CBI Product Factsheet:

Coffee in France
**Introduction**

The French idea of coffee, a shot of espresso, holds a long tradition in the country. Due to the dominance of French roast coffee, which is supplied primarily by industrial-scale coffee companies, the French coffee market has long been considered a saturated market. This assumption notwithstanding, French consumers are becoming increasingly open to other types of coffee. Since about 2013, the country’s coffee industry has been experiencing growth in the number of branded coffee shops, as well as in the numbers of small and medium-sized craft roasters, who are introducing different coffee types and gradually changing the dynamics of the coffee market. This development is opening opportunities for coffee exporters from developing countries who are able to supply these small and medium-sized coffee roasters.

**Product description**

**Three stages of coffee**

Green coffee is derived from the coffee berry. There are two main techniques for converting coffee berries into coffee beans: 1) ‘natural coffee' (unwashed/dry process) and 2) ‘washed coffee' (washed/wet process). Coffee can be roasted in several ways. In general, lighter roasts are less heavy, more acidic and have more flavour than darker roasts do. Darker roasts have more body.

![Figure 1: Three stages of coffee](image)

Three stages of coffee, from left to right: 1) Green coffee, 2) Dried and processed coffee, 3) Roasted coffee.

**Flavour vocabulary of coffee**

Coffee is usually purchased by the consumer as a specific blend (mix) of coffee beans from various countries of origin. Coffee flavours are divided into low, medium and high notes. To learn which different flavours are used, consult the [Vocabulary for Coffee](#) published by the International Coffee Organization (ICO) or the Specialty Coffee Association of America (SCAA).

**French consumer preferences**

Historically, French consumers have had a strong preference for blends containing a high proportion of Robusta beans. This variety accounts for around 50% of the French coffee market. The classic cup of French coffee, a shot of espresso, is made predominantly of Robusta beans that have undergone a higher degree of roasting. The flavour of French coffee is therefore more bitter than that of milder coffees containing a higher proportion of Arabica varieties, as found in other North European countries ([Slate, 2014](#)). Although ‘French coffee/roast’ remains the dominant coffee type in France, French consumers are gradually becoming more open to other (milder) types of coffee, as well as to other coffee recipes, including cappuccino and macchiato ([Global Coffee Report, 2013](#)).

**Codes used in customs & international trade**

The statistical data in this document are based on Combined Nomenclature (CN) codes. The CN codes use Harmonised System (HS) codes to classify products. The HS codes included in this study are listed below. Unless specified otherwise, the statistics in this study include the codes listed below:

---

*French roast coffee* is a style of coffee characterised by beans that have been roasted almost to the point of burning. The resulting beverage is nearly always very dark in colour, and it has a distinctive caramelised taste.
### Product specifications

#### Two main species of coffee

1. **Coffea Arabica**
   - Plantations are generally located at altitudes exceeding 1,000m, thus making it ‘highland coffee’. The average length of coffee beans in this variety is approx. 9mm, and their colour is greenish to blue-green. The coffee beans have a strong, full flavour. Arabica beans have a caffeine content of approximately 1.2%.

2. **Coffea Robusta**
   - Robusta coffee can be considered a ‘lowland coffee’, as its plantations are located at altitudes below 1,000m.
   - Robusta beans are small, roundish and generally brownish to yellowish green. These beans have a higher water content than do Arabica beans, and they generally have a less powerful flavour. Robusta beans have a caffeine content of approximately 2.3%.

#### Quality: Grading and classification

Two methods are used to classify green coffee: the SCAA green-coffee classification and the Brazilian/New York green-coffee classification. Grading is usually based on the following criteria:

- Altitude and/or region
- Botanical variety
- Preparation (wet or dry process, washed or natural)
- Bean size (screen size\(^2\)) and, in some cases, bean shape and colour
- Number of defects (imperfections)
- Roast appearance and cup quality (flavour, characteristics, cleanliness)
- Density of the beans

**Figure 2: SCAA grading**

The SCAA classification standard for green coffee beans accounts for the relationship between the defective coffee beans and cup quality.

Quality tests are carried out at every stage of processing – on the plantations, as well as in the mills, container loading sites, importer offices and roaster facilities. Additional information about grading techniques and the difference between SCAA and Brazil/New York grading is available on the website of the [FAQ](#).

---

\(^2\) Coffee is graded by size using rotating or shaking screens: replaceable metal sheets that have round holes in them that retain beans over a certain size and allow smaller beans to pass. Screen size is an indicator of bean size and thus weight class. Screen size is usually reported as 17/18, 15/16, 13/14 etc., corresponding to 17/64 of an inch, 18/64 of an inch etc. For an overview of bean-size classifications, see [http://www.coffeeresearch.org/coffee/sizingchart.htm](http://www.coffeeresearch.org/coffee/sizingchart.htm).
Labelling

Labelling of coffee exported to France should contain the following guidelines in order to ensure the traceability of individual batches:

- Use the English language for labelling, unless your buyer has indicated otherwise.
- Labels must include the following information:
  - Product name
  - Manufacturer’s lot or batch code, according to the ICO statistical system
  - Product’s country of origin
  - Grade
  - Net weight (in kg)
  - In the case of organic or fair trade coffee: name/code of the inspection body and certification number.

Figure 3: Example of labelling

Packaging

Coffee is usually shipped in the form of green coffee beans, and it is thus prone to water absorption and desorption. Coffee beans are sensitive to moisture, and they are usually shipped in woven bags made from natural fibres (jute or hessian), which allow the free circulation of air (Figure 4). These bags, however, are vulnerable to hook and handling damage. Woven polypropylene bags have also been available for a considerable time, but their usage for the import of green coffee to Europe is limited. In many cases, these bags are not acceptable unless special arrangements have been made between buyers and sellers. The bags are usually transported in dry 20-foot containers.

Bulk shipments are sent in polypropylene fitted containers or in bulk inside containers. Container shipment is not suited for lengthy stretches, unless the containers are well ventilated. This is one of the conditions that can be specified in contracts with EU traders and roasters. For bulk inside containers, a plastic inner liner is fitted into the container to hold the bulk for sanitary reasons. Condensation damage, contamination and infestation are the main risks associated with carriage and loss of quality.

For speciality coffee, materials such as Grainpro or other innovative materials are used.

The net weight of coffee bags is generally 60kg, although it may be as high as 69kg in Central America/70kg Colombia. Coffee from Mexico is sometimes shipped in a sisal outer bag containing a perforated plastic inner bag.

Figure 4: Types of coffee bags

Figure 4: Types of coffee bags

Source: Indiamart, Upcyclenw.com, Weir & Carmichael
Additional information on packaging that might be of interest includes the following:

- **ITC Coffee Guide** – see Chapter 5: Logistics and Insurance
- **Codex Alimentarius Commission** – search for the Draft Code of Hygienic Practice for the Transport of Foodstuffs in Bulk and Semi-packed Foodstuffs.
- **The International Jute Organization** – established specifications (IJO Standard 98/01) for the manufacture of jute bags to be used in the food industry.
- **Cargo Handbook: Coffee Beans**

### What is the demand for coffee in France?

#### Imports

- France is the fifth-largest importer of green coffee beans in Europe. In 2014, French exports of green coffee amounted to a total volume of 230 thousand tonnes (£352 million), representing 6.8% of all French coffee imports. Since 2010, green-coffee imports have been increasing at an annual average rate of 0.8% in volume and 2.3% in value.
- Located at the mouth of the River Seine, Le Havre is the leading coffee port in France, and one of the most important in Europe.
- In 2014, around 83% of all of the green coffee imported to France was sourced directly from developing countries. In contrast to total imports, imports from developing countries have been increasing at an annual average rate of 2.9% in volume and 4.2% in value. This indicates that France experienced an overall increase in its direct imports during the review period.

![Figure 5: Imports of green coffee to France (2010-2014), in 1,000 tonnes](image.png)

*Source: Eurostat, 2015*

- In 2014, Vietnam accounted for 23% (52 thousand tonnes) of France’s green-coffee imports; Brazil for 21% (49 thousand tonnes) and Honduras for 6.7% (15 thousand tonnes). Vietnamese exports to France underwent a significant average annual increase of 17% in volume and 25% in value since 2010, in contrast to the slight changes in Brazilian exports (-0.7% in volume and +0.3% in value). Honduras gained importance during this period, increasing its supplies of green coffee to France by an annual rate of around 10% in both volume and value.
- Other smaller but significant developing-country suppliers to France in 2014 included Ethiopia (4.3% share in volume), Colombia (3.8%) and Uganda (3.5%).
- In addition to its direct imports from coffee-producing countries, France also imports green coffee beans indirectly from European hubs. Intra-European imports have decreased by a sharp annual average rate of 13% in volume and 17% in value since 2010. In 2014, Belgium and Germany were the leading European suppliers to France, with respective shares of 8.2% and 7.5% of total imports. Between 2010 and 2014, the role of both hubs as suppliers of green coffee to France decreased significantly (Belgium: -14% and Germany: -6.0%).
Exports

- France is only the eighth-largest re-exporter of green coffee beans in Europe, reflecting its limited role as a trade hub. In 2014, France accounted for around 0.5% of all European re-exports, with Germany (the largest re-exporter) accounting for nearly 58%.

- In 2014, French imports of green coffee beans amounted to a total volume of 3,000 thousand tonnes (€7.7 million). Since 2010, the already modest French exports have further decreased at an annual average rate of 13% in volume and 8.2% in value. This could reflect an increase in direct imports to countries that had previously been sourcing through France.

- In 2014, the leading destinations for green coffee beans exported from France were Belgium (34% in volume) and Germany (33%). Other neighbouring countries, Italy (12%) and Switzerland (4.1%), also registered supplies of green coffee re-exported by France.

Tips:

- Visit the website of the Port Le Havre to learn more about its facilities and the potential trade partners who are based there.

- Explore opportunities to work together with French importers, including both traders and roasters. Consult the list of members of the French coffee association Syndicat Francais du Cafe. The association represents key industry players, and it represents more than 85% of the coffee market in France.

- A wide variety of coffee and/or company characteristics can attract smaller roasters, particularly those who are looking to buy from the original source. Our Tips for doing business with European coffee buyers and Tips for finding European coffee buyers provide additional information on market-entry strategies.

- If you are planning to export coffee to France, you must be prepared and take your business seriously. Approach traders actively (e.g. through the internet and LinkedIn), communicate correctly and respond to email messages. Set realistic expectations, and do what you say you will do. Send corresponding samples & batches. See our Tips for doing business with European coffee buyers.

Figure 6: Largest developing-country suppliers of green coffee to France (2010-2014), in 1,000 tonnes

Source: Eurostat, 2015
With 66 million inhabitants, France consumed 5.6 million bags (60kg per bag) of green coffee in 2014 (approximately 366 million tonnes), representing 13% of total European consumption. The per capita coffee consumption was 5.2 kg/year, which is above the European average of 4.84 kg/year (ICO, 2015).

In 2014, coffee consumption declined slightly, driven by a decrease in sales of standard fresh ground coffee. The sales of coffee beans, fresh ground coffee pods and instant coffee increased slightly. This increase was nevertheless insufficient to compensate for the decrease in sales of standard fresh ground coffee. The decrease in coffee sales can be explained in part by shifts in lifestyle. French people living in cities are increasingly tending to consume meals on-the-go, thereby reducing their consumption of traditional products, including coffee with breakfast at home (Euromonitor, 2015). Nevertheless, France remains the third-largest coffee consuming country in Europe, after Germany and Italy (European Coffee Report, 2014).

Large international chains (McCafé and Starbucks) are on the rise, with McCafé having 176 outlets and Starbucks having 75 stores in France. Smaller coffee houses and cafés are more popular, however, and their presence is increasing. In all, France now has about 515 branded coffee stores (e.g. Columbus Café and Café Richard), and the number is expected to increase by around 11% per year over the next three years, reaching 695 outlets by 2015 (Global Coffee Report, 2013).

**What trends offer opportunities on the French market for coffee?**

**Increasingly segmented French market**

In 2015, the French coffee market underwent numerous changes. Traditionally, Nestlé France has been the market leader, with a recorded off-trade value share of 32% in 2014. Nestlé France has a strong position in fresh ground coffee pods, with two brands: Nespresso, which is sold in its stores and through the internet, and Nescafé Dolce Gusto, which is available in supermarkets and hypermarkets. The company also ranked first in instant coffee, due to the sales performance of the Nescafé brand (Euromonitor, 2015).
In July 2015, however, D.E. Master Blenders and Mondelez completed the transactions to combine their business into Jacobs Douwe Egberts (Food Ingredients 1st, 2015). To prevent a dominant market share of 60%, the Italian company Lavazza was offered the brand Carte Noire by Jacobs Douwe Egberts. With Carte Noire’s market share of 20% in France, the Italian company Lavazza is now market leader in France (Retail Detail, 2015).

As Nestlé loses its leadership, market opportunities for small coffee brands are expected to increase further (Euromonitor, 2015). As mentioned, in line with shifts in consumer preferences, the country’s coffee industry is already experiencing growth in the number of branded coffee shops, as well as in the number of small and medium-sized roasters. Examples include the roasters Belleville and Caffe Cataldi.

### Coffee movement

The coffee culture in France has a long tradition, and cafés have always been gathering places where people meet. Despite the preference for home consumption, cafés remain very popular amongst French consumers. In addition to the traditional cafés in France evolving around French coffee, the country has seen a rapid rise in speciality coffee shops in recent years. The coffee movement is most prominent in the capital, Paris, where speciality coffee shops (e.g. Ten Belles, Hollybelly and Telescópio) are introducing different flavours and types of coffee to French consumers.

### Tips:

- Focus on traders and roasters who also import coffee directly from the country of origin. Consider using agents representing importing companies when representing companies that are not yet known by the larger importers.
- Build a strong story to promote your company. When based on substantiated facts, a good story can help a supplier to gain the trust of current and potential buyers and to create long-term trade relationships.
- Learn more about the profile of smaller roasters in France (e.g. Belleville, Caffe Cataldi, Darboven, Lobodis and Meo).

### Increasing sales of coffee capsules

Hard coffee pods (capsules) are the most rapidly growing category in the coffee market in France. In 2012, sales of coffee capsules in France accounted for a turnover of €1.3 billion (Notre Planete, 2015). The use of coffee capsules is growing rapidly, representing 15.9% of total consumption in 2011, as compared to 4.1% in 2004 (ICO, 2012). With a market share of 85%, Nestlé dominated the market with its Nespresso brand. In 2014, a quarter of Nespresso’s global sales came from France, mirroring the strong demand amongst French consumers (Quartz, 2014). Nestlé’s sales of coffee capsules in France have almost doubled since 2007, reaching a value of €634 million in 2012. In 2014, Nestlé reached an agreement with France’s antitrust authorities to extend the guarantee on its single-serving coffee machines to customers who use pods other than Nestlé’s own brands, thus opening the market for new entrants, including Lavazza and Illycaffé (Quartz, 2014).

### Tip:

- It is generally not viable to export roasted coffee (in capsules or pads). You would therefore do well to build relationships with roasters who manufacture this type of coffee and learn about their requirements.

### Increasing sustainability certification

Sustainability labels (e.g. Fairtrade, UTZ Certified, Rainforest Alliance and organic labels) are gaining importance in France. To meet consumer demand, many brands (e.g. Malongo, Maison du Café Royal Café, Meo, Lavazza and Illy) are opting to comply with sustainability certifications. This is also the case for French retailers (e.g. Auchan), foreign retailers (e.g. Lidl, Migros, Hema and Ikea) and coffee chains (e.g. Starbucks).

Fairtrade is the best-known label amongst French consumers, and it accounting for the largest market share, with a turnover of €355 million in 2013. Hot beverages account for the largest share (64%) of all fair-trade turnover. The volume
of UTZ certifications, Rainforest Alliance and organic is smaller, but increasing. For example, in 2013, the volume of UTZ certifications, for example had increased by 2% compared to 2012, and UTZ Certified coffee sales grew by 19% (LSA, 2015).

**Tips:**
- Contact the French Fairtrade-labelling initiative, Max Havelaar France, in order to learn more about opportunities for Fairtrade-certified coffee on the French market.
- Learn more about the French national logo for organic products on the website of AB (Agriculture Biologique).
- For additional information on trends in the coffee market, refer to the CBI document on Trends in Coffee.

**With which requirements should coffee comply in order to be allowed on the French market?**

**Food safety and food control**

Are key issues in EU food legislation. The General Food Law (Regulation (EC) 178/2002) is the EU legislative framework regulation for this subject. Food products must be traceable throughout the entire supply chain, in order to guarantee food safety, allow appropriate action in cases of unsafe food and limiting the risk of contamination.

One important aspect of controlling food-safety hazards involves the definition of critical control points (HACCP) through the implementation of food-management principles. Subjecting food products to official controls is another important aspect. Products that are not considered safe will be denied access to the EU.

**Tips:**
- For additional information, see the CBI document on Buyer Requirements for Coffee.
- Additional information about HACCP for coffee is provided in the ITC Coffee Guide.
- If you have specific questions, contact the European Food Safety Authority or your current or potential buyers.
- The French Agency for Food, Environmental and Occupational Health & Safety (ANSES) can also be an interesting organisation to contact in case of specific questions relating to food safety in France.

**Contaminants in food**

The EU has set maximum levels for certain contaminants. These limits are also applicable in France. In addition to pesticide residues (see below), monitoring may take place for:

a) **Pesticides:** The presence of pesticides is one of the most common reasons that border authorities have for rejecting coffee from producing countries. The EU legislation on maximum residue levels (MRLs) for pesticides establishes the MRLs for pesticides permitted in products of animal and vegetable origin that are intended for human consumption. These MRLs are relevant to many natural ingredients, including coffee. Be aware that products containing more pesticides than allowed will be withdrawn from the EU market.

b) **Mycotoxins:** Moulds and fungi are another important reason for border rejections for coffee. Ochratoxin A (OTA) levels constitute a specific point of attention. Nevertheless, there are no specific limits for green coffee beans, given that the product is roasted or goes through other types of processing before reaching consumers. For roasted coffee beans and ground roasted coffee, the maximum level of Ochratoxin A (OTA) has been set at 5μg/kg, while the maximum for soluble (instant) coffee has been set at 10μg/kg.

c) **Salmonella:** Salmonella is a very serious form of contamination that occurs occasionally as a result of incorrect harvesting and drying techniques. Coffee beans are considered low-risk commodities with regard to salmonella contamination. Current EU legislation does not include any microbiological criteria specifically targeting coffee. Food-safety authorities can nevertheless withdraw imported food products from the market or prevent them from entering the EU if Salmonella is detected. Irradiation is one way of combating microbiological contamination, but it is not allowed by EU legislation for coffee.
Tips:
- Consult the European Commission’s fact sheet on food contaminants: ‘Managing food contaminants: how the EU ensures that our food is safe.’
- Additional information about contaminants in the EU is available at the Export Helpdesk.
- Note that removing damaged beans greatly reduces Ochratoxin A contamination. Additional information about the prevention of OTA is provided in the FAO publication on Guidelines for the Prevention of Mould Formation in Coffee.
- Additional information about MRLs is available in the EU Export Helpdesk. Other sources of information include the ICO or the Coffee Guide by the International Trade Centre (ITC). Consult with your buyers to determine whether they require additional adherence to MRL limits and pesticide use.
- Additional information is provided in the CBI document on Buyer Requirements for Coffee.

General requirements on packaging and liability

Note that all goods marketed in the EU are also subject to non-product-specific legislation on packaging and liability EU Directive 2009/32/EC.

Full overview of requirements for coffee:

For a list of requirements, consult the EU Export Helpdesk. On this site, you can select specific product codes under Chapter 09 (coffee).

What additional requirements do buyers often have?

French buyers often have requirements that extend beyond existing EU legislation on the quality and safety of food, as well as with regard to various environmental and social issues. These non-legislative requirements are driven by specific issues or sector-based/private initiatives.

Quality & Safety

The International Coffee Organization (ICO) has introduced voluntary targets for minimum quality export standards for Arabica and Robusta. These targets are contained in Resolution 420, which is aimed at reducing the export of inferior beans.

The Organisation for Standardisation (ISO) also provides specific standards for coffee quality, including ISO 10470 (Green coffee – Defect reference chart).

Some coffee buyers might also require exporters to comply with specific quality or food-safety management systems (e.g. ISO 9001 or ISO 22000), which are based on the principles of hazard analysis and critical control points (HACCP). Adherence to these standards is more commonly required for exporters of roasted coffee beans.

Tips:
- Coffee exporters might also find it useful to refer to the website of SGS, the world’s leading inspection, verification, testing and certification company, for further information on HACCP and other food-safety standards.
- Additional information on the various Food-Safety Management Systems is available in the ITC Standards Map.

Industry Codes: Corporate social responsibility

French buyers may expect you to comply with their supplier codes of conduct regarding social responsibility, many of which are based on the ILO labour standards. Some importers have their own codes of conduct, while others have codes that are part of initiatives in which they are participating. Adoption of such standards is most common amongst large-scale importers, roasters, manufacturers and retailers (e.g. Starbucks and Nespresso).
Sustainability in the coffee sector has also been formalised in several agreements and partnerships between exporting countries, EU buyers and governing bodies, including the International Coffee Organization (ICO). These agreements are signed by important industry players who are (or are becoming) important in the coffee sector. Additional information is available in the International Coffee Agreement 2007.

**Tips:**
- Look for sector or joint-company initiatives to learn more about sustainability strategies in France. Search for initiatives that match your own core strategy and values.
- Determine whether you will be able to adhere to the guidelines specified in the industry agreements. These guidelines could be a good starting point if you are planning to certify products. Consider participating or visiting round-table meetings (e.g. via conference call) or seminars in order to meet industry players and other interesting stakeholders.

### Sustainable sourcing

Sustainability refers to a wide range of environmental, economic and social aspects, including health and safety issues. In the mainstream coffee market, the most relevant certification schemes and consumer labels for sustainable sourcing are as follows:

- **UTZ Certified**
- **Rainforest Alliance: Sustainable Agriculture Network**
- **The 4C Association**
- **C.A.F.E. Practices**
- **Nespresso AAA**

Each certification scheme is explained fully in the CBI document on Buyer Requirements for Coffee.

Sustainable sourcing standards for coffee are gaining importance in France. French consumers are becoming increasingly aware of the environmental and social implications of the production of consumer goods, including coffee. As mentioned previously, sustainability labels for coffee (e.g. UTZ certified and Rainforest Alliance) are increasing in France, although they are not playing as strong a role as they are in some other countries (e.g. the Netherlands and Belgium), where UTZ dominates the retail market for coffee and other items (e.g. chocolate).

**Tips:**
- Before engaging in the aforementioned sustainable-sourcing schemes, consult with your current and/or potential buyers about whether they require such certification and/or whether it would provide you with a competitive advantage over other suppliers to the French market.
- Consult the sustainability strategies of important coffee companies active in France, as they dictate the certification market back to the level of the producer (see the section heading ‘Sustainability initiatives of individual companies’).
- Learn more about individual sustainable-sourcing schemes by referring to their individual websites and/or to the CBI document on Buyer Requirements for Coffee.

### What are the requirements for niche markets?

#### Niche sustainability concepts

These alternative certification standards focus primarily on strict and/or specific sustainability principles, thus applying to niche segments of the coffee market. The following list includes certifications for specific themes within this market:

- **Organic**: Organic certification is not a legal requirement for coffee. In order to market their products as ‘organic’ in the French market, however, companies must comply with the EU legislation for organic production and labelling – which is in itself a legal requirement.
- **Fairtrade**: Fairtrade certification is a proven way for coffee suppliers to demonstrate their business performance with regard to social conditions throughout the supply chain. After you have obtained certification from an independent third party, you will be allowed to display the Fairtrade logo on your products. In general, prices for fair-trade products consist of a minimum price plus a premium.
  - The Fairtrade Labelling Organisations International (FLO) is the leading standard-setting and certification organisation for Fairtrade. Products that carry the Fairtrade label indicate that their producers have been paid at least a Fairtrade minimum price. The current minimum prices and premiums for coffee, whether organic-certified or conventional, are listed in the Fairtrade Minimum Price and Fairtrade Premium Table.
  - Other available fair-trade standards include Fair Trade Ecocert and the IMO’s Fair for Life.
- **Biodiversity**: Several certification standards focus on biodiversity, including those of Demeter, SMBC Bird Friendly and FGP.
o **Demeter**: a biodynamic certification label; regarded as the highest grade of organic farming in the world.

- **SMBC Bird Friendly** certifications
- The **Forest Garden Products certification**.

Fairtrade certification is the market leader in France. With a turnover of €355 million in 2013, France represents the third-largest market for fair-trade sales in Europe, after the United Kingdom and Germany (EPRS, 2014). Hot beverages, including coffee, represent the largest share of fair-trade certified products in France (accounting for 64% of all fair-trade sales). No specific figures are available for fair-trade-certified coffee in France.

### Tips:

- Implementing organic production and becoming certified can be expensive, especially for small holders. In the current market, the return on investment may not be high. On the other hand, it can increase yields and improve quality. Consult your current and/or potential buyers in order to determine whether they require organic certification.
- There are several different organic labels. The labels that fall under umbrella organisation International Federation of Organic Agriculture Movements (IFOAM) have been largely harmonised. Consult the database in the ITC Standards Map for the different organic labels and standards.
- Before engaging in a Fair Trade or other sustainability certification programme, be sure to assess (in consultation with your potential buyer) that the label has sufficient demand in your target market and whether it will be cost-beneficial for your product.
- In addition to certification, transparency of the supply chain is an asset in the speciality segment. Communicate a traceable, clear and direct link between producer and consumer.

### Sustainability initiatives of individual companies

Individual company strategies can guide you in the development of your own sustainability strategy. The following are several examples of policy statements and criteria that have been adopted by the leading coffee roasting and trading companies in France:

- Jacobs Douwe Egberts - sustainability
- Nespresso - ecolaboration
- Illy - sustainability
- Lavazza - sustainability
- Jacques Vabre - preserver
- Café Royal (Delica AG - CH) - sustainability

### What do the trade channels and interesting market segments for coffee look like in France?

Coffee is generally purchased from exporting countries by international trade houses, dealers and traders. The largest roasters in Europe, including France, also maintain their own in-house buying companies, which buy directly from the countries of origin. In addition, roasters tend to buy their coffee from international trade houses or from specialised import agents, who represent specific exporters in producing countries. A visual representation of the coffee-market chain is presented in Figure 8.
Market channels

Although the direct contact between exporters and roasters is increasing, most trade takes place through the intermediate role of trade houses or importers.

In 2014, the leading roasters (Lavazza, Nestlé, Jacob Douwe Egberts and Illy) accounted for around 75% of the French market. Many of the smaller roasters are facing strong competition from the larger and medium-sized roasters, due to the introduction of single-serving capsules and pod systems (Syndicat Francais du Cafe, 2015).

Market segments

In most European countries, including France, retail sales for in-home consumption generally account for most of the overall market. Around 80% of all coffee consumption in France takes place in the home. The in-home market is becoming increasingly diverse, as a result of new, innovative methods of coffee consumption, including coffee pads and cups (ICO, 2012).

The French retail market is highly concentrated. The retail market is dominated by several large grocery retailers (Carrefour, E.Leclerc, Intermarché, Auchan and Cora), which have strengthened their leading position in the retail distribution of hot beverages, including coffee. With an 18% share of value sales, Carrefour remained the market leader in grocery retailing in 2014 (Euromonitor, 2015).

Tips:

- Consider which entry channel would be most suitable for your company: supplying directly to coffee roasters or manufacturers, working through an importer or trader, or working through an agent or broker. In addition, knowing your competition will help you define your unique selling points and to express what you have to offer to European buyers. This will depend largely on the type and quality of your coffee, as well on the quantities you have available for export.
- Additional information on the European market channels for coffee is available in the CBI document on Channels and Segments for Coffee.

Useful resources

- Profile sheet on France by the International Coffee Organization (ICO)
The French coffee association, **Syndicat Francais du Cafe**, represents key industry players, and it represents more than 85% of the coffee market in France.

**Association France Cafés Gourmets (SCAE France)**

**French Agency for Food, Environmental and Occupational Health & Safety (ANSES)**

For additional information about the French business culture, refer to the website of **Kwintessential**.

**European Coffee Association** - represents the European green-coffee trade, coffee-roasting industry, soluble coffee manufacturers and decaffeinators.

**European Coffee Report 2013/14**

**International Coffee Organization** - the most important intergovernmental organisation for coffee, bringing together exporting and importing governments.

**SIAL** – trade fair for food and beverages, including coffee; held annually in Paris.

**Information on packaging** is available on the ITC website on export packaging.
CBI Market Intelligence

P.O. Box 93144
2509 AC The Hague
The Netherlands

www.cbi.eu/market-information
marketintel@cbi.eu

This survey was compiled for CBI by by ProFound – Advisers In Development in collaboration with CBI sector expert Joost Pierrot

Disclaimer CBI market information tools: http://www.cbi.eu/disclaimer

March 2016