Country, and after that we obtain the representative price, exactly of the same product, in the immediate stage of its commercialization which would be the wholesale stage – covering then the stage known as the importation - the gap between both prices will give us the gross margin of the import operation which shall evidently include, the storage costs and the importer profits, as well as those of custom clearance, that mainly represent the pay of the Customs Tariff and other possible border costs that constitute the protection level that exists in the market of the importing country and for this specific product.

In order to simplify we could set different levels of importer expenses and profits, according to the kind of product we are dealing with and also according to how each function fits into the commercialization of each product, since sometimes the import stage is not isolated but linked to other stages of the commercialization process like the distribution – wholesale - , that in turn can or cannot include other stages even from the production process, like in the specific case of the banana, the ripening operation. In this study we shall take into consideration the import stage combined with the ripening stage which will make it

easier to establish certain values, as we shall see, like the companies profits or the ripening costs.

Consequently and as a final result of the analysis of this price gap, comes up the protection level at the border for the market situation derived from the current regime and that logically should be the equivalent to the protection level which shall be set in the future “Tariff only” regime.

Naturally to consider one operation is not enough, as representative as it might seem to be, nor one country of origin, nor a relatively short period of time (for example one year).

Finally, we must point out that even when the title of the Attachment to Annex 5 of the Agreement on Agriculture defines the process as “Guidelines for the calculus...” the Annex 5 itself in paragraph 10 establishes that it is obligatory to use these guidelines in the process of product tariffication, as in the case of the banana we are dealing with.

a) *Regarding the time period:*

In the text of the Attachment to Annex 5 of the Agreement on Agriculture that contains the *GUIDELINES* to the calculus of tariff equivalents, we said, in the first paragraph, that “*Data used shall be for the years 1986 to 1988*”. This is we then adopted, for this process, once more according to the repeated GATT law and practice, a period of three years prior to the negotiation. Then, this period was significant enough and relatively simple in order to facilitate the calculus. Therefore it seems logical that we must choose as a guideline for the analysis that we are doing now, a period of three years before the present time. This means that following the legal approach and the GATT-WTO practice, we must analyze the evolution of the price gap during 2001, 2002 and 2003.

b) *Regarding the analyzed product:*

The current regime covers the internal production of bananas in the EU, from the market access to the Union of a foreign product. This foreign product, classified at the level of 8 digits in the item 08030019, can have

two main origins: the ACP countries and the countries from the Dollar area. [Without excluding the possibilities of other origins in the future like some non-ACP LDC's (Least Developed Countries) included in the EBA (Everything But Arms) initiative].

In the current regime the ACP bananas have market access to the EU through a tariff quota – the denominated quota C of 750 000 Tons – originally with a tariff rate of 300€, to which a tariff preference of those same 300€ was applied. So, this means a market access for the ACP banana with a zero tariff level. Currently this still applies. Certainly and with this level of preference the tariff quota “C”, in fact – and that we know of – even before it was reserved for them in December 2001, was only being used by the ACP operators. Additionally and repeatedly the EU Commission and Council have shown their commitment to maintaining the preferences for ACP countries in as many occasions and legal dispositions as they have had to declare on this matter. So we must necessarily assume that in the new regime the ACP banana shall come also in equivalent quantities to the current ones and with a tariff preference that will mean the same tariff protection level as in the current regime. This means that the tariff for the ACP banana in the new regime will have a final level of zero.

Faced with these circumstances the first question that we shall ask ourselves is: How will the Commission implement within a “tariff only” regime its commitment to tariff preference with the ACP countries? The answer is apparently simple for the future, since when the EPA (Economic Partnership Agreements) that will replace the current Cotonou Agreement at the beginning of 2008 and adopt the form of a FTA (Free Trade Area) comes into force, there will be no problems to implement the preferences as duty free quotas inside the FTA Agreements. But from the beginning of 2006, until then and even if we have faith in the imaginative and creative capacity of the Commission, there is no other logic alternative for the obligatory concession of preferences to the ACP countries than maintaining the current tariff preferences for the same or similar quantity that the ACP

countries are now exporting to the EU. This is, in other words, that if with the new regime a necessary preference to the ACP countries is granted, at least during 2006 and 2007, the only logic way to do it is through the maintenance of the current quota C with all of its characteristics, or, inside a new “tariff only” system that requires the concession of a tariff preference for the ACP countries, through the implementation of a similar system that would require in any case a quantity limitation.

Consequently and for our interest, the imported product to be considered against the internal EC production is the dollar banana. It is then necessary to find out which is the current protection level for the corresponding imports from all the dollar area countries (and not only from those that have the best price), during a significant period of time.

c) *The external prices*

They are defined in the 2nd paragraph of the Attachment to Annex 5 of the AA by *“External prices shall be, in general, actual average c.i.f. unit values for the importing country.”* We are talking about average CIF values which are relatively simple to get from the average price at the border of the dollar banana imports in the EU. The reason for this is that, as it is known, the value declared for the quantities that are taken into account at the border, must be precisely the CIF value of the product.

In order to obtain the CIF value in the EU it is enough to divide the values declared at Customs by the corresponding imported quantities. Obtaining the average later on is a mere technical operation.

Having therefore obtained these prices and since they are appropriate – according to the aforementioned paragraph 2 from the Attachment – it is neither convenient nor correct to recur to any artifices, which are at the least inexact, like obtaining the prices of a neighboring country to which we could certainly recur if there were no original and accessible data in the case of the EU and if there was also a certain parallelism between market magnitudes and a certain similarity, duly

demonstrated in the policies of the exporting enterprises to these markets, especially when they have a certain level of control of the international market. Additionally when the statistical data corresponding to the EU imports are already established in our own currency -euros-, the evidence that the necessity to use data from the EU is even clearer.

d) The interior prices

The interior price is defined in the 4th paragraph of the aforementioned Attachment 5 of the Agreement on Agriculture that says: *“The internal price shall generally be a representative wholesale price ruling in the domestic market or an estimate of that price where adequate data is not available.”*

When we have the wholesale prices, like in our case where we have the ones from EU (15) countries for each type of banana, specifically including the dollar banana, it is not necessary to recur to estimations and the labor of obtaining a level of equivalent protection is enormously facilitated as we shall see next.

3. APPLYING THE SYSTEM IN THE CASE OF THE EU (15)

This study is accompanied with tables that we shall analyze further on, that maybe because of their detail, can be considered as excessive above all by those who do not know the detailed WTO negotiation processes. But in this kind of proceedings and for it to be considered as valid, one of the most necessary virtues is that of transparency. For this reason we have explained in more detail the technical approach used in order to obtain the results.

a) External prices: Obtaining the CIF prices and their averages for the dollar banana in the EU (15) and in each one of its Members from 2001 to 2003: TABLE 1:

In this table is shown how the CIF prices were obtained depending on the country of origin from the dollar area and the EU (15) total that is a weighted average for the triennium and whose value is **611€Ton**.

b) Internal Prices: Obtaining the averages over a period of three years of CIF prices and wholesale prices in the EU(15) of the banana dollar:
TABLE 2:

This table shows how to obtain the weighted average of the wholesale prices which is, as is explained in the table **968€Ton**.

c) Obtaining the current protection level: The price gap and its meaning

The difference between the internal and external price that we have obtained and which is $968 - 611 = 357$, is the gross margin of the importer-riper, that in turn is composed of: 1) *His profits and business costs* and 2) *The whole of the payments done when going through customs*. These include the payment of customs duties and other duties and charges, if there were any that theoretically and in their entirety constitute the protection level at the border.

Consequently if we can determine the importers profits and costs (including in these the cost of the ripening operation although it not is not done by the importer in all the cases), we will have explained the point 1). Next and again by a differential we shall obtain the final result.

1) Profits and business costs

- **Profits:** Since we are not only dealing with the theoretical and mere import stage, but with the real and practical import-ripening one, the profit is of public access since it can be obtained from the accounts of the main commercial banana companies that carry out these functions related to the banana dollar. This is how we have elaborated the Tables No. 3 and 3 bis that show us for the reference period the average of the percentage obtained from the profits over the gross income in the main companies that commercialize and import bananas in the EU. The final average that we have obtained for the triennium 2001-2003 is 2%. In the

Table No. 3 bis in which we have eliminated Chiquita's losses, we have reached 4%.

If we apply this last percentage to the average price per internal ton that we have obtained, 968€, we have an average profit per ton of **39€**

Although almost all these companies work with other products apart from the banana, the delicacy and attention that this requires, when we include the ripening process in practice, lets us assume the global profits as if they had only worked with the banana.

- **Business costs:** These are mainly the ripening costs that include transport and the effect of general costs per Ton. We have done a new investigation with the following information given to me by business sources of complete reliability:

- The Ripening: the general and total costs for the ripening operation of the banana dollar in Belgium are currently of 48.5€/Ton. For the 2001-2003 period we estimated an average of **46.50€/Ton** (In Spain and for the banana from the production of the Canary Islands, the current cost would be 40€/Ton, while the reference triennium average could also be estimated in about 37.60€/Ton).

(When checking the costs we must take into account that a chamber with the dimensions 9.01 x 3.64 x 5.62 = 186m³ stores 24 pallets with a total of 1,152 boxes (about 23 Tons) and it can have about 50 rotations of 7 days each per year. We can also calculate the cost corresponding to the ethylene consumption from 10 to 50 ppm per rotation. We must also estimate the average consumption of around 22,000Kwh per chamber/year. The price of electricity was around 0.08€/Kwh, and CIF price at port of ethylene was around 500€/mt for the reference period, having duplicated in 2004.)

Finally we consider that the average business cost in the reference period was **46.50€/Ton**

Part 1) will then be: PROFITS (39) + COSTS (46.50) = 85.50 €/Ton

The 85.5€ obtained as a gross margin means 8.83% related to the wholesale price of 968€.

2) The whole of customs costs: The tariff equivalent level

Finally subtracting 85.50€ corresponding to the gross margin obtained from the price gap between internal and external prices that was 357, we have a difference of **271.5 €** and with this we get to the final result of the process to obtain the protection level equivalent to the tariff only level that must be established in order to replace the current banana regime in the EU (15), additionally since inside this area there exists no concept of other duties or charges at the border.

4. FINAL COMMENTS

- 1) We have done the present analysis by applying the price gap system, used in the tariffication process during the Uruguay Round Negotiation, to the transformation of the current EU banana regime in a future regime called the “Tariff only” that must take effect the 1st of January 2006 at the latest.

This has permitted us to obtain the denominated level of equivalent protection that must be the new tariff in the “Tariff only” regime.

We also hope to have clearly explained how this analysis should be done and whose guidelines can be found in the Attachment to Annex 5 of the WTO Agreement on Agriculture.

- 2) We must also take into consideration that the current regime is that of the EU (15) to which 10 new members are joining and it is for this regime for which we must determine the protection level or tariff equivalent.

II. ANALYSIS OF THE BANANA SITUATION IN THE 10 NEW MEMBERS OF THE EU –EU(10)– AND THE EFFECT OF THEIR ENTRY

1. INTRODUCTION

In the previous analysis we have obtained the Tariff equivalent to the current EU (15) banana import regime, applying the obligatory procedure for tariffication cases like this one that is planned in the Attachment to Annex 5 of the WTO Agreement on Agriculture. Certainly the process of establishing a “tariff only” regime that will take effect the 1st of January 2006 at the latest, originally and directly affects the own EU (15). This is where the current tariff quota system and licencing is in force and shall be transformed. But in the future the 10 new countries that have entered the EU, and that we shall name as a whole EU (10), will have to adapt themselves to the “acquis communautaire” which the CET (Common External Tariff) and a complex system of rules from the international trade and production, in which the banana regime is included, are part of. This implies many adjustment necessities of all sorts in the 10 new countries. Consequently they cannot be put aside of the subject that occupies us.

We must also take into account that the previous tariff regime of these 10 countries was a very different regime compared to current EU (15) regime. In the EU (10) we can consider that the average import tariff for the item 08030019 is approximately, and as an average, 36.85% ad valorem. *(This figure has been obtained as can be seen in Table No. 4, from the relation of the duties that theoretically have been collected from applying the current tariffs in each of the EU (10) and of the imported total in these countries – including the reexports from the EU (15)-. This is why the totals from Table No.4 are slightly higher than those from Table No. 5, which has also been used to obtain the CIF price for the EU (10). (This CIF price is equal to 435€/Ton in both tables.)* We must also point out that the product has free entry except for two tariff quotas: one of 33,000 Tons in Poland and another of 20,000 in Hungary, both with a 20% tariff.

If they now have to adopt a tariff equivalent to the current regime that has been achieved for the EU (15) at the level of 271.5€/Ton, the difference between both levels (since the EU (10) level for an average CIF price of 435€/Ton would be

equivalent to a specific one of 160.3€/Ton) could require, *if there were no compensations in other sector*, the development of possible negotiations with Third countries according to the Article XXIV-6 from GATT-94.

The logical thing to do, if it were necessary to pay compensations, is that they be generally negotiated, except if there were no other way to compensate the Third countries but with the own banana Sector. In this case we must really take into consideration the interests from the internal production and duly compensate it from the protection reduction that these compensations would imply.

Next we shall complete the study that we have already done for the EU (15) with an analysis of the situation in the EU (10) that shall permit us to integrate them both and obtain an appropriate result for the EU (25) and that will additionally show us how to do the compensations to Third countries inside the own banana sector, if there were no alternative. It will also set the amount of the compensations in order to know which compensation level should be given to the internal Production to maintain an equivalent protection situation.

However we repeat that this study is like a previous analysis that shall be updated according to some data that we are still waiting to receive from the industry. But in spite of this, we still consider it consistent and reliable in order to obtain a first valid approximation to the tariff only that would correspond to the EU (25).

2. ANALYSIS OF THE EU (10) CHARACTERISTICS

2.1 Obtaining the average CIF values: Table No. 5:

As we can see we obtain merely by dividing the average CIF price for the triennium in the EU (10) which is **435€/Ton**.

2.2 Obtaining the average values for the internal prices in the EU(10):

The easiest thing would have been to have data similar to what we had in the EU (15) case. But this is not possible since in this case we do not have a data series referred to the wholesale prices. However and even though we do not have

the internal prices, we are not trying here to find the tariff equivalent, that we know and must be able to accurately calculate as soon as we have the individual import data for each one of the EU (10). We are dealing with a different problem here. Since we know the average CIF price and the average tariff level we can obtain a weighted average internal price equivalent to the EU (15) wholesale price. In order to achieve this we shall proceed in the following way:

We know that the wholesale price shall be equal to the CIF price increased by the importers gross margin and the customs protection level (which is the tariff plus other duties and charges, if there were any), so:

- The average CIF price for the EU (10), according to previous paragraph is 435€/Ton.

- We have calculated the average tariff level of the EU (10) as 36.85%. Transferring it to a specific duty per Ton we get:
 $36.85\% \times 435 = 160.30 \text{ €/Ton}$

- We estimate that the importer gross profits are, in the same way as for the EU (15), approximately equal to 8.83% of the sales price.

Then we can formulate at an average level the following mathematical equality:

$$\begin{array}{rccccccc} \text{Wholesale Price} & = & \text{CIF Price} & + & \text{Average Tariff} & + & \text{Gross Margin} \\ X & = & 435 & + & 160.3 & + & 8.83\%X \end{array}$$

So X (Average Wholesale Price for the EU (10)) is equal to 653€/Ton.

3. THE EFFECT OF THE ENTRY OF THE EU(10) INTO THE EU (15):

Result for the EU (25) and compensations to Third countries: Table 6

In table No. 6 we show the summary and final conclusion to this study as is next explained:

- The first row that refers to the EU (15), with its CIF, internal and wholesale prices and Protection level comes from the previous study on the EU (15)

- The second row with its equivalent figures to those of the first one comes from the present analysis.

- Finally the weighted average CIF and wholesale prices for the EU (25) come from the weighted combination of the two previous figures.

◇ CIF Price [Total Value (5,354,790,000) / Quantity (9,229,298)] = **580**

◇ Wholesale Price: EU(25)

Total EU(25) Value = [EU(15)Q × P = EU(15)Value] + [EU(10)Q × P=
8,424,545,230 = [7,612,113 × 968 = 7,368,525,384] + [1,617,182 × 653
=EU(10)Value]
1,056,019,846]

Average Wholesale EU(25) Price = Total EU(25)Value / Quantity

912.8 = 8,424,545,230 / 9,229,298

From these prices and with the formula that we have previously pointed out, we obtain a final protection level for the EU (25) of:

912.8 – 580 = 332.8

332.8 – 8.83% × 912.8 = 252.20

This means an improvement of (271.5-252.20=) 19.3 €/Ton over the tariff equivalent level for the EU (15) and an appropriate compensation to Third countries, in parallel with what would correspond to the internal Production.

4. COMPENSATIONS TO THIRD COUNTRIES: CALCULUS AND DETERMINATION¹

- The tariff equivalent to the current EU (15) banana regime from what has been demonstrated is 271.50€/Ton. Additionally the imports from the banana dollar in the EU (15) in the triennium 2001-2003 have been of 7,612,113 Tons.
- The average EU (10) Tariff duty has been of 36.85% ad valorem equivalent to 160.30 €/Ton (specific) and their net imports of the banana dollar can be estimated in 1,617,182 Tons.

Therefore the maximum annual loss that the dollar exporters could have by the tariff increase from 160.30 €/Ton to 271.50 €/Ton would be:

$$111.2 \times 539.061 = \mathbf{59.943 \text{ Millions of Euros}}$$

Then the EU (25) that would import as an annual average some 3,090,740 Tons, must reduce its tariff in order to **compensate the losses** pointed out in:
 $59,943,583 / 3,090,740 = \mathbf{19.39 \text{ €/Ton}}$

Therefore the final tariff, including the compensations from the Article XXIV-6 done in this same sector would be, for the EU (25), of:
 $271.5 - 19.39 = \mathbf{252.11 \text{ €/Ton}}$

- We can see the coincidence of this figure with the one obtained in the previous study.

¹ Estimating that it is useful, as a complement of the study on the Tariff Only for the banana in the EU (25) to also calculate the compensation by the Article XXIV-6, I have done the following calculus:

- To transform the figure of 59'943 Millions of Customs collection that must be compensated, in commercial compensation Value, we shall do the following operation:

(59.943×100) divided by 43.48 ($252.2 \times 100 / 580$) = **137.86 Millions of €**
in Banana Commercial Value

ANNEXES

TABLE 1. EU(15) BANANA IMPORTS FROM THE DOLLAR AREA

ORIGIN	2001			2002			2003			TRIENNIUM		
	QUANTITY (TONS.)	VALUE (000 €)	AVERAGE CIF PRICE (€/TON)	QUANTITY (TONS)	VALUE (000 €)	AVERAGE CIF PRICE (€/TON)	QUANTITY (TONS)	VALUE (000 €)	AVERAGE CIF PRICE (€/TON)	QUANTITY (TONS)	VALUE (000 €)	AVERAGE CIF PRICE (€/TON)
<i>Ecuador</i>	705,071	404,060	573	828,822	494,147	596	799,642	468,963	586	2,333,535	1,367,170	586
<i>Costa Rica</i>	634,970	391,925	617	686,820	455,295	663	725,222	483,158	666	2,047,012	1,330,378	650
<i>Colombia</i>	645,745	345,965	536	665,723	409,472	615	672,567	410,131	610	1,984,035	1,165,568	587
<i>Panama</i>	347,869	214,709	617	307,047	204,215	665	303,471	191,553	631	958,387	610,477	637
<i>Brazil</i>	16,624	8,140	490	36,053	17,119	475	46,421	20,868	450	99,098	46,127	465
<i>Venezuela</i>	12,113	8,690	717	9,276	7,914	853	11,981	11,653	973	33,370	28,257	847
<i>Honduras</i>	106,432	66,713	627	20,396	15,854	777	10,798	9,627	892	137,626	92,194	670
<i>Peru</i>	1,178	769	653	5,311	3,620	682	5,393	2,943	546	11,882	7,332	617
<i>Guatemala</i>	3,160	1,571	497	49	31	633	1,685	1,075	638	4,894	2,677	547
<i>Mexico</i>	54	147	2,722	38	97	2,553	130	84	646	222	328	1,477
<i>Nicaragua</i>	1,160	967	834	849	526	620	43	27	628	2,052	1,520	741
Total	2,474,376	1,443,656	583	2,560,384	1,608,290	628	2,577,353	1,600,082	621	7,612,113	4,652,028	611

Source: European Commission. Foreign Trade Data Base COMEXT. Data corresponding to the Code NC08030019 "Fresh Bananas. Ex-Plantains"

TABLE 2. UE (15) WHOLESALe PRICES FOR THE DOLLAR BANANA

Member	Q=Imported Quantities (Tons)			P _m = Wholesale prices (€/Ton)			Weighted average
	Q ₀₁	Q ₀₂	Q ₀₃	P _{m 01}	P _{m 02}	P _{m 03}	$\frac{\sum_{01-03} P_{mi} Q_i}{\sum_{01-03} Q_i}$
Germany	527,950	674,511	680,551	1,034	973	910	967
Austria	13,715	2,539	1,085	1,023	1,038	1,063	1,028
Belg.-Luxbg.	874,524	774,801	786,958	1,051	1,059	1,082	1,064
Denmark	8,806	8,316	7,116	1,024	900	840	927
Spain	42,999	17,552	20,051	808	793	775	797
Finland	19,107	9,883	10,766	1,044	1,108	1,092	1,073
France	—	—	1,710	—	—	808	808
Greece	37,460	44,075	44,171	586	747	846	734
Holland	16,136	4,571	6,204	1,014	1,014	932	995
Ireland	—	—	32,260	—	—	1,222	1,222
Italy	354,879	458,300	475,362	963	930	890	924
Portugal	153,250	121,436	115,711	862	800	782	819
United Kingdom	266,767	291,960	289,652	983	927	788	897
Sweden	116,541	106,502	104,951	956	908	803	891
UE(15)	2,432,134	2,514,446	2,576,548	999	970	937	968

Source: Imported Quantities: European Commission - Expanding Exports Helpdesk NC 0803 00 19, "Fresh Bananas Ex-Plantains".

Wholesale prices: Own preparation from European Commission Data (Average weekly wholesale prices provided by Member States).

Annual averages estimated as an average of weekly data.

Weighted averages estimated using the imported Quantities (Q_i) by each Member State, rejecting those years in which there are no price data.

TABLE 3: PERCENTAGE OF PROFIT OVER NET INCOME IN THE MAIN EU BANANA IMPORTERS (MILLIONS OF DOLLARS)

		<i>Chiquita</i>	<i>Dole</i>	<i>Del Monte</i>	<i>Fyffes</i>	<i>Total</i>
2003	Net income	2,614.0	4,773.0	2,486.8	2,177.0	12,050.8
	Profits	99.2	83.9		81.0	490.5
	%	3.8%	1.8%	9.1%	3.7%	4.1%
2002	Net income	1,586.0	4,392.0	2,090.5	1,736.5	9,805.0
	Profits	-384.6	36.3	195.2	64.4	-88.8
	%	-24.3%	0.8%	9.3%	3.7%	-0.9%
2001	Net income	1,465.0	4,315.0	1,928.0	1,787.0	9,495.0
	Profits	-118.8	150.4	96.2	51.6	179.5
	%	-8.1%	3.5%	5.0%	2.9%	1.9%
Triennium	Net income	5,665.0	13,480.0	6,505.3	5,700.6	31,350.9
	Profits	-404.2	270.6	517.8	197.0	581.2
	%	-7.1%	2.0%	8.0%	3.5%	1.9%

Source: Annual Reports for the stockholders of the Companies. Dole: 2003 Rapport to the Stock Exchange Commission.

TABLE 3 bis: PERCENTAGE OF PROFIT OVER NET INCOME IN THE MAIN EU BANANA IMPORTERS (MILLIONS OF DOLLARS)

		<i>Chiquita</i>	<i>Dole</i>	<i>Del Monte</i>	<i>Fyffes</i>	<i>Total</i>
2003	Net income	2,614.0	4,773.0	2,486.8	2,177.0	12,050.8
	Profits	99.2	83.9	226.4	81.0	490.5
	%	3.8%	1.8%	9.1%	3.7%	4.1%
2002	Net income		4,392.0	2,090.5	1,736.5	8,219.0
	Profits		36.3	195.2	64.4	295.9
	%		0.8%	9.3%	3.7%	3.6%
2001	Net income		4,315.0	1,928.0	1,787.0	8,030.0
	Profits		150.4	96.2	51.6	298.2
	%		3.5%	5.0%	2.9%	3.7%
Triennium	Net income	2,614.0	13,480.0	6,505.3	5,700.6	28,299.9
	Profits	99.2	270.6	517.8	197.0	1,084.6
	%	3.8%	2.0%	8.0%	3.5%	3.8%

Source: Annual Reports for the stockholders of the Companies. Dole: 2003 Rapport to the Stock Exchange Commission

Table 4.1: IMPORTS TO THE NEW MEMBERS OF BANANA FROM THE DOLLAR AREA ACCORDING TO THE DESTINATION

Member State	2001			2002			2003			TRIENNIUM		
	QUANTITY (TONS)	VALUE (000 €)	AVERAGE CIF PRICE (€/TON)	QUANTITY (TONS)	VALUE (000 €)	AVERAGE CIF PRICE (€/TON)	QUANTITY (TONS)	VALUE (000 €)	AVERAGE CIF PRICE (€/TON)	QUANTITY (TON)	VALUE (000 €)	AVERAGE CIF PRICE (€/TON)
<i>Cyprus</i>	789	559	708	936	716	765	834	530	636	2,559	1,805	705
<i>Czech Rep.</i>	93,635	45,196	483	100,332	52,938	528	108,111	45,608	422	302,078	143,742	476
<i>Estonia</i>	9,260	4,669	504	9,053	4,784	529	12,159	5,314	437	30,471	14,768	485
<i>Hungary</i>	64,234	11,440	178	63,854	23,844	373	72,715	30,808	424	200,803	66,092	329
<i>Lithuania</i>	23,159	10,919	471	17,089	8,738	511	21,971	8,448	385	62,219	28,105	452
<i>Latvia</i>	14,931	7,287	488	13,898	7,683	553	18,538	7,522	406	47,366	22,492	475
<i>Malta</i>	6,975	3,226	463	6,946	3,174	457	6,568	2,420	368	20,488	8,820	430
<i>Polond</i>	269,941	122,506	454	240,104	114,971	479	259,925	98,011	377	769,970	335,487	436
<i>Slovenia</i>	26,489	12,736	481	27,700	13,590	491	33,624	13,399	399	87,813	39,726	452
<i>Slovakia</i>	49,676	23,472	473	47,973	23,476	489	52,591	20,641	392	150,240	67,589	450
Total	559,089	242,009	433	527,885	253,913	481	587,035	232,702	396	1,674,008	728,624	435

Source: Comext2 k0908733.txt Extracted: 03/08/2004 . Table generation of Extraction from Plan 'bananes'

Table 4.2: BOUND RATE OF DUTY FOR THE 10 NEW MEMBER STATES

Member State		Ad-valorem TRQ		Specific (000 €/tn)	Imports			Collected duties			AVERAGE TARIFF
		In-quota	Ex-quota		In-quota	Ex-quota	Value	Ad-valorem	Specific	Total	
Poland	51%	20%	51%		99,000	670,970	335,487	157,712		157,712	
Czech Rep.	0%		0%			302,078	143,742	-		-	
Hungary	20%	20%	20%			200,803	66,092	13,218		13,218	
Slovakia	0%		0%			150,240	67,589	-		-	
Slovenia	2%		2%			87,813	39,726	795		795	
Lithuania	5%		5%			62,219	28,105	1,405		1,405	
Latvia	50%		50%			47,366	22,492	11,246		11,246	
Estonia	20%		20%			30,471	14,768	2,954		2,954	
Malta	40% + 1500 Lm/t		40%	3.64		20,488	8,820	3,528	74,578	78,106	
Cyprus	30% + 570 C£/t		30%	0.99		2,559	1,805	542	2,534	3,075	
Total EU(10)					99,000	1,575,008	728,626	191,399	77,111	268,510	36.85%

Source: European Commission and own elaboration

TABLE 5. EU(+10) BANANA IMPORTS FROM THE DOLLAR AREA

ORIGIN	2001			2002			2003			TRIENNIUM		
	QUANTITY (TONS)	VALUE (000 €)	AVERAGE CIF PRICE (€/TON)	QUANTITY (TONS)	VALUE (000 €)	AVERAGE CIF PRICE (€/TON)	QUANTITY (TONS)	VALUE (000 €)	AVERAGE CIF PRICE (€/TON)	QUANTITY (TON)	VALUE (000 €)	AVERAGE CIF PRICE (€/TON)
<i>Ecuador</i>	338,235	147,958	437	260,197	123,132	473	282,131	112,102	397	880,563	383,192	435
<i>Costa Rica</i>	44,495	19,066	428	56,782	26,572	468	70,835	26,405	373	172,112	72,043	419
<i>Colombia</i>	87,615	37,590	429	95,365	44,967	472	123,114	47,566	386	306,094	130,123	425
<i>Panama</i>	65,288	26,644	408	86,529	44,371	513	75,286	31,985	425	227,103	103,000	454
<i>Brazil</i>	0	0	—	172	80	465	3,541	1,362	385	3,713	1,442	388
<i>Venezuela</i>	308	108	351	270	127	470	112	36	321	690	271	393
<i>Honduras</i>	4,318	1,884	436	8,524	4,670	548	7,855	3,580	456	20,697	10,134	490
<i>Peru</i>	151	52	344	1,493	616	413	313	131	419	1,957	799	408
<i>Guatemala</i>	62	30	484	983	525	534	402	129	321	1,447	684	473
<i>Mexico</i>	220	77	350	1,506	572	380	907	361	398	2,633	1,010	384
<i>Nicaragua</i>	173	60	347	0	0	—	0	0	—	173	60	347
Total	540,865	233,469	432	511,821	245,632	480	564,496	223,657	396	1,617,182	702,758	435

Source: European Commission. Foreign Trade Data Base COMEXT. Data corresponding to the Code NC08030019 "Fresh Bananas. Ex-Plantains"

TABLE 6: RESULTS

	<i>Average CIF prices €/ton</i>	<i>Quantity ton</i>	<i>Value 000€</i>	<i>Wholesale Prices €/ton</i>	<i>Protection Level €/ton</i>
<i>UE (15)</i>	611	7,612,113	4,652,028	968	271.50
<i>UE (+10)</i>	435	1,617,182	702,758	653	160.30
UE (25)	580	9,229,298	5,354,790	912.80	252.20

Source: Own elaboration