The EU will not apply measures to banana imports from Nicaragua

The European Commission has agreed this week not to suspend the preferential customs tariff on imports of bananas from Nicaragua, although they have already exceeded the limit of imports

foreseen in their agreement with the European Union for the whole year from the same month of March.

Imports of bananas from third countries to the European Union have continued to grow as a result of the reduction of tariffs granted to the countries of the Americas and Africa, without the Community production defense mechanism established in the trade agreements having been applied since its establishment. .

Nicaragua has been the last country to exceed the limit of imports foreseen by the European Union in its tariff reduction agreement, since March 25 exceeds the 14,500 tons established in the agreement for the entire year 2019.

The Commission's assessment, based on the evolution of the EU market in January and February, establishes that imports from Nicaragua do not have negative consequences due to their small volume and because they consider that they have not affected the production of the outermost regions.

The problem is that the European Union recognizes **that imports of bananas from Nicaragua have been 26% below the average price of the category,** which has caused that, despite their low volume, they have had a fall effect. the prices of the banana in general.

To this is added that the European Union has taken as a reference the impact of imports in the January and February 2019 period, instead of over the period after having exceeded the import limit established for Nicaragua. This takes on special relevance considering that this limit was exceeded in March and since April the situation of the European banana has been suffering an important deterioration.

"Once again, the European Commission **rejects the application of the measures provided for in international agreements as mechanisms of protection and stabilization for the defense of the community banan**a sector, so that the effect called is unquestionable," said Domingo Martín, president of ASPROCAN . "It is worrisome to see how a decision is applied in the month of June, months after the breach, making data on the months of January and February, and without taking into account the pace of exceeding the threshold or how they are affected today the banana productions of the EU that are experiencing a strong market crisis. "