Industry Analysis of Banana Chips in Philippines

Philippines - One of the Top 4 Banana Producers

Bananas are the fourth largest produced fruit crop of the world and grown by small-scale and large-scale producers alike. At present, Philippine is one of the world's largest banana producers which ranked as the fourth after India, Uganda, and China. Which had(It has)produced more than 9.2 million tonnes of bananas, accounting for almost 6 percent of the global production (the latest statistics in 2014). The country is also the main world exporter of banana chips, which (having been)exported to 30 countries with US and EU being the major importers.

Banana Processing Industry Analysis

Banana can be processed such as banana chips, and other cooked food and feed preparations. Around 65% of the banana production is consumed by locally market in the Philippines such as: 16.5% for processing as a by-product of bananas; 45.5% are sold fresh in wet markets as table bananas; 4 percent banana due to rot or any other reasons as animal feeds and the remaining 34% of bananas are for export. Recent years, the processed products of banana to enter the market is banana chips. It has been a very lucrative business.

Banana Chips in Domestic and international Market Analysis

(Domestic and Export Market of Banana Chips in Philippines)

More than 31 producers of banana chips in the Philippines (a total of 41 manufacturers) are mostly found in Mindanao where banana Cardava is widespread and adequately available. And utilized 35% of the Cardava annual production to processed into banana chips. In Mindanao, the producers of banana chips were the important participant in traditionally local banana markets, and control it market prices. However during the recent years, producers of banana chips cannot readily

adjust to the market prices since their contracts with importers were made 6 months before. This situation has been further complicated due to the ongoing changes of international currency exchange rate.

One big boast to the export potential of the Philippines is the banana chips. Cardaba banana is main ingredient which used to processed banana chips. Cardava banana are mainly production in Mindanao accounting for about 48% in terms of production and 41% in terms of area planted. 90 percent of country's banana chips is produced by the Mindanao. In 2005, amounting to USD 35.5 million of processed banana chips. In 2008 it amounted to UDS 56.3 billion, and increase of nearly 10 percent since 2007. It is forecasted that the banana chips international market can increase around 10%-15% per year. In Philippines the banana chips of traditional main export markets are Vietnam, US, China, UK and Germany which accounts for about 64% of the total banana chip from 2007-2011. In most of these countries, banana chips as the most marketable product, and have a big market potential. With increasing consciousness for healthy snack food, food technologists have suggested that for banana chips to penetrate into the export market in particular European countries where there are rigid nutritional requirements, the packaging as well as the nutritional quality must be improved especially.

Banana Chips Processing Equipment Analysis

There are two kind of produced banana chips in Philippines. On one side is a highly managed commercial banana chips factory which used state-of-the-art facility (Automatic Banana Chips Production Line). On the other side is farmer-cooperators adopt semi-auto banana chips production line which small scale banana chips

production, like husbands produced quality fresh Cardava banana while their wives were encouraged to improve the process techniques of banana chips.