

Confidential Filing

UK Relations with the
Windward Islands.

WINDWARD

ISLANDS

February 1985.

Referred to	Date	Referred to	Date	Referred to	Date	Referred to	Date
15-2-85.							
<p>PREM 19/2003</p>							

PARLIAMENTARY SECRETARY'S VISIT TO THE WINDWARD ISLANDS:
23-30 JANUARY 1985

(Miss West's minute of 18 January to me refers).

1. At the invitation of the Governments of the banana-producing Windward Islands, the Parliamentary Secretary, accompanied by Mr Fenner, Mr Thomas (Head of Tropical Foods Division) and me, paid an official visit to St Lucia, Dominica, Grenada and St Vincent from 23-30 January.

(Programme at Annex 1). The Parliamentary Secretary had also been invited by Prime Minister Seaga to visit Jamaica from 30 January to 4 February. Unfortunately, this leg of the tour had to be abandoned as the Parliamentary Secretary was called back to London to vote against an Opposition censure motion on Thursday 31 January. Mr Thomas proceeded alone with the planned programme.

2. The purpose of the visit was to impress upon the Windward Islands' Governments, the Banana Growers' Associations and the farmers themselves, the need to improve banana quality as a quid pro quo for their continued enjoyment of preferential access on to the UK market (as recognized in Protocol 4 of the 3rd EC - ACP Convention of Lomé).

Throughout her visit, the Parliamentary Secretary stressed the essential interest of the UK consumer in getting the highest possible quality of banana as the other side of the bargain which gives the Windward Islands an assured market for all bananas of exportable quality.

3. To this end, the Parliamentary Secretary had meetings with the Prime Ministers of all four islands and with the Ministers of Agriculture of St Lucia and St Vincent. (Notes of meetings at Annexes 2 to 5). She also made, on each island, extensive field tours encompassing stops at banana farms, packing stations and Inland Buying Depots to see for herself the effectiveness of the measures - such as the adoption of "sleeving" and the "field pack system" and the establishment of IBD's - being taken to improve banana quality. On St Lucia, the Parliamentary Secretary visited the WINBAN Research and Development Centre at Roseau and on St Vincent examined quality assessment procedures on the dockside prior to loading on to one of Geest's ships.

4. The visit had been arranged to coincide with the biannual meetings of the bilateral Monitoring Committees on Banana Quality. The third meeting of the Windward Islands/UK Monitoring Committee was accordingly chaired jointly by the Parliamentary Secretary and Mr D'Auvergne, the St Lucia Minister of Agriculture. (Annotated agenda at Annex 6. Minutes of Meeting at Annex 7. NB. These minutes have yet to be agreed and should therefore be treated as a draft.)

5. Considerable interest was shown in the Parliamentary Secretary's visit by the local press and radio, and the Parliamentary Secretary gave interviews on all the Islands visited. The questions put to the Parliamentary Secretary reflected a considerable understanding of the industry's and the Islands' situation. The main areas of interest were the strength of the UK's commitment to maintaining a protected market in the light of pressures to open it up; the exchange rate and the possibilities for increased aid; the content of discussions with Prime Ministers; and the Parliamentary Secretary's general impressions of her visit. Every opportunity was taken to congratulate the Islands on achievements so far and to exhort them to continued efforts. Less sympathetic interest was also shown by the UK press: one newspaper managing to track down the Parliamentary Secretary in Dominica, where she gave an interview by 'phone.

6. There is no doubt that the visit had a political impact extending well beyond the central issue of bananas. Senior figures on the Islands, clearly took the Parliamentary Secretary's presence as an earnest of the UK's continued commitment to the area. (This view has subsequently been confirmed by Mr Littlefield, BHC representative on St Lucia.) There was also a clear understanding, extending down to the level of the farmer in the field, of the Islands' dependence on the protected UK banana market for their continued economic survival. Against this background, the "stick and carrot" approach taken throughout the visit seems to have been confirmed as the right one.

7. Throughout the visit, the Parliamentary Secretary was accompanied by Mr Ivo Sinson (President, WINBAN), Mr Cyril Matthew (Managing Director, WINBAN), Mr Charles Cadet (UK representative, WINBAN), Mr Ray Hilborne (Managing Director) and other senior executives of Geest Industries and by technical experts (including those from DEVDIV). (A list of the main personalities is at Annex 8).

8. A press release issued on the Parliamentary Secretary's return is at Annex 9.

A A D McKerrell

Circulation - attached

A A D McKerrell
15 February 1985

Circulation

Mr Llewelyn + 1
Mrs Stagg
Mr Scrutton
Mr Osmond
Mr Andrews
Mr Mason
Mr Hadley
Mr Myers
Mr Cocking
Mr Thomas
Mr Colmer + Annexes 1-5 only
Mr Nunn + Annex 1 only
Mr Shepherd + " " "

P/S No 10
P/S Secretary of State FCO
Mr Sanderson WIAD FCO - plus 5*
Mr Crowe ECD(E) FCO
Mr Anning ODA
Mr H R Owen Overseas Trade 5, DTI

* Grateful for onward transmission to St Lucia, Grenada,
St Vincent, Barbados, Jamaica

PARLIAMENTARY SECRETARY'S VISIT TO THE WINDWARD ISLANDS:
23-30 JANUARY 1985

PROGRAMME

Wednesday 23 January

- 09.45 Depart Heathrow - Flight BA 257 - (+ Mr Fenner, Mr Thomas, Mr McKerrell)
- 17.50 Arrive Hewanorra Airport, St Lucia. Met by Prime Minister's Private Secretary/WINBAN/BGR (Mr Littlefield)
- Drive to hotel, Castries
- 20.00 Arrive Castries

Thursday 24 January

- 09.30-10.30 Courtesy call on Prime Minister (Mr Compton) and Minister of Agriculture (Mr D'Auvergne)
- 10.45-17.30 Depart SLBGA on field tour, including visits to Odsan IBD, Model Farms, WINBAN Research and Development, Estates
- 18.45 Leave Hotel
- 19.00-22.00 Buffet Supper: Host Geest Industries on board Geestar 154

Friday 25 January

- 07.15 Leave hotel
- 08.30 Depart St Lucia (Vigie) - flight LI 340
- 09.35 Arrive Dominica (Canefield) - met by representative of Ministry of External Affairs and Miss Bull (BHC Barbados)
- 10.00-11.00 Courtesy call on Prime Minister (Miss Charles)
- 11.00-16.00 Field tour and picnic lunch, courtesy of DBMC. Interviews with local press
- 17.20 Depart Dominica - flight LI 345
- 18.30 Arrive St Lucia
- Evening free

/Cont'd ...

Saturday 26 January

- 09.30 3rd Meeting of Monitoring Committee on Banana Quality (Castries)
- 12.45 Press interviews
- 1.00 Lunch at house of British High Commission Representative

Sunday 27 January

- 09.00 Leave hotel
- 09.30 All day boat trip along west coast of St Lucia, arranged by St Lucia Government (Mr Compton and Mr D'Auvergne both present)

Monday 28 January

- 07.15 Leave hotel
- 08.00 Depart St Lucia (Vigie) by charter for Grenada
- 10.00 Courtesy call on Prime Minister (Mr Blaize)
- 11.00-18.00 Field tour arranged by Grenada Banana Co-operative Society (GBCS)
- Interviews with local press
- 18.30-20.30 Reception hosted by Deputy Minister of Agriculture (Mr Alexander)
- Overnight in Grenada

Tuesday 29 January

- 08.00 Leave hotel
- 09.00 Leave Grenada by charter for St Vincent
- 09.30 Arrive St Vincent. Met by BHC Representative (Mr Syratt) and representative of Ministry of Foreign Affairs
- 10.00-11.00 Courtesy call on Prime Minister (Mr Mitchell) and Minister of Agriculture (Mr Griffith)
- 11.00-16.30 Field tour arranged by St Vincent Banana Growers Association (SVBGA)

/Cont'd ...

Tuesday 29 January (Cont'd)

17.00 Leave St Vincent by charter for Barbados
17.45 Arrive Barbados. Met by BHC Representative
(Miss Bull)
Overnight in Barbados

Wednesday 30 January

In Barbados
21.30 Leave Barbados - flight BA 256 for London

Thursday 31 January

11.00 Arrive London (Heathrow)

MEETING WITH PRIME MINISTER COMPTON AND MR IRA D'AUVERGNE,
MINISTER OF AGRICULTURE: ST LUCIA: THURSDAY 24 JANUARY

Also present: Mr I Sinson)
 Mr C Matthew) WINBAN
 Mr C Cadet)
 Mr R S Thomas) MAFF
 Mr D Littlefield) BHC

1. The Parliamentary Secretary began by emphasising the continued commitment of the UK to providing preferential access to Windward Island bananas. She expressed the appreciation of the UK for the Windward Islands' efforts to reach agreed quality targets and stressed the link between security of access and quality. However, she had noticed a dramatic fall in quality last autumn.
2. Prime Minister Compton explained that this has largely been due to the introduction of the new field pack system which farmers had now got used to. However many factors, such as hurricanes, plant disease and difficulty in getting oil supplies for use in fungicides had also affected quality. The introduction of the system whereby bananas were inspected by the BGA at the IBD's before being sent on to the docks was providing valuable quality control. Mr Compton expressed his gratitude to the UK for maintaining the protected market in spite of pressures from ACP countries and the EC. St Lucia growers had to be made aware of the problems the Windward Islands faced and must respond by improving quality.
3. The Parliamentary Secretary said, with this in mind, she hoped that the planned visit by a group of St Lucia growers would go ahead in spite of the death of Mr Shaw at whose initiative the visit had largely been planned, so that they could see the quality of their own fruit when it arrived in the UK and also the quality of the competition. She understood that the COI hoped to make a film of this visit which, when shown in St Lucia, would serve to reinforce the message. Mr Sinson confirmed that this visit was planned for later in the year.
4. Mr Compton asked how the recent changes to the dollar banana licensing system were working. The Parliamentary Secretary, supported by Mr Thomas, said that the new system had only been in operation for 3 months, but was working well and the indications were it would continue to do so.
5. The Parliamentary Secretary expressed her appreciation of Mr Cadet's contribution to the Banana Trade Advisory Committee. She was aware that he would have liked a stronger Protocol 4. In response, Mr Cadet said that the way the protocol was implemented was as important as the wording. He mentioned the pressures the UK was under with regard to the authority granted by the Commission

to restrict imports ...

to restrict imports of dollar bananas. Mr Thomas explained that the Irish Republic wanted conditions to be attached to ensure the continued flow of bananas through Cork and that the Commission were disposed towards the Irish. Currently the UK's protective powers were being rolled forward a month at a time. There had been contact at senior official level between the parties concerned, the UK was standing firm and would press for protective powers to be authorized for a year at a time. However, Ministers might soon have to decide whether to fight the Commission through the courts and it was likely that some small compromises would have to be made.

5. There was also some discussion about the effects of the exchange rate during which the Parliamentary Secretary made the points that the problem was the strength of the US dollar rather than the weakness of the £. The fact that the FT index was up to record levels showed confidence in investment in the UK. This would be a good time for St Lucia to import from the UK and using the Geest ships would be effective in terms of reducing freight costs. Prime Minister Compton said that St Lucia was trying to increase imports from the UK but had been experiencing difficulties getting suitable delivery dates. The Parliamentary Secretary said she would be grateful to hear about specific cases.

MEETING WITH PRIME MINISTER EUGENIA CHARLES: DOMINICA:
FRIDAY 25 JANUARY

Also present: Mr C Matthew)
 Mr C Cadet) WINBAN
 Mr R S Thomas MAFF
 Miss S Bull BHC Barbados

1. Prime Minister Charles began the exchanges in a direct way by expressing the view that the UK would continue its commitments to provide preferential treatment for Windward Island bananas because of our considerable investment in supporting them so far. She made a direct request for a "soft loan" of about £2 million or so to clear off the existing debts of the Dominica banana growers. Currently, she claimed, farmers were getting virtually no reward for their labours because aid was going entirely to service debts and because of the \$/£ exchange rate which, she claimed, meant that in real terms farmers were only getting half the amount they were being paid in 1980, when the exchange rate of roughly £1 to 6 EC \$. She stressed the efforts Dominica farmers had made to improve their production methods, such as adoption of deflowering and the field pack system.

2. After stressing the UK's continuing commitment to the protected market and pointing out that the UK was also affected by the strength of the US \$, the Parliamentary Secretary said she had noted that total Windward Island banana exports for 1984 were at their highest level for 15 years and that total export earnings in EC \$ terms were also up. She pointed out, also, that imports from the UK would be very competitively priced and that the banana freight rate would be significantly reduced if Geest boats were more used for this purpose on the outward journey.

3. Miss Charles, supported by Mr Cadet, claimed that the exchange rate was not working to the Islands' advantage as most fertilizers were priced in dollars and as many suppliers built into their quotations a "hedge" against exchange fluctuations. She went on to emphasize the crucial importance of increasing inputs (primarily fertilizers) into banana growing. This was currently being held back because of the high cost and the need for the BGA to service existing debt. (In the first half of 1983, Miss Charles claimed Dominica farmers owed EC \$ 1.3 million more than in the first half of 1982.) Nevertheless, she could see, she said, that the UK was not going to provide a "banana £".

4. The Parliamentary Secretary said that not only would a "banana £" constitute an unacceptable precedent but that the UK did not believe it to be the most effective form of aid. She pointed out that current banana aid equated to EC \$ 21 for every ton of bananas taken by the UK. She said also that Mr Raison had offered to consider other proposals for ways the UK could help if these were put forward by the Windward Islands.

5. Miss Charles also talked about the social aspects of maintaining employment for farmers on the land. The Dominica economy was always going to be based on agriculture. Bananas were therefore essential to the country's survival.

6. The Parliamentary Secretary congratulated Miss Charles on the improvements in quality already made by the Dominica banana producers. Increased quality meant better returns for the farmer and pleased the UK consumer.

7. The meeting concluded with some general discussion during which the Parliamentary Secretary emphasized the value of the close co-operation the UK received from WINBAN, especially Mr Cadet, and from the Dominica High Commission in London (Mr Shillingford) and expressed sympathy for the recent hurricane and flood damage.

MEETING WITH PRIME MINISTER BLAIZE: MONDAY 28 JANUARY: GRENADA

Also present: Mr I Sinson)
 Mr C Matthew) WINBAN
 Mr C Cadet)
 Mr A Isaacs)
 Mr R S Thomas MAFF

1. The Parliamentary Secretary, as the first British Minister to visit the island since its general election, began by congratulating Grenada on its return to Parliamentary democracy. She then went on to state the UK's commitment to maintaining a protected market for Windward Islands bananas, but stressed that within this commitment it was nevertheless essential for the Islands to maintain and improve banana quality. She was pleased to see the improvements which had resulted in all the Islands from such measures as the adoption of the field pack system and the setting up of IBDs.

2. Mr Sinson mentioned that WINBAN directors had visited the Grenada Minister of Agriculture in December because they were concerned about the poor quality of Grenada fruit. Poor field sanitation had, to a large extent been responsible for this, and WINBAN extension officers had been supplying technical aid. Nevertheless, a serious quality problem did exist. Mr Matthew pointed out that meetings had also been held with the General Manager of the Grenada Banana Co-operative Society (Mr Isaacs) and a package for improvements had been agreed. The main need was to maintain the enthusiasm of farmers for quality improvements. Mr Isaacs explained that a two-pronged approach was being adopted: to improve banana quality and to increase production to economic levels. With regard to this latter point, Mr Cadet said that the importance of inputs, such as fertilizers, should not be forgotten.

3. In reply, Prime Minister Blaize said that he was aware of the pressures in the UK to open up the banana market. Grenada would do all it could to improve and sustain quality. The importance of the extension service was well recognized and Mr Blaize had written personally to the Prime Minister of Jamaica asking for help in this area. Mr Blaize was well aware of the vulnerability of Grenada agriculture (and hence the economy) based, as it was, on three crops: nutmeg, cocoa and bananas, especially as there was currently a world oversupply of nutmeg. Above all, Grenada would like to see a rise in the value of sterling. Mr Blaize floated the idea of setting up an "international commodity currency" (perhaps similar to the ECU within the EC) so that commodity markets would not be dependant on any one currency. There then followed some general discussion on exchange rates during which the Parliamentary Secretary pointed out that the UK was also suffering from the effects of the strength of the US \$.

MEETING WITH PRIME MINISTER MITCHELL AND MR GRIFFITH,
 MINISTER OF AGRICULTURE: ST VINCENT: TUESDAY 29 JANUARY

Also present: Mr Sinson)
 Mr Matthew) WINBAN
 Mr Cadet)
 Mr John Ministry of Foreign Affairs
 Mr Syratt BHC Representative
 Mr Thomas MAFF

1. Most of the discussion revolved around familiar preoccupation: Mr Mitchell began by expressing his appreciation of the Parliamentary Secretary's visit. He then went on to express some sympathy for the UK because of the decline of sterling! The low value of European currencies generally against the US dollar was also affecting other aspects of the St Vincent economy, such as tourism, because airline tickets were priced in dollars and because American tourists had more incentive to holiday in "cheap" Europe rather than in St Vincent. Devaluation of the EC \$ would not be a solution because it would make imports more expensive. Mr Griffith supported this. St Vincent farmers were increasing both quality and quantity but the low returns led to a lack of incentive.
2. The Parliamentary Secretary expressed her understanding of the problem but pointed out that the use of aid to compensate for fluctuations in exchange rates would be an unfortunate precedent and would not be the most efficient use of resources. Nevertheless, she noted that total Windward Island exports of bananas to the UK were at their highest level for 15 years reflecting the significant improvements in quality. She also pointed out the benefits of a low £ for imports.
3. Mr Mitchell said that St Vincent still had a substantial volume of trade with the UK, for example, in electrical goods. However, importers had experienced long delays over the processing of orders and in delivery dates when dealing with UK firms - which also had an unfortunate tendency to go into liquidation. As far as specifically agricultural inputs were concerned, Mr Sinson said that St Vincent was not currently importing from the UK. Tenders for the annual contracts were currently under consideration. UK (and Italian) suppliers were both prepared to offer quotations in US or EC \$.
4. Mr Mitchell expressed some pride in St Vincent farmers (who are comparatively progressive). As well as bananas, they also produced considerable amounts of fruit and vegetables, arrowroot and tobacco. More sophisticated techniques, such as planting annual crops in rotation, were being adopted. St Vincent was the first of the Windward Islands to enact legislation on banana quality. (A copy of this legislation was provided.) Mr Mitchell

was well aware that it was impossible to improve quality solely by legislation, but it gave guidance to growers and showed that the Government was serious in its exhortations. He was also aware of the need to maintain improvements once they had been achieved and of ensuring that the bananas were of suitable quality when they reached the UK consumer. Mr Sinson explained the coding system whereby each pack could be traced back to the grower from the UK. Mr Matthew explained the system of wharf assessment. Mr Mitchell then asked why, as Grenada presumably also applied these checks, their banana quality had not improved to the same extent as the other Islands. Various explanations were offered: the political problems; the relatively low adoption of field pack; the fact that bananas were Grenada's third crop after nutmeg and cocoa. Mr Sinson mentioned that the Prime Minister was taking a personal interest in improving Grenada's extension service.

5. During the course of discussion, Mr Cadet explained to Mr Mitchell the improvements made to Protocol 4 of the 3rd Lome, and the pressures the Irish Republic were putting on the UK's protective powers. Mr Thomas explained that these powers were being rolled over from month to month. The Irish were gratuitously trying to improve their position on the UK market. Ultimately, it would be for Ministers to decide how to respond. The Irish case was, however, indicative of the problems the UK Government faced in protecting the market.

WINDWARD ISLANDS/UK MONITORING COMMITTEE ON BANANA QUALITY
- THIRD MEETING - WINDWARD ISLANDS : JANUARY 1985

ANNOTATED AGENDA

Introductory remarks could include a reminder that the Monitoring Committee was specifically set up to review progress towards fulfilment of the Joint Memorandum on Banana Quality (5 December 1983).

1. Adoption of Agenda.
2. Minutes of The Second Meeting (M2)
3. Windward Islands production situation and prospects

	<u>1984/85 (15 months)</u>	<u>1985 (calendar year)</u>
Estimate made at BTAC (Dec. 1984) :	170,000 tonnes	140,000 tonnes
4. UK market situation
5. Targets : Progress Report (see Joint Memorandum and paras 8-12 of M2)
 - (a) field pack as percentage of total production from each island (para. 8)
 - (b) top quality grades as percentage of total exports
 - weighted average approach (see Annex 2 of M2)
 - scale of departure from average.
6. Fruit Quality Authority (see paras. 13-16 of M2)
 - (a) Legislation-
 - state of play (para 13)
 - Have there been any meetings of The Banana (Protective and Quality Control) Committee? (para .14)

(b) Increased monitoring of growers.

- progress towards 100% inspection and development of Inland Buying Depots (para. 15)
- Committee to be provided with 'family tree' of staff employed by the Authority (para. 16)

7. Field pack system (see appendix to Brief No.11)

(a) education of farmers - progress report

- help provided by extension services.
- action taken under existing powers to impose enforcement of quality standards of field-pack.

(b) Latex staining (see paras. 17 and 18 and Annex 3 of M2)

- results produced by Geest R & D Dept. (Annex 3)
- provision of research assistance by Tropical Development and Research Institute for investigating the possibility of developing improved techniques (para. 18)

(c) Trials on treatment of banana crowns (see para 17 of M2)

- results of various trials undertaken, e.g. time allowed for latex drainage prior to packing
- WINBAN exploring economics of using a thicker and more absorbent, but more costly, pad which might avoid the need for "bleeding"
- use of hold-down device to prevent detachment of crown pad during transit.

8. Fruit Quality Improvement Project : Progress Report (see para. 20 of M2)

- results achieved so far in relation to the proposals for aid approved by DEV DIV.

9. Seasonality of Production : Progress Report (see para 21 of M2)

- means of securing a better adjustment of peak production away from the winter period, report required on project testing:

- (i) re-planting of holdings; -
- (ii) follower training; and -
- (iii) cutting back. -

10. Use of collapsible boxes : Progress Report (see para. 22 of M2)

- WINBAN carrying out research into carton design.

11. Any other business

12. Date and place of next meeting

- Early Autumn 1985 in London.

WINDWARD ISLANDS/UK MONITORING COMMITTEE ON BANANA QUALITY

DRAFTNOTE OF THIRD MEETING HELD AT LA TOC HOTEL, CASTRIES ON
SATURDAY, 26 FEBRUARY 1985

Present

The Hon I D'Auvergne, MP	- Minister of Agriculture, St Lucia
Mrs P Fenner, MP	- Parliamentary Secretary, MAFF
Mr R S Thomas,	- Tropical Foods Division, MAFF
Mr I Sinson,	- Chairman, SVBGA and President, WINBAN
Mr C Matthew	- Managing Director, WINBAN
Mr C Cadet	- WINBAN (East Caribbean High Commission, London)
Mr W Ryan	- SVBGA
Mr V J Charles	- Chairman, DBGA
Mr R Fernand	- Chairman, SLBGA
Mr M Lansiquot	- SLBGA
Mr A Issac	- GBGCS
Sir W Branch	- Grenada
Mr D McLeish	- Ministry of Agriculture, Grenada
Mr H Atkinson	- Chairman, WINBAN Research
Dr F England	- Acting Director, WINBAN Research
Dr E Reid	- WINBAN Research
Mr B Laville	- WINBAN Research
Mr D Mackay	- WINBAN
Mr C Borton	- WINBAN
Mr D Littlefield	- BHC, Castries
Mr A D D McKerrell	- Private Secretary to Mrs Fenner
Mr R Hilborne	- Geest, UK
Mr J Hailwood	- Geest, WI
Mr F Leonce	- Geest, WI

1. The Hon Mr D'Auvergne, welcoming Mrs Fenner to the Windward Islands, stressed the common desire of the banana community on the Islands to achieve high levels of quantity and quality in the knowledge that the survival of the industry depended on satisfying

the customer. He pointed, however, to the economic pressures on growers and the essential and continuing need for a protected market in the UK.

2. In reply, Mrs Fenner said what a great pleasure it was to her to be able to visit the islands at the kind invitation of Prime Minister Compton, and how much importance she attached to the visit. She had already learned a great deal from her visits to St Lucia and Dominica and looked forward to visiting Grenada and St Vincent in the following few days. Mrs Fenner assured Mr D'Auvergne of the continuation of a protected market, but stressed that equity and the consumer interest required a truly competitive product.

3. The agenda and the minutes of the second meeting, both already circulated, were adopted. The meeting had before it a memorandum giving an up-to-date report on the banana industry's performance, prepared by WINBAN.

4. Mr Matthew spoke on the production situation and prospects. 145,144 tonnes was the current forecast for 1985. The production achieved would depend on the level of returns and the subsequent expenditure on inputs. Returns to growers, in EC £ per tonne, were down 3% in 1984 over 1983. Some 17.78m EC £ had been lost to the industry in 1984, of which the majority was attributable to the declining value of sterling.

5. There was a discussion on the possibly increased problem of "left backs" as production continues to rise, and of the high costs of chartering additional shipping to cope with exceptional production peaks.

6. Mr Hilborne reported on the UK market situation. 1984 had generally seen an orderly market. After a slight disturbance in late October, the market had been tightly controlled over the critical Christmas period and returns to growers had kept up well without detriment to the consumer. The recent exceptionally cold weather

meant that too many bananas were currently chasing too few customers. Prices were poor but might be expected to improve in a month or so as the expected rise in price of dollar fruit - reflecting its relative scarcity - would lift the UK market price generally. Mr Hilborne was not pessimistic for 1985. Mr Thomas reported the changes made to the UK licensing arrangements following a Ministerial review in mid 1984. The need to avoid undermining the position of the preferential suppliers had been kept clearly in view. The changes had not made the market harder to manage. Mr Cadet accepted that analysis, but felt that the transfer of some licence to independent handlers increased the potential risk of destabilisation of the market. Representations made by the EC High Commission in London had resulted in independents' licences being "tranching" and this had proved helpful.

7. Mr Matthew reported on progress towards the agreed targets for quality. The data in Winban's memorandum (see tables at Annex) were discussed. In future, data would be for fruit shipped in a particular period (not arrivals). Historical data would be put on a comparable basis. It was agreed that performance against the agreed targets in the Joint Memorandum should be assessed over a longer timescale than one period (roughly one month), which might not be representative. Discussion should continue on an appropriate number of periods to be averaged with a view to early agreement. The next meeting would review performance against the June 1985 target on the agreed basis.

8. Mrs Fenner asked what the ultimate target for the proportion of production going to Field Pack might be. There was a consensus that St Lucia and St Vincent needed to consolidate and maintain quality. They could perhaps move ultimately towards 90% Field Pack. Grenada and Dominica doubted whether they could go beyond 70% Field Pack. Mr Atkinson pointed out that these percentages would come from only a small proportion of the growers: it would be impracticable to involve all the very small growers in Field Pack.

9. Examining the data for percentage of first and second grades, the Committee noted that Dominica had set itself a target out of line with the other islands. It was agreed to examine the implications of this at the next meeting.

10. Mr Hilborne complimented all the islands on the efforts that had been made. In response to a query from Mr Thomas about the trend in the proportion of fruit falling into the lowest quality grade, he said that there had been a considerable improvement in the cleanliness and marketability of Windward fruit, though there was still 10% or so which was not of acceptable quality.

11. Fruit Quality and Field Pack system: Mr Matthew said that although legislation had to date only been passed by St Vincent, it was at an advanced stage in the other islands, and the acceptance of the need for such legislation had enabled Winban and the BGAs to carry out their monitoring functions effectively. Mrs Fenner agreed that education was the most effective approach in the long term; she was impressed by the good relationships which had been engendered at Inland Buying Depots (IBDs). Mr Borton said that monitoring farmers was helped considerably by the introduction of IBDs. At present 100% of Field Pack was being inspected. He added, in the context of the education provided by extension services, the good farmers were increasingly critical of the poor farmers. Mr Borton also explained the advances being made in cutting and handling techniques in efforts to reduce latex staining, but he agreed with Mr Hilborne that bad draining of fruit was still the main cause of staining. Mr Borton then said that experiments had been made with various fungicides in an effort to improve crown pads which, if simply made thicker, would become even more expensive; the critical draining period is 2-7 minutes with a rapidly decreasing benefit after 3 minutes.

12. Fruit Quality Improvement Project: Approval for the budget for the improvement project was not given until September/October 1984; Winban have managed to use to date 70% of the budget but might not use it all in the current year. Co-operative groups had not found favour, so extension officers continued to be heavily involved.

13. Seasonality of Production: Progress has not yet been made with the project. Mr Hilborne emphasised the desirability of skewing production away from the winter months. This would also increase the Islands' revenue. Mr Atkinson pointed out that while fruit can be produced for early summer (April/May) by husbandry techniques, it is much more difficult to produce a heavy crop in late summer (August/September).
14. Collapsible Boxes: Mr Borton said that early tests had been encouraging but the first trial on shipping-scale had been a disaster; the rain had badly damaged the boxes which appeared to be made from inferior materials. Mr Hilborne endorsed that view and added that larger bananas now being produced in the Windwards was a complicating factor with existing boxes; larger boxes, however, could present difficulties with pallets, UK lorries, etc. Work on this continued at Winban Research and Dr England thought further trials should be conducted. Mr Borton said that figures were not yet available to assess the economics of collapsible boxes.
15. Any other business: Mr Sinson indicated that because of the importance of bananas to the islands and because of the problems arising from the Sterling/Dollar exchange rate, Winban would be putting proposals forward for aid assistance with, for example, inputs, herbicides, oil spray and research costs.
16. Summing up, Mrs Fenner acknowledged the importance of preferential access to the UK market and said that our negotiations in Lome were an indication of our realization of that importance. She complimented the Windwards on the extent of their achievement to date. Both the Windward and UK sides acknowledged, with appreciation, the roles played by those represented at the Committee in furthering the interests of the UK/Windward Island banana trade.
17. Date and Place of Next Meeting: It was agreed that the next meeting should take place in London in early Autumn this year.

ANNEX

WINDWARD ISLAND QUALITY PERFORMANCE AGAINST AGREED TARGETS

MID-YEAR REPORT

Percentage Field Pack Production ⁽¹⁾

	<u>June 83</u> <u>Actual</u>	<u>Jan.84</u> <u>Actual</u>	<u>June 84</u> <u>Actual</u> (2)	<u>June 84</u> <u>Target</u>	<u>Dec.84</u> <u>Actual</u>	<u>June 85</u> <u>Forecast</u> (3)	<u>June 85</u> <u>Target</u>	<u>June 86</u> <u>Target</u>
Dominica	18	29	38	33	53	51	40	50
St Lucia	50	72	76	64	87	82	73	85
St Vincent	38	59	71	60	82	79	70	80
Grenada	16	23	26	30	34	38	38	40

Weighted Percentage of 1st and 2nd Grades ⁽¹⁾

	<u>Period 12</u> <u>1983</u> <u>actual</u>	<u>Period 7</u> <u>1984</u> <u>actual</u>	<u>Period 12</u> <u>1984</u> <u>actual</u>	<u>June 1985</u> <u>forecast</u> (3)	<u>June 1985</u> <u>target</u>	<u>June 1986</u> <u>target</u>
Dominica	55	51	55	60	66	76
St Lucia	52	52	*	58	50	58
St Vincent	52	56	57	58	59	64
Grenada	37	42	38	49	58	63

*insufficient data.

Notes

- (1) Tables are expanded versions of those in Winban Memorandum circulated 26 January 1985.
- (2) Variation from figures given previously (September 1984) are due to the difference between loading data for period and UK assessment data for same period which do not refer entirely to the same fruit.
- (3) Confirmation of data previously given at time of second Monitoring Committee meeting.

PRINCIPAL PERSONALITIES

Rt Hon John Compton PC MP	Prime Minister, St Lucia
Hon Ira D'Auvergne	Minister for Agriculture, St Lucia
Hon Miss M Eugenia Charles	Prime Minister, Dominica
Hon Herbert A Blaize	Prime Minister, Grenada
Hon James Mitchell	Prime Minister, St Vincent
Hon Edward Griffith	Minister of Trade, Industry and Agriculture, St Vincent

Windward Islands Banana Growers' Association (WINBAN)

Mr Ivo Sinson	President
Mr Cyril Matthew	Managing Director
Mr Charles Cadet	UK Representative
Mr Harry Atkinson	Director, St Lucia
Mr Roland Fernand	Chairman, SLGBA
Mr Michael Lansiquot	General Manager, SLBGA
Sir William Branch	Director, Grenada
Mr Anthony Isaac	General Manager, GBCS
Mr Vanoust Jno Charles	Director, Dominica
Mr Walden Ryan	SVBGA
Dr Frederick England	Director of Research
Mr Don Mackay	Co-ordinator
Mr Colin Borton	Fruit Quality Officer
<u>Geest Industries Ltd</u>	
Mr Ray Hillborne	Managing Director, Geest International
Mr John Hailwood	Chairman
Mr Francis Leonce	Technical Director



PRESS RELEASE

January 31, 1985

MRS FENNER'S VISIT TO THE WINDWARD ISLANDS

Mrs Peggy Fenner, Parliamentary Secretary, Ministry of Agriculture, Fisheries and Food, today returned from discussions with Governments in the Windward Islands over problems concerning the quality of bananas shipped to the United Kingdom under longstanding agreements with those countries. On her return Mrs Fenner said:

"I visited the Windward Islands at the invitation of their Governments to carry forward the campaign which the Minister of Agriculture and I have been waging since 1983 on behalf of the British consumer to secure a major improvement in the quality of the fruit shipped to the United Kingdom under the longstanding preferential arrangements enjoyed by these countries.

"To this end I held talks with the Prime Ministers of each of the four Islands which traditionally supply bananas to the UK market; I chaired, jointly with the Minister of Agriculture of St Lucia, a Committee to monitor progress on programmes of improvement agreed in 1983 and to determine further action necessary to ensure attainment of agreed quality targets; and I visited banana growing regions and studied quality control procedures at every stage from production to shipping to see how measures to improve quality agreed upon between the UK and the Windward Island governments were being put into effect on the ground.

"I constantly reinforced the theme, which is now fully supported by the Windward Island Governments, that privileged access to the UK market implies an obligation to give the British consumer a fair deal on quality".

11 21 22
K 1 2 3 4 5 6 7 8 9 10

11 21 22
K 1 2 3 4 5 6 7 8 9 10

18 FEB 1985

18 FEB

Grey Scale #13



A 1 2 3 4 5 6 **M** 8 9 10 11 12 13 14 15 **B** 17 18 19

