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## BANANA EXPORTS

### EU weighs tariffs on WTO's scales

In order to comply with WTO rules the EU must revamp its tariff laws for bananas. The plan the EU formally proposes will raise tariffs for Latin American banana growers and lower taxes for other regions.

**BRUSSELS, Belgium** - (AP) -- The European Union on Monday formally proposed an overhaul of its banana import program at the World Trade Organization with a tariff that has been criticized by exporters from Latin America and their competitors in Africa and the Caribbean.

The EU says the 230 euro (\$300) per ton tariff it is proposing as of Jan. 1, 2006, will strike a balance between the demands of large-scale growers in Latin America and interests of traditional suppliers in Africa and the Caribbean.

Under the system, the new tariff will apply to Latin American nations, replacing a system of tariffs and quotas which the EU has to change under WTO rules.

The EU says it will continue to grant favorable access to its markets to the smaller Caribbean and African producers.

EU Agriculture Commissioner Mariann Fischer Boel said the new system would "safeguard the sometimes conflicting interests of our consumers, producers and trading partners."

Caribbean producers had hoped the EU would settle for a 275 euro (\$358) per ton tariff, while Latin American exporters had pushed for 75 euros (\$98) per ton. The eventual figure will have to be agreed in arbitration at the WTO.

Latin American producers and banana companies based in the United States have long complained about EU rules favoring Caribbean and African producers. The smaller producers say they risk getting squeezed out of the market.

EU officials say Latin American bananas currently have around 60 percent of the market, while African and Caribbean producers have 20 percent.

Bananas grown in the EU -- mostly on Spanish and French islands -- account for another 20 percent.