



BTC TRADE FOR DEVELOPMENT



SUSTAINABLE BANANAS

***THE AVAILABILITY OF SUSTAINABLE BANANAS IN THE
ASSORTMENTS OF BELGIAN SUPERMARKETS***

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INDEX

Index	2
INTRODUCTION	3
Objective	3
Definitions	3
Product classification	3
Research methodology	3
1. BANANAS IN BELGIUM	4
1.1 Consumption	4
1.2 Imports	4
1.3 Supplying markets	4
1.4 Exports	4
1.5 Trends	4
2. BANANAS IN BELGIAN SUPERMARKETS	5
2.1 Leading brands	5
2.2 Sustainable bananas	5
2.4.1 Share of sustainable bananas per supermarket	8
2.4.2 Share of sustainable private label bananas per supermarket	9
2.5 Future expectations	9
3. CONCLUSION	12

INTRODUCTION

Objective

This study aims to give an overview of the current and future availability of sustainable bananas in the assortments of major Belgian supermarkets.

Definitions

Bananas

This study focuses on fresh bananas. Plantains and dried bananas are not included (with the exception of import and export statistics). When using the term 'bananas', fresh bananas are meant, unless stated otherwise.

Sustainable

The definition of 'sustainable' can be interpreted very broadly. In this study, the term 'sustainable bananas' refers to fresh bananas that carry a sustainable label such as Rainforest Alliance, Max Havelaar/Fairtrade or bio labels such as EU organic or Agriculture Biologique (AB).

Product classification

For statistical purposes, the following HS codes have been included in the research:

HS code	Definition
0803	Bananas, including plantains, fresh or dried

This HS code has been used to calculate international trade statistics such as imports and exports. For this purpose, ITC Trade Map figures have been used. However, the figures should be interpreted carefully and should only be used as an indication of the market and its developments.

Research methodology

A major part of the research consisted of store visits to 1 or 2 branches of the twelve major Belgian supermarket chains, conducted in the period 22-24 November 2011.

During these store visits, the availability of bananas with a sustainable label in the assortment of each supermarket was calculated by counting how many of the available banana brands carried a sustainable label. All supermarket chains have received the results of the store visits. The majority of the supermarkets have responded to the results and confirmed them.

Furthermore, this report is the result of:

- › Desk research.
- › Primary research such as:
 - Interviews with major Belgian supermarkets.
 - Interviews with certification bodies, such as Rainforest Alliance and Max Havelaar/Fairtrade.
 - Interviews with other experts in the field of sustainability and bananas.



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1. BANANAS IN BELGIUM

1.1 Consumption

Fresh bananas account for the third most consumed fruit type in Belgium, behind apples and oranges, but far ahead of mandarins and pears.

Belgian fresh banana consumption accounted for 12.6 kg per capita in 2010, compared to 11.7 kg per capita in 2009¹. This is an increase of 7.7%, which was the highest growth in the top 10 of Belgian fruit consumption between 2009 and 2010.

1.2 Imports

Belgium is the second largest banana importer in the world (behind the USA) and the largest importer in the EU, followed by Germany and the UK². This leading position can be explained by the fact that the port of Antwerp is one of the main ports in Europe in terms of fruit transshipment facilities.

In 2010, the value of Belgian banana imports was around €1.2 billion, or 1.4 million tonnes in volume. For more information refer to Table I.

Table I World top 5 of banana importing countries, 2007-2010, in € million

Country	Import value 2007	Import value 2008	Import value 2009	Import value 2010
USA	1,113	1,145	1,361	1,601
Belgium	1,090	1,323	1,164	1,187
Germany	755	744	735	660
Japan	426	561	726	636
UK	532	493	526	570

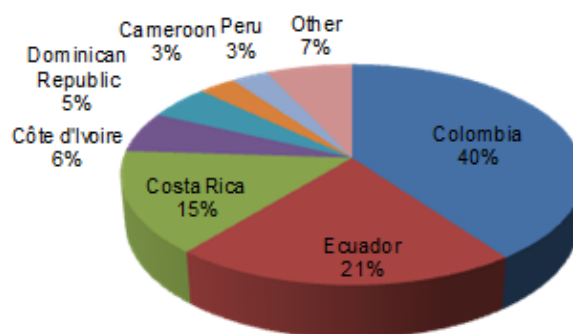
Source: ITC Trade Map (2011)

Banana imports from developing countries accounted for almost 98% of total Belgian banana imports. Both total banana imports and banana imports from developing countries increased by 2.9% on average per year between 2007 and 2010³.

1.3 Supplying markets

Colombia, Ecuador and Costa Rica were the leading banana suppliers to Belgium in 2010. Together they accounted for 75% of Belgian banana imports. For more information refer to Figure I.

Figure I. Supplying markets of bananas to Belgium, 2010, in %



Source: ITC Trade Map (2011)

1.4 Exports

Belgium holds an important trading position. In 2010, Belgium exported 1.3 million tonnes of bananas. As Belgium obviously has no local banana production, these were all re-exports. Germany (39%), the Netherlands (15%) and France (12%) were the most important export destinations⁴.

1.5 Trends

🍌 Belgians generally buy Cavendish bananas and prefer big and high quality bananas (Premium and Class I)⁵.

🍌 Sustainability labels, such as Rainforest Alliance, Max Havelaar/Fairtrade and bio labels, are gaining importance in Belgium. Belgian sales of Max Havelaar/Fairtrade bananas, for example, increased by 35% between the first and second quarter of 2011 reaching a volume of 8.444 tonnes⁶.



Banana flower by Steve Cornish

2. BANANAS IN BELGIAN SUPERMARKETS

2.1 Leading brands

Chiquita is the leading banana brand in the assortments of major Belgian supermarkets. Other examples of banana brands offered by the main Belgian supermarkets are Dole, Oké, Rica, Bonita, Banacol and private label bananas.

2.2 Sustainable bananas

It was estimated that in 2009, 80% of worldwide banana export did not carry a sustainable label. 15% carried the Rainforest Alliance label, 3.0% a bio label and only 2.0% the Max Havelaar/Fairtrade label⁷. However, the situation in the assortments of major Belgian supermarkets was far better in November 2011.

Store visits to several branches of the main Belgian supermarket chains in November 2011 revealed that around 53% of the bananas on offer carried a sustainable label.

Rainforest Alliance (<http://www.rainforest-alliance.org>) was the leading sustainability label for bananas in major Belgian supermarkets; more than 54% of the bananas carried that label. This can be explained by the fact that the majority of Belgian supermarkets offer Chiquita bananas, which all have the Rainforest Alliance label.

The Rainforest Alliance works to conserve biodiversity and ensure sustainable livelihoods by transforming land-use practices, business practices and consumer behaviour.



The Max Havelaar/Fairtrade label (<http://www.maxhavelaar.be>) was with more than 33% the second most important sustainability label for bananas in major Belgian supermarkets.

The Fairtrade label enables consumers to recognise products that are manufactured under good conditions. It ensures that producers in developing countries receive a minimum price for their products.

Bananas with the Max Havelaar/Fairtrade label are estimated to currently have a market share of around 7.0% in Belgium⁸.



More than half of the bananas with the Max Havelaar/Fairtrade label also carried a bio label such as the EU organic label (http://ec.europa.eu/agriculture/organic/home_en) or the French Agriculture Biologique label (AB - <http://www.agencebio.org>).



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Bio/organic labels focus on the production and processing of agricultural products that provide a guarantee of adherence to organic standards. Organic products are products that come from farmers who do not use chemical products or pesticides.



In 2010, the average market share of organic products in Belgium in terms of total food products spending by Belgian households was 1.8%, compared to 1.5% in 2009. However, the market share differs per organic segment. The market share of organic fruit for example, was 2.7% in 2010⁹.

2.3. Market Shares of major supermarkets in Belgium

To estimate the availability of sustainable bananas in Belgian supermarkets, an indication is given of the share of sustainable bananas in the average assortment of the twelve major supermarket chains in Belgium, which are:

- > Colruyt
Market share 22.8%
- > Delhaize
Market share 22.6%
- > Carrefour
Market share 19.8%
- > Aldi
Market share 11.2%
- > Lidl
Market share 5.6%
- > Makro
Market share 4.5%
- > Cora
Market share 3.0%
- > Spar
Market share 2.8%
- > Champion
Market share 2.2%
- > Intermarché
Market share 1.7%
- > Match
Market share 1.6%
- > Smatch
Market share <1%

Colruyt, Delhaize, Carrefour, Aldi and Lidl dominate the Belgian retail market, holding together a market share of around 76% in 2010¹⁰.

2.4. Sustainable bananas in Belgian supermarkets

Figure II gives an overview of the average availability of sustainable bananas in the assortment per supermarket¹¹.

Figure III gives an overview of the average availability of sustainable bananas, per supermarket, in the private label bananas assortment¹². Please note that not all supermarket chains offer private label bananas.

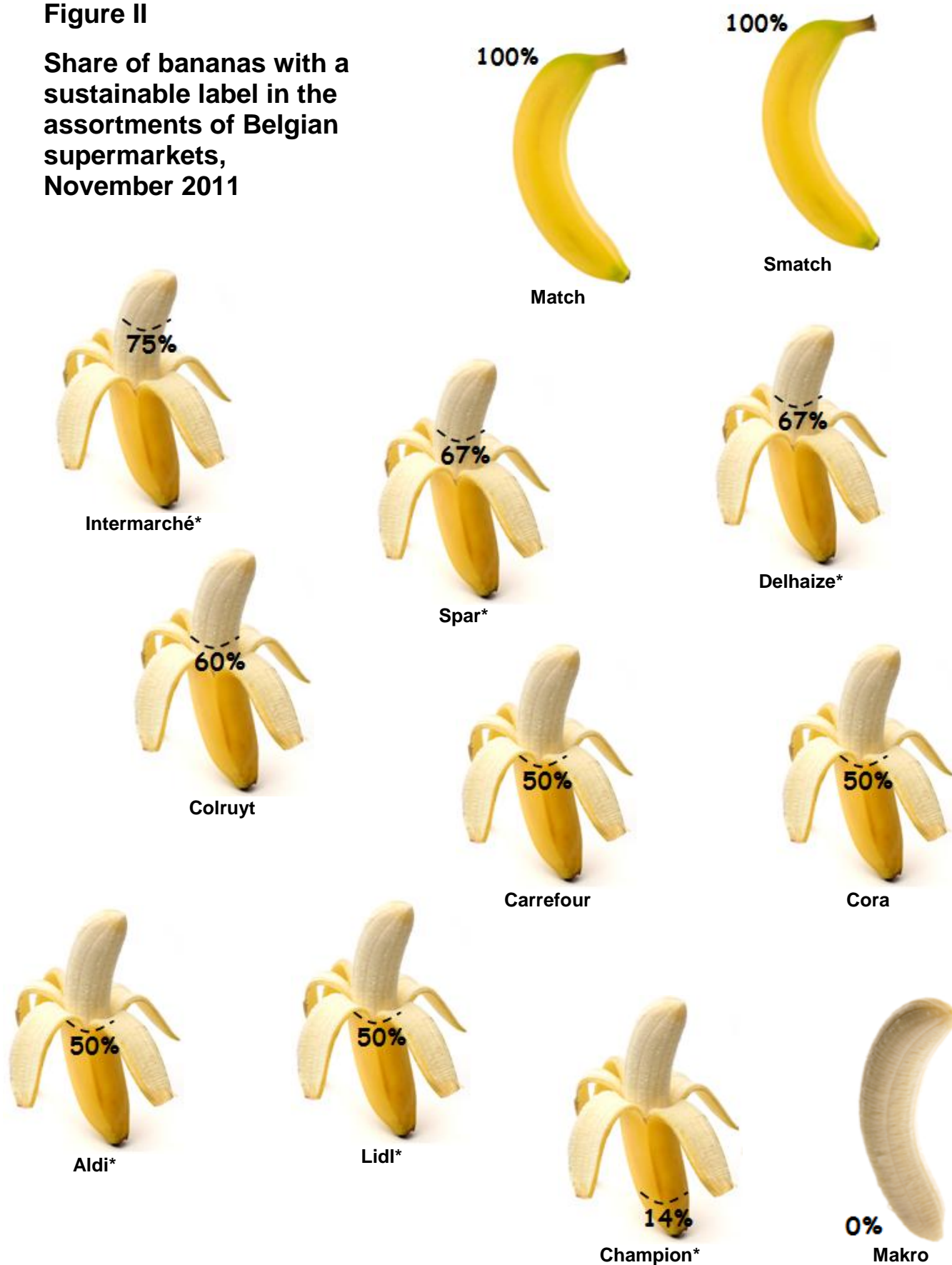
The percentages in Figure II and III represent the estimated share of bananas that carry a sustainable label in the assortment, per supermarket.



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Figure II

Share of bananas with a sustainable label in the assortments of Belgian supermarkets, November 2011



*Confirmed by supermarket

Figure III

Share of private label bananas with a sustainable label in the assortments of Belgian supermarkets, November 2011



Lidl*



Delhaize*



Aldi*



Carrefour



Cora

*Confirmed by supermarket

2.4.1 Share of sustainable bananas per supermarket

The average availability of bananas with a sustainable label in the assortments of major supermarket chains in Belgium is 53% (in November 2011)¹³.

Match and Smatch are the frontrunners in the availability of bananas with a sustainable label, offering a 100% sustainable banana assortment. This can be explained by the fact that these supermarkets only offer one banana brand, Chiquita, which has a partnership with the Rainforest Alliance.

Intermarché, Delhaize, Spar and Colruyt scored above average, with an availability of bananas with a sustainable label at 75%, 67%, 67% and 60% respectively.

Half of the banana assortments of Aldi, Lidl Carrefour and Cora are sustainable. Champion has an availability of bananas with a sustainable label at 14%. Makro does not offer sustainable bananas at all.

Refer to Table II for an overview of sustainability labels available in the banana assortments of major Belgian supermarkets.

Table II Available sustainability labels for bananas per supermarket, November 2011

Supermarket	Rainforest Alliance	Max Havelaar/Fairtrade	Bio labels
Aldi			X
Carrefour	X	X	X
Champion	X		
Colruyt	X	X	X
Cora	X		
Delhaize	X	X	X
Intermarché	X	X	X
Lidl		X	
Makro			
Match	X		
Smatch	X		
Spar	X		

Source: Store visits in November 2011

2.4.2 Share of sustainable private label bananas per supermarket

Not all supermarkets offer private label bananas. Of the supermarkets that do, Delhaize, Lidl, Aldi and Carrefour have the highest availability of private label bananas with a sustainable label.

50% of Delhaize's private label bananas carry the Max Havelaar/Fairtrade and/or a bio label under the brand name 'Delhaize Bio'. Also 50% of Lidl's

private label bananas carry the Max Havelaar/Fairtrade label and a bio label under their own brand name Fairglobe. Half of Aldi's banana assortment carry a bio label.

33% of Carrefour's private label bananas carry the Max Havelaar/Fairtrade label under the brand name 'Carrefour Solidair'.

2.5 Future expectations

The Belgian market for sustainable bananas is expected to grow by an annual 10-15% in the next couple of years¹⁴. However, Belgium still lags behind in the availability of sustainable products compared to countries such as the Netherlands and the UK¹⁵.

Supermarkets will be an important player in raising awareness of sustainable bananas among consumers. Sustainable bananas are a good and consumer accessible way of increasing awareness about sustainability and fair trade. Supermarkets are increasingly discovering the benefits of this image of bananas and are using it as a way to attract more customers.

Delhaize, Lidl, Aldi and Carrefour have already taken the lead in making their private label banana assortment more sustainable. As Belgian consumers are increasingly aware of sustainability and fair trade, other supermarkets are expected to follow.

Carrefour

Carrefour has a private label product range with the name 'Carrefour Solidair' which carries the Max Havelaar/Fairtrade and/or a bio label. This product range also includes bananas. Carrefour is extending the range of their sustainable products continuously and with success: the number of private label organic food products increased by 59% between 2007 and 2010 and the number of private label products with the Max Havelaar/Fairtrade label even increased by 220%¹⁶.



Delhaize

Delhaize introduced Max Havelaar/Fairtrade certified products into their assortment in 1990. In 2002, they launched a new quality label 'Controle & Origine'. This label is used for some of their private label products and guarantees that the products are produced in a sustainable way.

Delhaize participated actively in the Belgian Fairtrade week from 5-15 October 2011 by promoting Fairtrade products in their supermarkets and introducing new Fairtrade products into their assortment.

During the first semester of 2011, the sales of Fairtrade products in Delhaize supermarkets increased by 10% compared to the same period in 2010. Fairtrade bananas showed the highest growth at 23%.



Delhaize enjoys a leading position in the availability of sustainable products. Thanks to their efforts, Fairtrade products are gaining ground in Belgium and Delhaize is planning to further extend their Fairtrade assortment¹⁷.

Champion

Supermarket chain Champion has a separate section with sustainable products from the brand 'Ethiquable' which carry the Max Havelaar/ Fairtrade label and/or a bio label. However, this does not include bananas.

In 2012, Champion is planning to introduce sustainable private label bananas to their assortment by working together with Carrefour and offering private label bananas from the brand 'Carrefour Solidaire'. The private label bananas of Carrefour Solidaire carry the Max Havelaar/Fairtrade and/or a bio label¹⁹.

Colruyt

Colruyt has been investing in a sustainable development policy since 1990, which includes various areas: product sourcing, retail investments and consumption at consumer level. They are already well advanced in improving sustainability and the availability of sustainable products in their assortment is just a part of their sustainable development policy. Colruyt has a clear objective to further improve their sustainability at different levels (ecological, social and economic).

In 2005, Colruyt started with the 'Colibri for education' project. Herewith, they launched a range of private label products with the Colibri label, including all typical products from developing countries, as well as bananas.

Colibri products carry at least one sustainable label such as Rainforest Alliance, Max Havelaar/Fairtrade or a bio label. Furthermore, Colruyt invests 5% of the price of products in education projects in developing countries. The supermarket chain is planning to extend their range of Colibri products even more, as they expect demand for sustainable products to rise²⁰.



Lidl

As a result of increasing customer demand for Fairtrade products, Lidl decided to introduce private label Max Havelaar/Fairtrade certified products into their assortment under the name 'Fairglobe' in 2008. These products also include bananas. Enthusiastic reactions from their customers have made Lidl decide to expand their Fairglobe assortment even more¹⁸.



Spar

Supermarket chain Spar has left many of the decisions regarding stocks up to its franchises. This means that the products offered in Spar supermarkets vary greatly between different locations. In general, it can be said that consumers mostly have a choice between a sustainable and non-sustainable product.

Bananas are by far the product that has seen the largest increase in sustainable sales. From 2010 to 2011, sales went up by 75%²¹.

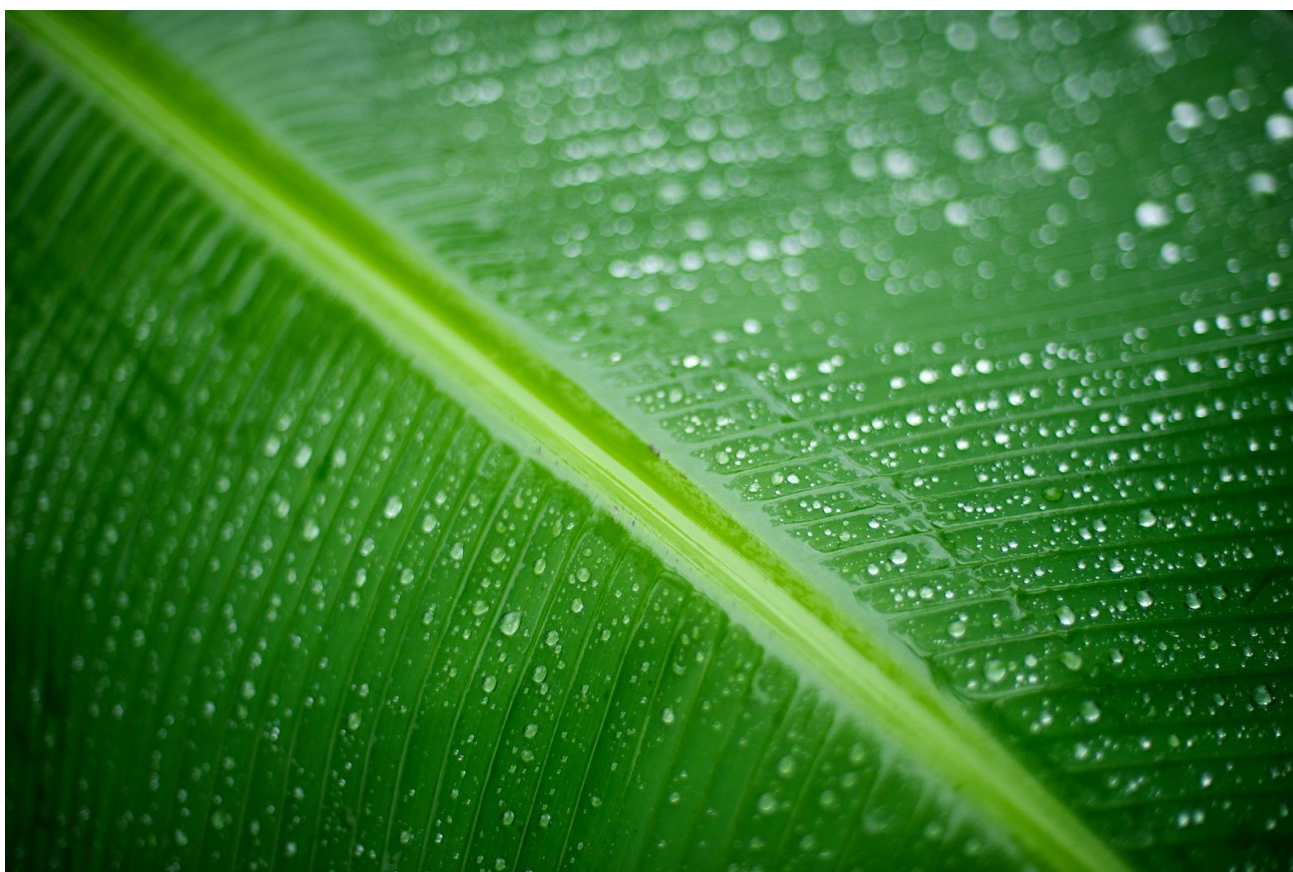
Not only are Belgian supermarkets increasingly offering bananas with a sustainable label, other sales points are also arising. Specialised organic retailers and catering companies are increasingly turning to sustainable bananas as well. Catering company Sodexo for example, recently decided to only serve 100% bio bananas with the label of Max Havelaar/ Fairtrade.

Intermarché

The assortment of Intermarché supermarkets can differ per store, as the store managers are not only buying from a centralised purchasing department, but can also order directly with suppliers.

Intermarché introduced Fairtrade products into their assortment several years ago. Nowadays over 120 products with the Fairtrade label can be found on their shelves, including bananas.

The objective of Intermarché for 2012-2014 is to expand the offer of sustainable products and create more awareness about sustainability among their clients. At the beginning of 2012, they are planning to work directly with a supplier of sustainable products so that the centralised purchasing department can offer a wider range of sustainable products²².

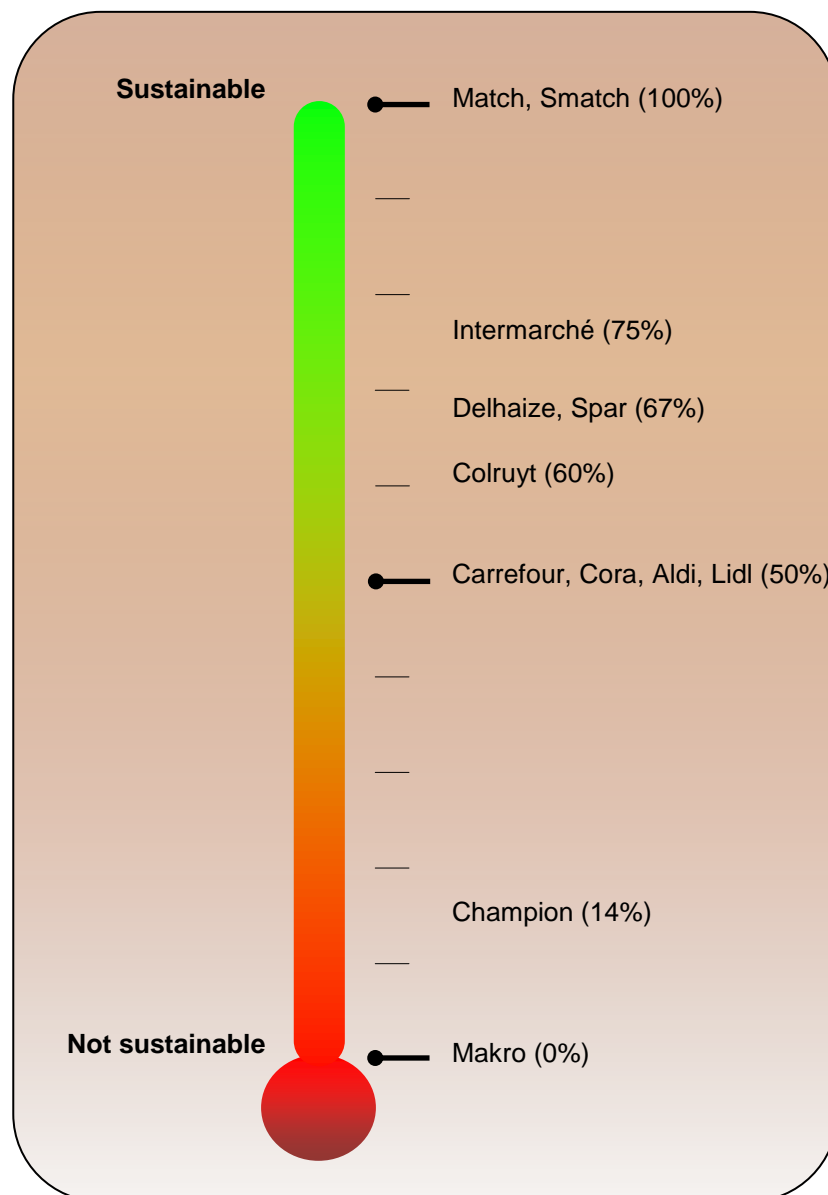


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3. CONCLUSION

Which Belgian supermarkets currently have the most sustainable banana assortment? Take a look at the sustainability meter below and decide for yourself!

The percentages represent, per supermarket, the average share of the total banana assortment that carries a sustainable label²³.



SOURCES

- ¹ GfK PanelServices Benelux (2010)
- ^{2/3/4} ITC Trade Map, HS code 080300 'Bananas including plantains, fresh or dried' (2011)
- ⁵ CBI Market survey: 'Fresh bananas in Belgium' (2011)
- ⁶ GfK PanelServices Benelux (2011)
- ⁷ Fairtrade Labelling Organisation (FLO, 2009)
- ⁸ Interview with Laurent Verheylesonne, Max Havelaar Belgium
- ⁹ Bioforum Vlaanderen (2011)
- ¹⁰ <http://www.retaildetail.eu> (2011)
- ^{11/12/13} Store visits during 22-24 November
- ¹⁴ Interview with Laurent Verheylesonne, Max Havelaar Belgium
- ¹⁵ Interview with coffee roaster Rombouts (2011)
- ¹⁶ Carrefour 'Annual Activity and Sustainability Report' (2010)
- ¹⁷ Delhaize website (2011)
- ¹⁸ Max Havelaar the Netherlands
- ¹⁹ Interview with head office of Champion
- ²⁰ Interview with SCR managers from Colruyt
- ²¹ Interview with purchaser of Spar
- ²² Interview with sales developer of Intermarché
- ²³ Store visits during 22-24 November

USEFUL SOURCES

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