

# Entering the Eastern European coffee market

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The Eastern European coffee market is dominated by international companies offering their own coffee brands. Slowly, however, the specialty market in Eastern Europe opens up doors for exporters of high-quality coffees. In spite of still being a very small niche market, the growing interest in specialty coffees creates opportunities for more direct relationships between specialised coffee roasters and coffee exporters.

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## 1. What requirements and certifications must coffee comply with to be allowed on the Eastern European market?

In order to be permitted to export coffee to Eastern European countries that are part of the European Union, you must comply with strict EU requirements. Buyer requirements can be divided into:

1. **Musts:** legal and non-legal requirements you must meet to enter the market;
2. **Additional requirements:** those you need to comply with to stay relevant in the market;
3. **Niche requirements:** applying to specific niche markets.

The highlights for these requirements are given below, specified for the Eastern European market where relevant.

### Legal and non-legal requirements you must comply with

#### Legal requirements

You must follow the European Union legal requirements applicable to coffee. These rules mainly deal with food safety, where traceability and hygiene are the most important themes. Special attention should be given to specific sources of contamination, namely:

- Pesticides — consult the [EU pesticide database](#) for an overview of the maximum residue levels (MRLs) for each pesticide;
- Mycotoxins/mould, particularly Ochratoxin-A (OTA);
- Salmonella (although coffee is considered low-risk).

#### Quality requirements

Green coffee is graded and classified for quality before export. There is no universal grading and classification system for coffee. The Specialty Coffee Association's [standards for green coffee grading](#) are often used as a point of reference. However, most producing countries have and use their own [grading systems](#).

Grading is usually based on the following criteria:

- Altitude and region;
- Botanical variety;
- Preparation — wet processed (washed), dry processed (natural), semi-washed (wet-hulled), pulped natural or honey processed;
- Bean size or screen size and sometimes also bean shape and colour (Note: screen size is important to ensure uniform roasting which improves the quality of the final product);
- Number of defects or imperfections;
- Roast appearance;
- Cup quality in relation to flavour characteristics, fragrance/aroma, taste, acidity, body, uniformity, balance, cleanliness and off-notes.

Specialty coffee is also graded according to its cupping profile. If you sell specialty coffee, it is important for buyers to know the cupping score of your coffee. Although this is not mandatory, adding this information to the documentation of the coffee you are exporting might add value. It is very important to be aware of the quality of your coffees, either by inquiring with local cupping experts or becoming a cupping expert yourself.

Note that there is no exact definition of specialty coffee within the coffee industry. The [Coffee Quality Institute](#) and the cupping protocols of the [Specialty Coffee Association](#) consider that coffees graded and cupped with scores below 80 are considered standard quality and not specialty. Nevertheless, the exact minimum scores defining specialty coffee differ per country and per buyer. Some buyers consider 80 too low and demand a cupping score of 85 or higher.

## Labelling requirements

Labels of green coffee exported to Eastern Europe should comply with the general food labelling requirements of the European Union. The label should be written in English and should include the following information to ensure traceability of individual batches:

- Product name
- [International Coffee Organisation \(ICO\) identification code](#)
- Country of origin
- Grade
- Net weight in kilograms
- For certified coffee: name and code of the inspection body and certification number

Figure 1: Example of green coffee labelling



Source: Escoffee

### Packaging requirements

Green coffee beans are traditionally shipped in woven bags made from jute or hessian natural fibre. Jute bags are strong and robust. Other materials, such as [Grainpro](#) or other innovative material like [Videplast](#) liners, are often used to pack specialty coffees inside jute bags.

Most green coffee beans of standard quality imported into Eastern Europe are packed in container-sized bulk flexi-bags that hold roughly 20 tonnes of green coffee beans each. The rest of the green coffee is transported in traditional 60 kg or 70 kg jute sacks, each with a net volume of 17 tonnes to 19 tonnes of coffee.

Other packaging used in transporting coffee includes polypropylene super sacks for 1 tonne of coffee, polyethylene liners for 21.6 tonnes and vacuum-packed coffee. These techniques provide two advantages in the coffee trade, namely increasing efficiency and maintaining or preserving quality.

Figure 2: Examples of coffee packing: jute bag, container-sized flexi bag, GrainPro and Videplast liner



Sources: raadtradingco.com, bls-bulk.com and GrainPro

## Tips:

Activate the “Translation” function of your browser to make the studies available in your native language.

For the full buyer requirements, read the CBI study on [buyer requirements](#) for coffee in Europe or consult the specific requirements for coffee on the European Commission’s website [Access2Markets](#).

Check [EUR-Lex](#) for more information on limits for different contaminants. For specific information on the prevention and reduction of Ochratoxin A contamination, refer to the [Codex Alimentarius CXC 69-2009](#).

For information on safe storage and transport of coffee, refer to [the website of the Transport Information Service](#).

Read more about quality requirements for coffee on [the website of the Coffee Quality Institute](#).

Find out about delivery and payment terms for your green coffee exports by reading our study [Organising your coffee bean exports to Europe](#).

## Additional requirements

### Additional food safety requirements

Western and Northern European buyers generally have stricter additional requirements than buyers in Eastern Europe. Nevertheless, expect buyers in Eastern Europe to request extra food safety guarantees from you. Regarding production and handling processes you should think of:

- Implementation of good agricultural practices (GAP): The main standard for good agricultural practices is [GLOBALG.A.P.](#), a voluntary standard for certification of agricultural production processes that provide safe and traceable products. Certification organisations, such as Rainforest Alliance/UTZ, often incorporate GAP in their standards.
- Implementation of a quality management system (QMS): Buyers are increasingly requiring a system based on [Hazard Analysis and Critical Control Points](#) (HACCP) as a minimum standard for green coffee production,

storage and handling. Regularly checking the residue levels in your green (and roasted) coffee is an example of a measure that could be included in this system. It is particularly important to check (and aim to prevent) Ochratoxin-A (OTA), polyaromatic hydrocarbons (PAH's) and pesticide contamination such as glyphosate contamination. Proactively obtaining certificates of analysis on a regular basis for the coffee you produce and export is recommended, preferably from an EU-accredited laboratory such as [Eurofins](#) or [Tüv](#).

- For roasted coffee, HACCP might be required, and this must sometimes be accompanied by certification from the Global Food Safety Initiative (GFSI) such as: [BRC Global Standard Food Safety](#), [FSSC 22000](#), [IFS Food](#) or [SQF](#).

It is good to keep in mind that your Eastern European importer might re-export green coffee to other destinations in Europe. Those other buyers push their requirements forward to other players in the supply chain, which might increase the need for you to adopt other specific certifications or standards. This will depend on the final market and market channel used.

## Additional sustainability requirements

Corporate responsibility and sustainability are very important throughout the European coffee sector. Keep in mind that multinational companies dominate the Eastern European coffee market. All of them will have sustainability policies reflecting their relationship with farmers, transparency in their operations, as well their social and environmental impact in the place of origin at origin. Examples of these company policies or codes of conduct can be found on the websites of roasters [Tchibo](#) and [Jacobs Douwe Egberts](#).

As an exporter, adopting codes of conduct or sustainability policies related to your company's environmental and social impact may give you a competitive advantage. In general, buyers will likely require you to comply with their code of conduct, and/or fill out supplier questionnaires regarding your sustainability practices.

Certification standards are very often part of the sustainability strategy of traders, coffee roasters and retailers. As such, a standard like Rainforest Alliance/UTZ has become increasingly important in the mainstream coffee market. Large retailer Kaufland, which operates stores throughout Eastern Europe, for instance, sells a range of [Rainforest Alliance-certified coffees](#).

### Tips:

Refer to the [International Trade Centre Standards Map](#) or the [Global Food Safety Initiative website](#) to learn about the different food safety management systems, hygiene standards and certification schemes.

Find out which standards or certifications are preferred by potential buyers in your target segment. Buyers may have a preference for a certain food safety management system or sustainability label, depending on their end clients and/or distribution channels.

Carry out a self-assessment to determine how sustainable your production practices are. You can fill out [this online self-assessment form from Amfori BSCI](#) to assess your social performance. This [Excel form from the Sustainable Agriculture Initiative \(SAI\) Platform](#) can be used to assess the sustainability performance of your farm.

See the [list of Rainforest Alliance/UTZ registered coffee actors](#) in Eastern European countries to identify interesting players. Learn which ones are certified to buy your Rainforest Alliance/UTZ certified coffee.

See our study on certified coffee for more information about the demand on the European market, trends and specific trade channels.

## Niche requirements

### EU Organic

In order to market your coffee as organic in the European market, it must comply with [the regulations of the European Union for organic production and labelling](#). Obtaining the [EU organic](#) label is the minimum legislative requirement for marketing organic coffee in the European Union.

Note that a new EU organic regulation came into force on 1 January 2021. Producers in third countries will now have to comply with the same set of rules as producers in the EU. Also, inspections of organic production and organic products have become stricter to prevent fraud.

Before you can market your green coffee as organic, an accredited certifier must audit your growing and/or processing facilities. Refer to [this list of recognised control bodies and control authorities](#) issued by the EU to ensure that you always work with an accredited certifier. To become organic certified, you can expect to undergo a yearly inspection and audit, which is aimed at ensuring you comply with the rules on organic production.

Note that all organic products imported into the EU must be accompanied by appropriate electronic [Certificate of Inspection](#) (COI). These COIs must be issued by control authorities prior to the departure of a shipment. This means you will have to obtain the necessary information, such as the importer's address and TRACES number, first consignee and the seal and vessel number of your container. If this is not done, the item cannot be sold as an organic product in the European Union and will be sold as a conventional product. COIs can be completed using the European Commission's electronic [Trade Control and Expert System](#) (TRACES), where you will also have to register as organic exporter.

### Fair trade

Before you can market your coffee as fair trade, an accredited certifier must audit your growing and processing facilities. The most common fair trade standard on the Eastern European market is [Fairtrade](#), for which the accredited certifier is [FLOCERT](#).

[Fair for Life](#) (certified by IMO/Ecocert) and [Fair Choice](#) (by Control Union) are other fair trade certifications that producers may choose. However, keep in mind that these standards are not as well-known on the Eastern European market. Both certifications have the advantage of being cheaper, as the control bodies may combine the fair trade audit with the organic or Rainforest Alliance audit. However, you should always be sure to always check the demand and interest for a specific certification with your (potential) buyer. Also, in the case of Fair Choice and Fair for Life, it is a good idea to check if, and if so, what kind of a premium would be involved, as this is not regulated, unlike [Fairtrade's minimum price](#).

### Direct trade

Direct trade relations, and high transparency and traceability from source to consumer, characterise the high-end specialty coffee segment. This means that buyers of these types of coffees can impose requirements in addition to certification. Besides a high-quality product, these buyers are interested in the stories from your place of origin. This implies that you should know the specifics of your coffee and be willing to share this information honestly. Moreover, direct trade may result in more frequent visits to the coffee farm and product assessments by your buyers, as well as promoting a long-term business relationship.

#### Tips:

Learn more about organic farming and European organic guidelines on the [European Commission website](#) and the [Organic Export Info website](#).

Familiarise yourself with the range of organisations and initiatives that offer technical support to help

you convert to organic farming. Start your search by learning about the organic movement in your own country and inquire about support programmes or existing initiatives. Refer to the database of [affiliates of IFOAM Organics](#) to search for organic organisations in your country.

Find importers that specialise in organic products on the [website Organic-bio](#).

Try to visit trade fairs for organic products, like [Biofach](#) in Germany. Check out their website for a list of exhibitors, seminars and other events at this trade fair. There you will also find the booths of the organic certification bodies.

If you produce coffee according to a fair trade scheme, find a specialised Eastern European buyer that is familiar with sustainable or fair trade products, for instance via the [FLOCERT customer database](#).

Use this [cost calculator](#) to estimate what costs will be involved for your organisation to become Fairtrade-certified.

Try to combine audits in case you have more than one certification, to save time and money. Also investigate the possibilities for group certification with other producers and exporters in your region.

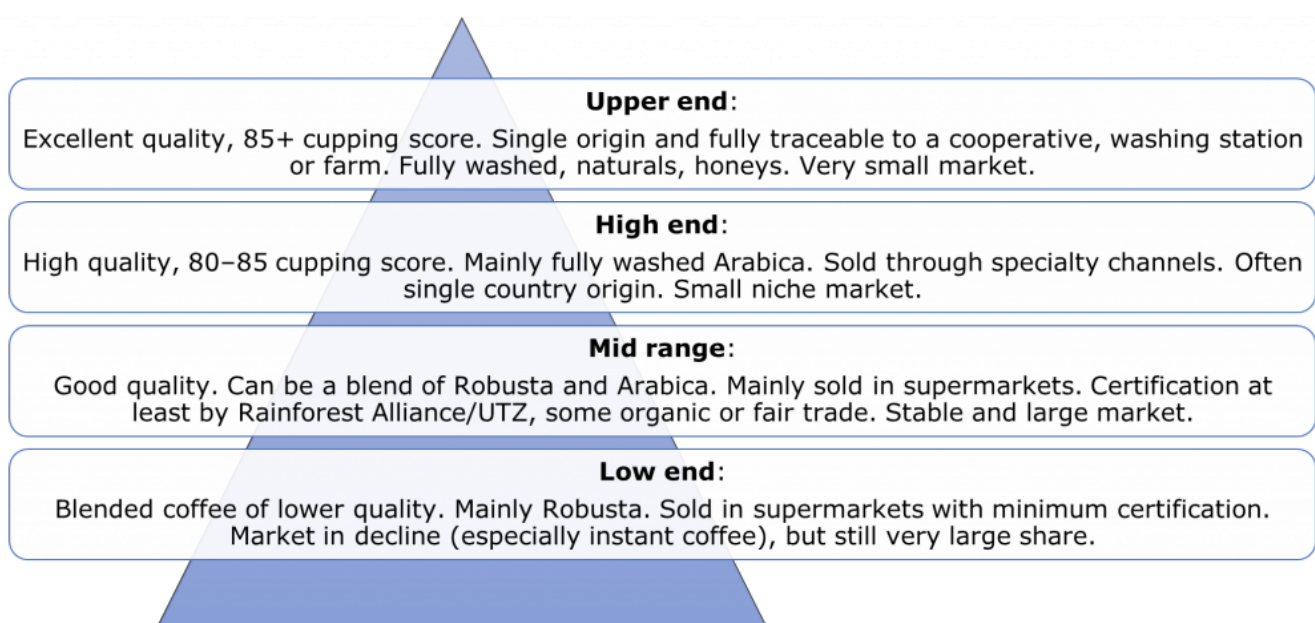
## 2. Through what channels can you get coffee on the Eastern European market?

The Eastern European end market for coffee can be segmented by quality and by type of consumption: in-home and out-of-home consumption. The high-end segment represents a niche market in both the in-home and out-of-home segments. Suppliers in producing countries mainly enter the Eastern European market through importers or medium-sized and large roasters.

### How is the end market segmented?

The Eastern European market is dominated by international companies selling their own coffee brands. They include [Nestlé](#), [Tchibo](#) and [Jacobs Douwe Egberts](#), the latter being the owner of the traditional Polish coffee brand [Prima](#). Eastern Europe's end market for coffee can be segmented by quality, as shown in the below figure:

Figure 3: Coffee end market segmentation by quality





Source: ProFound

In Eastern Europe, supermarkets are the main sales channel for coffee. Supermarkets sell a wide variety of coffee products, ranging from low-end to high-end products. This variety includes a wide range of private label coffee products. These products are popular as they offer the same characteristics as branded products, but usually do so at more affordable prices.

The largest supermarkets in the region are:



- Hypermarket [Kaufland](#), owned by the German [Schwarz Gruppe](#) - present in Bulgaria, Croatia, the Czech Republic, Poland, Romania and Slovakia.
- Supermarket [Billa](#), owned by the German [REWE Group](#) - operates stores in Bulgaria, the Czech Republic and Slovakia.
- Supermarket [Biedronka](#) (Poland), owned by the Portuguese company [Jerónimo Martins](#).
- Supermarket [Dino](#) (Poland), owned by the Polish [Grupo Dino](#).
- Supermarket [Albert](#) (the Czech Republic) and [Mega Image](#) (Romania), owned by the Dutch-Belgian group [Ahold Delhaize](#).
- Supermarket [Konzum](#) (Croatia), part of the Croatian [Fortenova Group](#).
- Hypermarket [Tesco](#) - present in Czech Republic, Hungary, Poland and Slovakia.
- Discount supermarket [Lidl](#) (also part of the Schwarz Gruppe) - with stores in Bulgaria, Romania, Croatia, Hungary, Poland, the Czech Republic, Slovakia and Slovenia.
- Supermarket [Spar](#), with stores in Croatia, Hungary, Poland and Slovenia.

Low end: The coffees in the low-end segment are mainstream, low-quality and mainly blended coffees. These blends are characterised by high shares of Robusta beans. Besides some mainstream brands, the lower-quality private label products from supermarkets also belong to the low-end segment. In addition, most coffee pads and instant coffee belong to this low-end segment. Coffees at the low end of the market are mainly sold in supermarkets and through service channels, such as for offices and hotels.

Product and price examples in the low-end segment, based on the Polish retail prices of [Auchan](#) in 2021, include:

	Product	Image*	Retail price (€/kg)
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Low-end	Auchan, private label (ground coffee, 250-gram package)		4.43
	Café Sati (ground coffee, 250-gram package)		5.23
	Pedro's Active (ground coffee, 250-gram package)		6.03

\*Source of pictures: <https://www.auchandirect.pl/>

Mid range: Mid-range coffees are commercial coffees with a good and consistent quality profile, such as quality espresso. This segment typically consists of blends with a higher proportion of Arabica compared to coffees in the low-end segment. The mid-range segment represents a stable coffee market, in which sustainability certifications are increasingly important.

Mid-range coffees are often sold in supermarkets and by the food service industry. Premium private label ranges

of retailers typically belong to the mid-range segment. Examples of mid-range products and prices, based on retail prices of [Auchan](#) in 2021, include:

	Product	Image*	Retail price (€/kg)
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<p>Mid-range</p>	<p>Auchan, private label (ground coffee, origin: Brazil, UTZ-certified, 250-gram package)</p>		<p>10.66</p>
	<p>Woseba (ground coffee, 100% Arabica, 250-gram package)</p>		<p>10.74</p>
	<p>Jacobs (ground coffee, Barista Editions, UTZ-certified, 400-gram package)</p>		<p>13.27</p>

\*Source of images: <https://www.auchandirect.pl/>




High and upper ends: High-quality coffee mainly consists of washed Arabicas. These coffees are often single origin and have a special story. The upper end of this segment consists of specialty coffees of excellent quality, often from micro or nano lots that undergo processing methods such as naturals and honeys. These are mainly fully traceable and single origin Arabica beans with a cupping score of 85 and above. The high- and upper-end segments in Eastern Europe are very small markets, showing some growth.

Sustainability certifications are not as common in this segment. This is because sustainability practices are often commonplace among buyers. Long-term contracts between suppliers and buyers characterise the high and upper-end segment, as well as higher prices. Additionally, the buyer and supplier usually agree on projects for communities and the distribution of money to farmers, a common characteristic of certifications aimed at social impact. The high- and upper-end segments are, however, seeing growth in organic-certified coffees.

Coffees from this segment are mainly sold directly by specialty roasters, at their physical and web shops as well as at coffee events. Examples of these events include the [Prague Coffee Festival \(Czech Republic\)](#), [Warsaw Coffee Festival \(Poland\)](#) and [Bucharest Coffee Festival \(Romania\)](#). [CoffeeDesk \(Poland\)](#) is an example of a specialised coffee website selling high-quality coffees. To find examples of specialty roasters and cafés in Eastern Europe, see the city guides at the [website of European Coffee Trip](#).

Examples of coffees in the high and upper end market segments include:

	Product	Image*	Retail price (€/kg)
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<p>High- and upper-ends</p>	<p><i>Variety:</i> Pacas  <i>Process:</i> Natural  <i>Origin:</i> Rwanda, Lake Kivu, farm Rwinyoni  <i>Roaster:</i> <a href="#">Bob Coffee Lab</a> (Romania)  <i>Package size:</i> 250 grams</p>		<p>36.92</p>
	<p><i>Variety:</i> Red Catuai  <i>Process:</i> Honey  <i>Origin:</i> Costa Rica, Don Cayito, Los Angeles  <i>Roaster:</i> <a href="#">Doubleshot</a> (the Czech Republic)  <i>Package size:</i> 350 grams</p>		<p>39.43</p>
	<p><i>Variety:</i> Pacas  <i>Process:</i> Honey  <i>Origin:</i> Honduras, Miraflores, Santa Barbara, farmer J.A.C. Rodriguez  <i>Roaster:</i> <a href="#">Java Coffee</a> (Poland)  <i>Package size:</i> 250grams</p>		<p>61.64</p>

\*Source of images: <https://shop.bob.coffee/>, <https://www.doubleshot.cz/> and <https://javacoffee.pl/en/>

Value distribution: As shown by the above examples, end market prices for coffee vary depending on the targeted market segment. Green coffee export prices typically amount to only 5% to 25% of the end market prices, depending on the coffee quality, the size of the lot and the supplier's relationship with the buyer. Figure 4 below shows the value distribution of wholesale mainstream coffee. Roasters often end up taking more than 80% of the wholesale coffee price. A coffee farmer takes about 10%.

Prices for speciality coffee may have reference to the international London and New York market prices but much of the coffee trade takes place on a price differential basis. In the speciality segment, the shares of added value for farmers tend to be much higher than in the mainstream coffee market, as well.

The Speciality Coffee Association provides an illustrative example of how exporters should look into their [value chain, in terms of different costs and margins](#). You should also, refer to the [Specialty Coffee Transaction Guide](#) to get an idea of the current market prices for speciality coffee. This guide quantifies anonymous contract

and pricing data of importers and roasters, based on quality, quantity, and origin of the coffee purchased.

Segmentation by type of consumption: In addition to the market segmentation by quality, the Eastern European coffee sector can also be segmented into in-home and out-of-home consumption:

- In-home consumption: Most coffee consumption in Eastern Europe takes place at home. Most countries still drink mostly instant coffee, although the consumption of ground coffee and whole beans is increasing, as is consumption of coffee pods and capsules.
- Out-of-home consumption: The largest out-of-home coffee markets in Eastern Europe are found in Poland, Romania and the Czech Republic. Together, these three countries account for **65%** of the total out-of-home coffee market in Eastern Europe. In 2019, Poland's out-of-home market grew by 11%, and that of the Czech Republic by 30%. Prior to the pandemic, out-of-home consumption in the whole region was growing steady, mainly due to **higher incomes in Eastern Europe** combined with growing **consumer interest in high-quality coffee**. **By the end of 2022, out-of-home coffee consumption is expected to reach pre-pandemic levels again** across Europe.

Figure 5: Eastern European coffee sector segmentation by in-home and out-of-home consumption



Source: ProFound

### Tips:

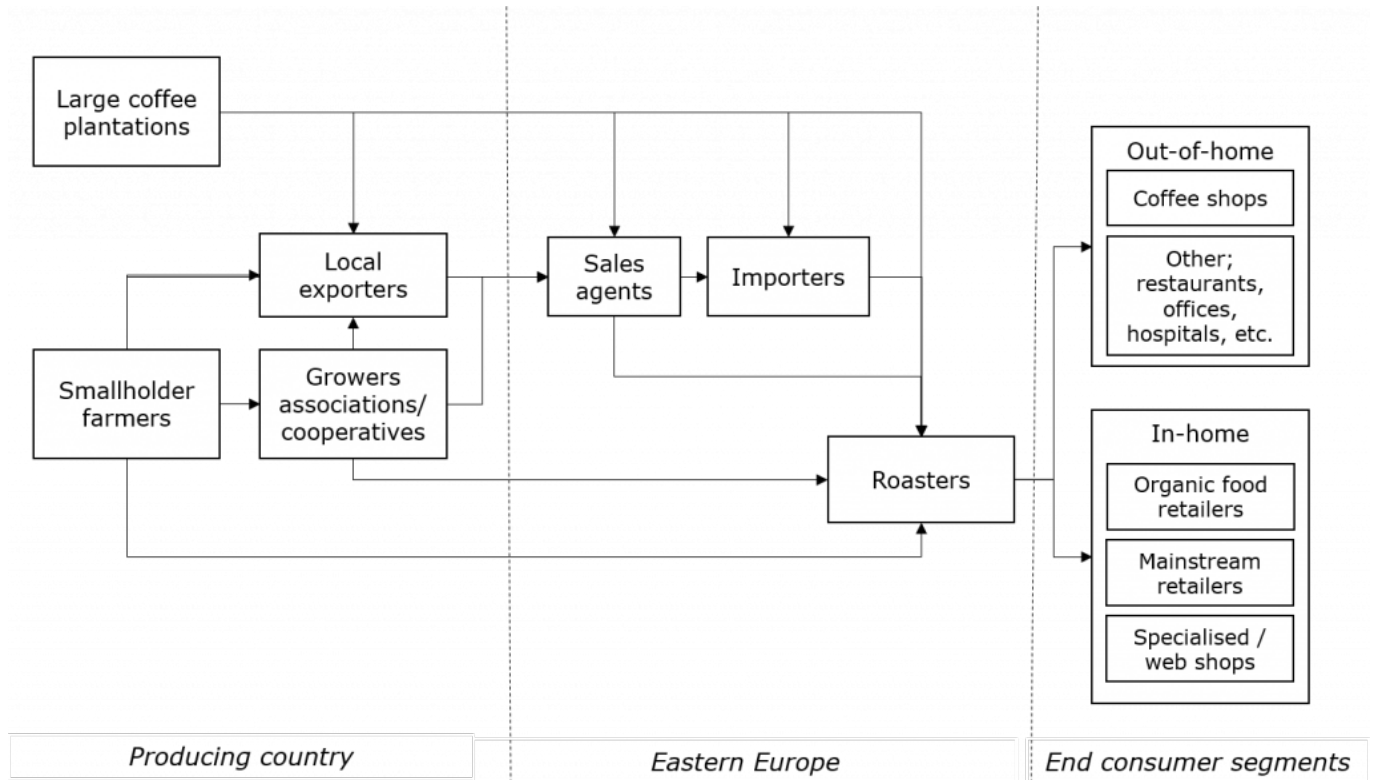
Refer to our study on [trends in the coffee sector](#) to learn more about developments within different market segments.

Check [the website of the Specialty Coffee Association \(SCA\)](#) to learn more about the high-end coffee segment, market trends and main players.

## Through what channels does coffee reach the end market?

As an exporter, you can use different channels to bring your coffee to the Eastern European market. Entering the market will vary according to the quality of your coffee and your supplying capacity. Bear in mind that shortened supply chains are a general trend in Europe. This means that retailers and coffee roasting companies are increasingly sourcing their green coffee directly. The below figure shows the most important market channels for your green coffee beans entering Eastern Europe.

Figure 6: Market channels for green coffee in Eastern Europe



Source: ProFound

## Importers

Importers play a vital role in the coffee market, functioning as supply chain managers. They maintain wide portfolios from various origins, pre-finance operations, perform quality control, manage price fluctuations and establish contact between producers and roasters. In most cases, importers have long-standing relationships with their suppliers and customers. In general, importers either sell the green beans to roasting companies in Eastern Europe or re-export them to other European buyers.

Large-scale importers usually have minimum volume requirements starting at around 10 containers, covering a wide range of qualities, varieties and certifications. At the same time, they provide strong support on logistics, marketing and financial operations.

An example of a large importer in Eastern Europe is Poland's [Bero Polska](#), the leading supplier of green coffee in Poland and other Eastern European countries. Bero Polska belongs to the [German Neumann Kaffee Gruppe](#) and handles a large range of products, both conventional and specialty coffees. [The Olam Group](#) is also present in Eastern Europe, with offices in [Poland](#) and [Slovenia](#). Olam imports large quantities, mainly Robusta coffee, being an important distributor of green coffee to other parts of Eastern Europe.

Specialised importers are able to buy small and mid-sized volumes of high-quality and single origin coffees, from micro-lots to full container loads (FCL). An example of a specialised importer in Eastern Europe is [Anfrawer](#) (Poland).

For which companies is this an interesting entry channel? The most interesting channel for you will depend on the quality of your coffee and your supply capacity in terms of volume. If you are an exporter of green coffee beans and can you offer high volumes (10 containers or more), you should look into entering the Eastern European market through large importing companies. These companies usually have agents or representative offices in producing countries, which can be your first point of contact.

Specialised traders can be interesting if you have evidence of high cupping scores of at least 80 or higher,



although some buyers may require scores higher than 85, plus a high degree of transparency and traceability. Keep in mind that many specialised importers prefer to work directly with producers or cooperatives.

## Large roasters

Most large roasters buy their own coffee beans from the country of origin, although they might also source through importers. Roasters usually perform analysis and cup testing to check the evenness of the roast and to identify any defects that can occur in post-harvest processes, such as fermentation, drying and storage. Large roasters usually blend different qualities of green coffees to safeguard quality consistency. The final product is distributed to retailers and the food service industry.

Roasters can operate under their own brands and/or private label. Examples of large roasters operating under their own brands in Eastern Europe include: [Anamaria](#) (Croatia), [Kafina](#) (Bulgaria) and [Café Sati](#) (Poland). Another large multinational roaster present in the East European market is [Nestlé](#). Examples of private label coffee roasters in Eastern Europe are [René Café](#) and [Instanta](#) (Poland).

For which companies is this an interesting entry channel? Supplying directly to large-scale roasters is only interesting if you are able to supply large volumes at consistent quality. If you work with bulk coffees, discuss minimum quality and other requirements, such as certification, with your potential buyer.

## Small roasters

Although a growing number of small roasters import green coffee directly from the place of origin, the largest share of smaller roasters continues to buy their coffee via importers. This is the case as not all roasters can take on the additional responsibilities and risks involved in importing directly from the source. Importers help roasters with financial services, quality control and logistics. Nevertheless, small roasters often maintain a direct connection with their producers, as they need detailed information for storytelling in order to market the coffee to their clients (brands or consumers). Small roasters often specialise in single origins and the finest specialty coffees.

Polish specialty roaster [Coffee Lab](#), for example, buys coffee from importers [Belco](#) (France), [Falcon](#) (United Kingdom) and [List + Beisler](#) (Germany). Other small Eastern European coffee roasters include: [Rebel Bean](#) (Czech Republic), [Mamacoffee](#) (fair trade, Czech Republic), [Samay](#) (Fairtrade and organic, Slovenia), [Java Coffee Roasters](#) (Poland), [Black Sheep](#) (Hungary) and [Coffee Proficiency](#) (Poland).

For which companies is this an interesting entry channel? Supplying to small roasters is interesting for producers and exporters that offer high-quality coffees, have micro lots, can guarantee traceability, and are willing to engage in long-term partnerships. Assess whether small or medium-sized roasters are interested in establishing direct trade relationships, and whether you have sufficient means to organise your exports.

## Intermediaries and agents

Agents act as intermediaries between you, coffee importers and roasters. These are actors with vast market knowledge, who can help you assess and select interesting buyers. Some agents are independent, while others are hired to make purchases on behalf of a company. An example of agent in Eastern Europe is: [Łukasz Pelczarski Coffee And Tea Agents](#) (Poland).

For which companies is this an interesting entry channel? If you have limited experience exporting to European countries, agents can play a very important role. Agents are also interesting if you have limited quantities of coffee or if you lack financial and logistical resources to carry out trade activities. Working with an agent is also useful if you need a trusted and reputable partner within the coffee sector. Be prepared to pay an extra commission for their work.

## Tips:

Find buyers that match your business philosophy and export capacities in terms of quality, volume and certifications. For more tips on finding the right buyer for you, see our study on [finding buyers in Europe](#).

Attend trade fairs to meet potential Eastern European buyers. Interesting trade fairs include SCA's [World of Coffee](#) (every year in a different European city), [Biofach](#) (organic), [Anuga](#) and [COTECA](#) (all in Germany). Interesting coffee events in Eastern Europe include the [Prague Coffee Festival \(Czech Republic\)](#), [Warsaw Coffee Festival](#) (Poland) and [Bucharest Coffee Festival](#) (Romania). Attending such events can provide you with additional insight into the preferences of Eastern European buyers with regard to origin, flavour and sustainability certification.

Invest in long-term relationships. Whether you are working through importers or roasters, it is important to establish strategic and sustainable relationships with them. This will help you manage market risks, improve the quality of your product and reach a fair quality-price balance.

See our study on [buyer requirements for coffee](#) to learn about which European market standards and requirements you need to comply with when supplying to Europe.

See our study on [how to do business with European buyers](#) for more information about complying with buyer requirements, how to send samples and how to draw up contracts.

## 3. What competition do you face on the Eastern European coffee market?

In general, competition is higher for mainstream coffee with low added value. This segment is mainly dominated by major suppliers and cooperatives which are able to deliver large quantities so they can compete on price. It is difficult for small and medium-sized companies, for example those exporting a few containers per year, to compete in this segment.

Volumes in the specialty coffee market are smaller, and the focus is more on quality, origin and sustainability. However, as the requested volumes are smaller, and more and more producers are focusing on this segment, competition can also be quite fierce. There are several competitions to identify the highest quality coffees produced worldwide, for instance the [Cup of Excellence](#). These competitions might be an interesting entry point for this segment but it may be necessary to invest a large sum of money in order to enter this segment.

New entrants to the market will face competition from already successful coffee exporters, especially due to the fact that they have already established long-term relationships with buyers. Entering the market as a newcomer requires you to have extensive knowledge of your product assortment, stable quality and volumes, and good communication skills to enable you to start building your own new relationships with buyers. If the potential buyer is not yet operating in your country of origin, it might be more difficult to establish initial contact. You may be required to supply more extensive information about the producing regions, the producing communities and traceability, for example.

### Vietnam: largest supplier of Robusta beans to Eastern Europe

Asia is mainly known for its Robusta production, particularly Vietnam. Vietnam is the world's second-largest coffee producer, with production volumes reaching [1,878 thousand tonnes](#) between October 2019 and September 2020. Approximately 96% of Vietnamese coffee production consisted of Robusta coffees.

Vietnam's direct coffee exports to Eastern Europe amounted to nearly 59 thousand tonnes in 2020, with volumes declining at an average annual rate of 2.1% since 2016. Poland imported over 45 thousand tonnes in 2020, followed by Slovenia with imports reaching 7.8 thousand tonnes and Bulgaria with 6.7 thousand tonnes.

Vietnam's coffee production is strongly focused on creating large volumes of standard quality coffees, mostly directed to the instant coffee market. In recent years, [Vietnam's Robusta exports have faced stiff competition](#) from the Brazilian Conilon and Robusta beans from other countries, which has reduced exports slightly. Examples of large Vietnamese coffee exporter groups include [Simexco Daklak](#), [Intimex Group](#), [Tin Nghia Corporation](#) and [Mascopex](#).

It is likely that trade between the European Union and Vietnam will increase again in the near future, as the [European Union-Vietnam Free Trade Agreement](#) (EVFTA) entered into force in August 2020. This agreement removed tariffs on all green, roasted and processed coffee from Vietnam.

To further boost the coffee trade following the enactment of the EVFTA, the [Vietnamese government asked the country's coffee industry players to apply advanced cultivation, processing and storage technologies](#), to increasingly meet buyer requirements from European importers.

In addition, the [government's efforts](#) have been more and more directed towards improving the quality of coffee beans. As high-quality coffees gain interest in consumer markets, [Vietnam's specialty coffee industry is slowly developing](#). An example of a successful exporter of Vietnamese specialty coffee is [Blue Sonla](#).

As climate change poses a serious threat to the Vietnamese coffee sector, the country is working hard to produce coffee in a more sustainable manner. In collaboration with many international actors, such as [Bioversity and CIAT](#) and [IDH](#), private and public actors in Vietnam are increasingly focusing on making coffee production in the country sustainable and a reliable source of income for smallholder farmers.

## **Brazil: largest supplier of Arabica beans to Eastern Europe**

Brazil is the world's largest coffee producer, with production volumes amounting to [3,630 thousand tonnes](#) between July 2019 and June 2020. Brazil produces both Arabica (75%) and Robusta (25%), but [about 80% of exports are Arabica](#). In 2020, the Eastern European region imported about 43 thousand tonnes of green coffee directly from Brazil. Between 2016 and 2020, Brazilian supplies to the region increased at an average annual rate of 3.3%. Poland was by far the largest importer of green coffee from Brazil, with imports amounting to 23 thousand tonnes. Slovenia was the second-largest, importing 7.8 thousand tonnes in 2020, followed by Bulgaria, which imported 6.7 thousand tonnes.

Brazil's coffee-producing areas are relatively flat, which has [intensified the use of mechanical pickers in the industry](#). This has drastically reduced labour costs in Brazil's coffee production, but also resulting in lower quality, as machines do not distinguish between ripe and unripe cherries. Coffee prices in Brazil went down, especially in relation to other coffee producing countries. Brazil mostly produces natural and pulped natural coffees. Low-grade Brazilian Arabica is mostly used in blends.

Although the country is mainly known for [exporting large volumes of standard quality](#), it also has a solid reputation as a producer of speciality coffees. The sector receives strong institutional support from the [Brazil Specialty Coffee Association](#), which aims to elevate the quality standards and enhance value in the production and marketing of Brazilian coffees. Examples of successful exporters of speciality coffees in Brazil are [Burgeon](#) and [Bourbon Specialty Coffees](#). Large Brazilian exporter [Costa Café](#) has also started exporting speciality coffees in addition to its regular mainstream coffee exports.

## **Uganda: the main supplier of Robustas from Africa**

Another major Robusta producer is Uganda. In 2020, total supplies to Eastern Europe amounted to 7.5 thousand tonnes. Between 2016 and 2020, exports saw a year-to-year decrease of 4.0%. Poland was the largest importer of Ugandan green coffee with 3.3 thousand tonnes in 2020, followed by Romania with 2.0 thousand tonnes.

Uganda is Africa's second-largest coffee producer and the world's tenth-largest. Approximately **80%** of total Ugandan exports are Robusta coffees. Coffee in Uganda is mainly grown by smallholder farmers, who are organised under [NUCAFE](#), the national umbrella coffee farmers' organisation. NUCAFE's membership counts 213 farmer cooperatives and associations. The [Uganda Coffee Development Authority \(UCDA\)](#) helps to promote and guide the development of the Ugandan coffee industry through quality assurance, research and improved marketing techniques. Examples of Ugandan exporters are: [ACPU](#) and [Great Lakes Coffee](#).

## **Colombia: the largest supplier of washed Arabicas**

Colombia is the world's third-largest coffee producer, with production volumes amounting to **846 thousand tonnes** between October 2019 and September 2020. Colombian exports to Eastern Europe increased by 5.8% between 2016 and 2020, amounting to 6.2 thousand tonnes of green coffee in 2020. The region's largest importer from Colombia was Romania, with direct imports amounting to 2.1 thousand tonnes in 2020. Poland imported 1.9 thousand tonnes, and Slovenia 1.3 imported thousand tonnes.

Colombia is the world's largest producer of washed Arabica. The [Colombian Coffee Growers Federation](#) strategically promotes and markets Colombian coffee, solidifying the country's established image and brand for high-quality coffees. The Café de Colombia trademark is a [registered protected geographical indication \(PGI\)](#) in Europe, which is unique among coffee producing countries.

Colombia is an important producer of certified coffees worldwide. Colombia is the [second-largest producer of Rainforest Alliance-certified coffees and the largest producer of Fairtrade-certified coffees](#). The wide availability of certified coffees has allowed green coffee exporters to access various markets and segments in Europe. Examples of successful Colombian cooperatives or private organisations which export coffee to the international market include [InConexus](#), [Red Ecolsierra](#), [La Maseta](#) and [Cadefihuila](#).

## **India: Eastern Europe's fifth-largest direct supplier**

India supplied an estimated 5.3 thousand tonnes of green coffee to the region in 2020. Between 2016 and 2020, green coffee exports decreased by almost 15%, mainly as a result of the decreasing direct imports to Croatia. The Indian coffee industry, which consists mainly of small- and medium-scale farmers, is [increasingly struggling to keep up with the lower prices offered by Brazilian competitors](#).

An estimated **71%** of Indian coffee production is dedicated to Robusta. The largest Indian exporter of Robusta is [Olam Agro India](#). Given the presence of Olam in Slovenia, it is no surprise that Slovenia was the largest importer of Indian green coffee in the region in 2020, importing as much 3.1 thousand tonnes.

[Indian Robusta is often preferred for blends thanks to its good blending quality](#). In addition to being known as an interesting Robusta producer, India is also known for its unique [Monsoon Malabar](#) coffee, which is exposed to the salty sea air during the monsoon season to acquire a specific taste. The coffee sector in India is promoted by the [Coffee Board of India](#).

## **Honduras: a large supplier of organic coffee**

Producing **324 thousand tonnes** of coffee between October 2019 and September 2020, Honduras is the world's sixth-largest coffee grower. Eastern Europe imported about 5.3 thousand tonnes of green coffee from Honduras in 2020. Between 2016 and 2020, exports from Honduras increased at an average annual rate of 1.0%. As the region's largest importer, Poland imported the most coffee from Honduras at 2.8 thousand tonnes, followed by Bulgaria, which imported 1.9 thousand tonnes in 2020.

The Honduran Coffee Institute [IHCAFE](#) has been promoting the production of value-added coffees, either through certification or by actively improving coffee quality. The country has grouped [coffee production and quality specifications into six different regions](#) according to differences in microclimates and soil composition. Honduran exports of speciality organic coffees increased by **30%** between 2016 and 2017 thanks to these efforts.

In addition to the growing reputation as a high-quality coffee supplier, a relatively large share of Honduras' coffee is organic. In 2019, about **24 thousand** hectares were dedicated to organic coffee farming in Honduras, accounting for approximately 5.4% of the total area used for coffee growing in Honduras. This relatively small share underlines the existing growth potential of Honduras as an organic producer. Nevertheless, accounting for **37 thousand tonnes** or 26% of European organic coffee imports in 2019, Honduras was already the second-largest supplier of organic coffees to the EU, only after Peru.

Examples of successful exporters in Honduras are [Asoprosan](#), [Cafico](#), [Capiro Coffee Export](#) and [Aruco](#).

## Tips:

Identify your potential competitors. To be successful as an exporter, it is important to learn from them too. Look into their marketing strategies, the product characteristics they highlight and their value addition approaches. Successful companies that already export to the European market from which you can learn include, for example, [Indian Organic Farmers Producer Company](#) (India), [ACPU](#) (Uganda), [O'Coffee](#) (Brazil), [Bourbon Specialty Coffees](#) (Brazil) and [La Meseta](#) (Colombia). Another interesting exporting company to learn from is [Caravela Coffee](#), which has a wide portfolio of specialty coffees from Latin America, facilitates contact between roasters and producers, and has set up representative offices in destination markets.

Identify and promote your unique selling points. Give detailed information about your coffee-growing region or origin, the varieties, qualities, post-harvesting techniques and certification of the coffee you offer. You can also tell the history of your organisation, your coffee growing farm and the passion and dedication of the people working there. These are all elements that make your company unique.

Actively promote your company on your website and trade fairs. Quality competitions also provide good opportunities to share your story. [The auctions organised by the Cup of Excellence](#) are one such example.

Are you interested in exporting high-quality coffee? Learn more about cupping scores on [the website of the Specialty Coffee Association](#) (SCA). You can also consider getting a [Q Arabica](#) or [Q Robusta Grader certificate](#) to be able to cup and score your coffee through smell and taste according to international standards.

Work with other coffee producers and exporters in your region if your company size or product volume are too small. As a group, you can promote good-quality coffee from your region and be more attractive and more competitive in the European market.

Develop long-term partnerships with your buyers, including always complying with their requirements and keeping your promises. This will give you a competitive advantage, more knowledge and stability in the Eastern European market. See our [tips on doing business with European coffee](#) buyers for more information.

[ProFound - Advisers In Development](#) carried out this study on behalf of CBI.

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