To: Commercial partners,
banana producer organizations and exporters

cc: Standards Committee
Producer Networks, NFOs

Bonn, 18 November 2026

Subject: Increase in the cost of carton box in banana production and export

Dear commercial partners,

We are writing to inform you of a significant increase in the costs of banana production and export, driven mainly by the rise in the price of carton box. This situation poses a challenge for the supply chain and could affect the stability of supply if all actors in the sector do not take timely and shared action.

Every year, Fairtrade collects production and export cost data in nine banana producing countries to review the Fairtrade Minimum Price (FMP) at EXW and FOB level. To better understand the scale of these changes, Fairtrade carried out an additional data collection in six producing countries, which represent more than 85% of Fairtrade banana sales. The results show that the cost increase is significant and is putting growing pressure on producers and exporters. On top of this come the effects of climate change, such as the extreme rainfall associated with El Niño, which reduce productivity in several producing areas.

One of the main causes is the reduction in global production of Kraft paper, an essential raw material for manufacturing the corrugated carton box used to pack and transport bananas. This is a structural problem: several factories have closed and a carton box shortage is expected. In Latin American producing countries, carton box accounts for more than 35% of the average difference between EXW and FOB costs. Because it is part of the variable costs of production and export, any increase in its price has a direct impact on the final cost of the fruit. Moreover, such cost increases cannot be offset short term by higher productivity or by savings.

Current estimates indicate that the cost of carton box could rise by between USD 0.45 and USD 0.55 per box in early 2027. Some projections even foresee increases of between USD 0.75 and USD 1.00 per box by the middle of that year.

Please note that the Fairtrade Minimum Prices approved at the end of September and published at the beginning of October were calculated with cost information available up to August 2026. The first announcements of carton box price increases came in October, so these increases were not considered in the price review. Significant increases have already been confirmed in some producing countries, such as Ecuador (USD 0.70 per box) and the Dominican Republic (USD 0.40 per box).

In recent weeks, producer organizations and exporters in the main banana producing countries have expressed their concern about this situation and have called for urgent measures to address its effects. For this reason, we are sharing this information to ask for your support and to prevent producers and exporters from having to bear the impact of these structural cost increases on their own. If these

increases are not reflected in negotiated FOB prices, many organizations could struggle to sustain their operations, which would put the continuity of supply and the economic sustainability of the sector at risk.

We invite you to engage in dialogue with your suppliers and commercial partners to find joint solutions that share the impact of these increases fairly. Collaboration among all participants in the supply chain is essential to keep operations viable and to ensure a stable and sustainable supply.

Additionally, we would like to remind you that Fairtrade Minimum Price is a safety net for producers when market prices fall. It is not a maximum purchase price, nor does it limit the possibility of negotiating higher prices when market conditions and costs require it.

Fairtrade will continue to monitor the development of production and export costs over the coming months and will share updated information as needed.

We sincerely thank you for your cooperation and invite you to share this responsibility jointly in the exceptional situation we are facing. With the commitment and participation of all actors in the supply chain, we can mitigate the impact of these cost increases, ensure continuity of supply and keep strengthening the sustainability of the banana sector. Fairtrade stands for fair prices and promotes shared responsibility in covering the true costs of production and trade.

Yours sincerely,

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