



## **Bulletin 30 - 12/97 - Banana Glut - St Petersburg - (Russia) and Eastern Europe**

Newspaper reports are indicating that there is an over - supply of bananas in Russia, and especially at St Petersburg at the moment. This has caused the market price for bananas to fall to such a level that it is no longer economic for receivers to discharge banana cargoes and clear them through customs.

A similar situation arose in the Baltic States after Christmas last year. We expect that this situation will now occur not just in Russia but throughout Eastern Europe. We understand that the market for bananas in Western Europe is also poor.

We expect that receivers wishing to avoid incurring losses by importing banana cargoes might now attempt to reject cargoes as they arrive onboard ships, eg, by alleging that the bananas are out of condition onboard the arriving ship.

To avoid the possibility of major claims being brought against Members, we would strongly recommend that competent surveyors be appointed to attend all reefer ships arriving at East European ports with banana cargoes to gather evidence to demonstrate that all cargo was in good condition on discharge. This will help to demonstrate that there are no grounds for claims to be brought against the Member.

Source of information: Trevor Elliston E5 (through Bill Kirrane)