

European Coffee Report 2006

Preliminary edition



European Coffee Federation

INTRODUCTION

This is the twenty-eighth issue of the 'European Coffee Report'. The European Coffee Federation (ECF) continues this series with the report over 2006. As usual, it contains a lead article and a graph of the ICO Indicator Prices, a chapter on EU import and export figures and chapters on the individual Western European markets. The information for most of the country chapters has again been provided by the ECF member associations. Their contribution to this series is invaluable and has enabled the European Coffee Report to develop into a unique and convenient single source of basic information on the European coffee market. The European Coffee Report is available only in electronic format on the ECF website.

For the sake of a uniform presentation and for ease of comparison, not all the details of the national reports could be incorporated, given that they vary widely in volume and contents. In order to give a more complete overview, the national reports were in part complemented with statistical material from other sources. This applies as well to those countries whose coffee associations are not members of ECF, but on which this report gives some information for the sake of completeness.

On the closing page of this report a list of the member associations of ECF can be found.

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This report was finalised on December 20, 2007

EUROPEAN COFFEE FEDERATION

NOTE ON THE TABLES

Bags are bags of 60 kilos

Tons are metric tons

The recalculation of roasted and soluble coffee uses the conversion factors of the International Coffee Agreement 2001, Annex 1:

- from roasted to green: multiply by 1,19
- from soluble to green: multiply by 2,6

In the notation of figures, the convention of continental Europe is followed:

- thousands are separated by a dot (.)
- the decimal sign is the comma (,)

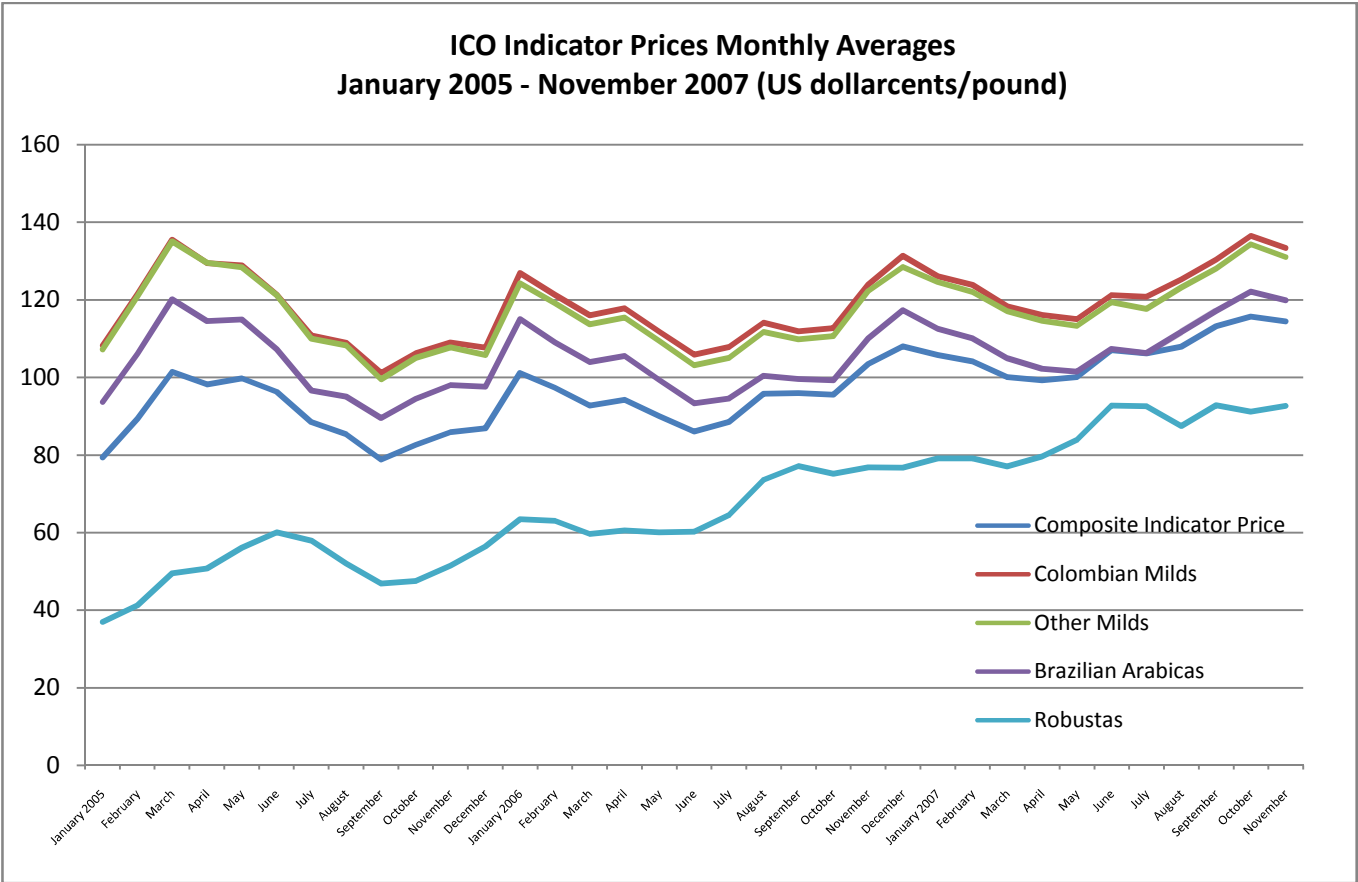
Abbreviations of currencies are those used for international banking purposes, based on ISO standards.

Eurostat import figures may differ from those from national sources

Distribution of green coffee imports by types of coffee is based on the following grouping of coffee producing countries applied by the International Coffee Organization:

	Arabicas		Robustas
Colombian Milds	Other Milds	Brazilian Naturals	
Colombia	Burundi	Bolivia	Angola
Kenya	Costa Rica	Brazil	Benin
Tanzania	Cuba	Ethiopia	Cameroon
	Dominican Republic	Paraguay	Central African Rep.
	Ecuador		Congo
	El Salvador		Congo Democratic Rep.
	Guatemala		Cote d'Ivoire
	Haiti		Equatorial Guinea
	Honduras		Gabon
	India		Ghana
	Jamaica		Guinea
	Malawi		Indonesia
	Mexico		Liberia
	Nicaragua		Madagascar
	Panama		Nigeria
	Papua New Guinea		Philippines
	Peru		Sierra Leone
	Rwanda		Sri Lanka
	Venezuela		Thailand
	Zambia		Togo
	Zimbabwe		Trinidad and Tobago
			Uganda
			Vietnam

ICO INDICATOR PRICES



As from 1 October 2005 the calculation of the ICO composite indicator price is weighted as follows:

Colombian Milds:	13%
Other Milds:	24%
Brazilian Naturals:	29%
Robustas:	34%

As from 1 October 2007 the weighting is as follows:

Colombian Milds:	14%
Other Milds:	20%
Brazilian Naturals:	31%
Robustas:	35%

THE EUROPEAN COFFEE MARKET IN 2006

Imports and exports

Two new member states joined the EU on 1 January 2006: Bulgaria and Rumania. This again causes a discontinuity in the statistics. Eurostat helpfully has backdated import statistics for the new members to previous years. To offer some continuity with the previous European Coffee Report, we list the totals for the EU25 as well as those for the EU27. The traditional division between 'Western Europe' and 'Central and Eastern Europe' is constantly changing with the increasing EU membership. The terms 'Western Europe' and 'Central and Eastern Europe' are not strictly defined, and the inclusion of a country in one or the other group has always been somewhat arbitrary. We designate EU plus Norway and Switzerland as 'Western Europe'. To expand our coverage, we have added Ukraine and Turkey to the Central and Eastern European countries. All this means that the following trade figures are not directly comparable to those in earlier editions of the European Coffee Report as far as the subtotals 'EU', 'Western Europe' and 'Central and Eastern Europe' are concerned.

Imports of green coffee into European countries from 2004 to 2006						
- in tons and in bags of 60 kilos -						
	2004		2005		2006	
	tons	bags	tons	bags	tons	bags
Austria	59.180	989.763	48.338	805.633	65.619	1.093.653
Belgium	196.887	3.123.947	198.887	3.314.780	214.909	3.581.812
Cyprus	1.527	25.448	1.776	29.600	1.692	28.200
Czech Republic	25.912	419.953	23.219	386.965	17.691	294.850
Denmark	54.496	913.553	35.918	598.623	34.329	572.147
Estonia	13	222	51	567	35	582
Finland	63.531	1.057.680	63.269	1.054.478	64.670	1.077.830
France	2.352.213	3.912.688	211.592	3.491.648	219.605	3.660.078
Germany	958.049	15.967.365	900.204	14.996.765	1.001.093	16.684.887
Greece	27.532	458.865	25.594	426.573	23.461	391.015
Hungary	35.514	571.498	17.058	284.292	14.576	242.930
Ireland	5.558	78.558	5.311	87.642	5.091	84.852
Italy	387.504	6.457.535	399.907	6.664.692	416.595	6.943.243
Latvia	2.344	38.490	1.828	30.473	2.168	36.130
Lithuania	204	3.392	186	3.093	264	4.400
Luxembourg	196	3.133	179	2.837	164	2.730
Malta	31	522	40	660	39	642
Netherlands	138.639	2.309.920	135.803	2.264.757	145.987	2.433.112
Poland	102.802	1.736.477	103.405	1.723.408	77.797	1.296.618
Portugal	41.837	696.805	39.897	664.953	41.310	688.492
Slovakia	6.817	110.098	5.915	122.237	4.632	77.203
Slovenia	11.667	158.192	9.303	155.008	8.490	141.505
Spain	220.563	3.649.963	232.878	3.870.615	234.223	3.903.720
Sweden	90.545	1.491.107	102.547	1.708.732	110.006	1.833.438
United Kingdom	118.499	1.976.680	108.604	1.803.220	115.247	1.920.782
<i>EU (25) Total</i>	<i>2.785.065</i>	<i>46.417.742</i>	<i>2.671.710</i>	<i>44.528.497</i>	<i>2.819.691</i>	<i>46.994.850</i>
Bulgaria	17.122	285.368	20.169	336.147	19.250	320.825
Rumania	33.969	566.145	33.071	551.182	29.342	489.035
<i>EU(27) Total</i>	<i>2.836.155</i>	<i>47.269.255</i>	<i>2.724.950</i>	<i>45.415.825</i>	<i>2.868.283</i>	<i>47.804.710</i>
Norway	36.040	600.671	37.408	623.463	35.769	596.149
Switzerland	65.846	1.097.433	89.843	1.497.233	73.702	1.228.367
<i>Western Europe total</i>	<i>2.938.042</i>	<i>48.967.359</i>	<i>2.852.200</i>	<i>47.536.521</i>	<i>2.977.754</i>	<i>49.629.226</i>
Albania	4.132	68.863	4.049	67.480		
Belarus	6.981	116.354	12.554	209.231		
Bosnia and Herzegovina	23.789	396.481	22.601	376.690		

Croatia	24.920	415.341	25.439	423.975
Kazakhstan	7.459	124.322	11.101	185.024
Macedonia	8.106	135.098	8.455	140.915
Moldova	1.960	32.671	2.424	40.396
Russian Federation	178.182	2.969.705	188.354	3.139.240
Serbia and Montenegro	51.594	859.902	40.366	672.772
Turkey	43.604	726.735	57.663	961.043
Ukraine	43.725	728.743	59.094	984.905
<i>Central and Eastern Europe total</i>	<i>394.453</i>	<i>6.574.215</i>	<i>432.100</i>	<i>7.201.671</i>
<i>Europe total</i>	<i>3.332.494</i>	<i>55.541.574</i>	<i>3.284.301</i>	<i>54.738.192</i>

Note: Figures show imports of green coffee, not decaffeinated, but some Central and Eastern European countries do not distinguish between decaffeinated and not-decaffeinated green coffee.

Sources: Eurostat for EU, ICO for Central and Eastern Europe, external trade statistics for other countries.

Because this edition of the European Coffee Report is seriously delayed, we include the January – June 2007 import figures for the EU members:

Imports of green coffee into EU January-June 2007		
- in tons and in bags of 60 kilos -		
	tons	bags
Austria	33.036	550.605
Belgium	88.735	1.478.923
Cyprus	825	13.747
Czech Republic	7.206	120.098
Denmark	16.791	279.855
Estonia	14	232
Finland	33.154	552.567
France	122.148	2.035.807
Germany	522.660	8.710.993
Greece	15.435	257.243
Hungary	7.292	121.527
Ireland	3.033	50.542
Italy	233.015	3.883.585
Latvia	892	14.873
Lithuania	115	1.917
Luxembourg	90	1.503
Malta	28	458
Netherlands	81.769	1.362.812
Poland	29.331	488.845
Portugal	21.715	361.915
Slovakia	2.517	41.955
Slovenia	4.157	69.290
Spain	133.685	2.228.088
Sweden	53.526	892.097
United Kingdom	56.315	938.585
EU (25) Total	1.467.484	24.458.062
Bulgaria	10.086	168.097
Rumania	13.560	226.003
EU(27) Total	1.491.130	24.852.162

Source: Eurostat

In calendar year 2006 green coffee imports in Western Europe were 49,6 million bags, an increase of 4,4% compared to the 47,5 million bags in 2005. The Western European market is dominated by the EU. Green

coffee imports into the EU(25) increased by 5,5% from 44,5 million bags in 2005 to 47 million bags in 2006. According to ICO data, Central and Eastern European imports in 2005 (the most recent year available) amounted close to 7,2 million bags, 9,5% higher than the year before.

The 'top 20' sources of EU(25) green coffee imports (excluding intra-EU trade) in 2004, 2005 and 2006 were as follows (listed in the order of 2006 imports):

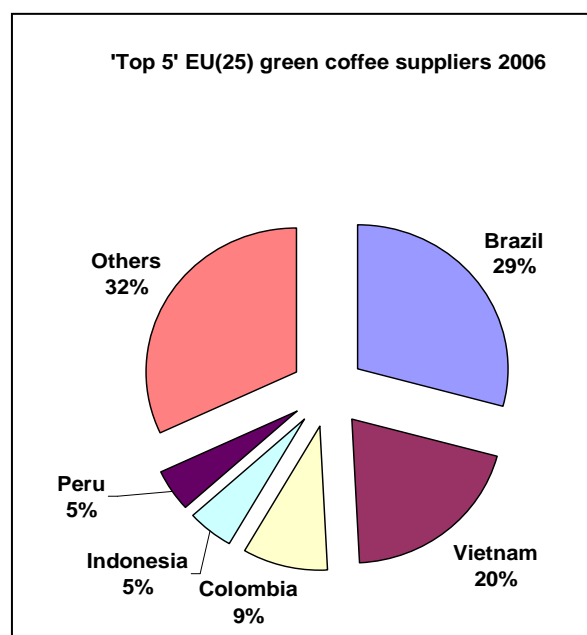
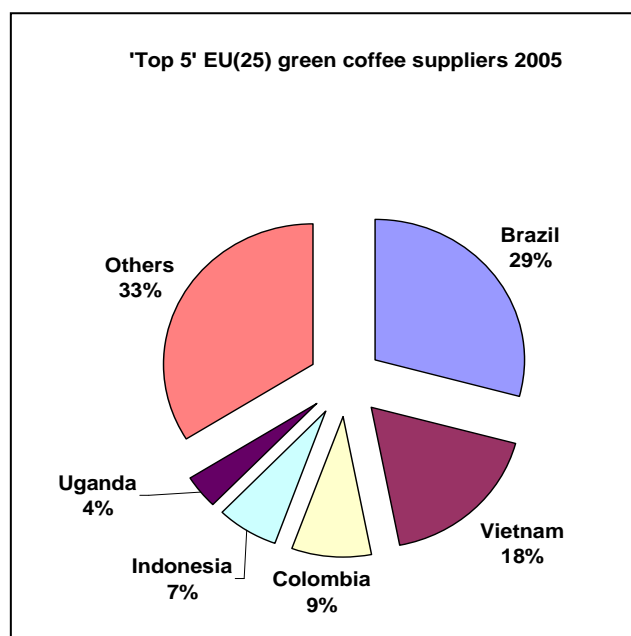
Imports of green, not decaffeinated coffee into the EU(25) (excluding intra-EU trade) by main origins						
- in tons and % -						
	2004		2005		2006	
	bags	%	bags	%	bags	%
Brazil	12.352.505	28,7	11.992.525	29,2	12.703.483	29,1
Vietnam	8.123.902	18,9	7.232.417	17,6	8.770.297	20,1
Colombia	3.516.610	8,2	3.614.390	8,8	3.989.857	9,1
Indonesia	2.041.900	4,7	2.739.193	6,7	2.161.713	5,0
Peru	1.675.087	3,9	1.592.147	3,9	2.101.892	4,8
Honduras	1.740.242	4,0	1.472.150	3,6	2.010.215	4,6
India	1.849.348	4,3	1.482.248	3,6	1.853.143	4,2
Ethiopia	1.309.352	3,0	1.355.982	3,3	1.299.080	3,0
Uganda	1.820.530	4,2	1.597.205	3,9	1.151.888	2,6
Guatemala	915.682	2,1	854.183	2,1	911.878	2,1
El Salvador	689.498	1,6	682.627	1,7	643.570	1,5
Cameroon	793.948	1,8	658.235	1,6	636.538	1,5
Kenya	666.633	1,5	599.063	1,5	572.165	1,3
Cote d'Ivoire	757.075	1,8	775.200	1,9	557.520	1,3
Nicaragua	587.987	1,4	453.332	1,1	492.757	1,1
Costa Rica	633.710	1,5	497.805	1,2	478.288	1,1
Papua New Guinea	615.323	1,4	553.802	1,3	445.465	1,0
Tanzania	328.840	0,8	481.678	1,2	361.160	0,8
Mexico	510.060	1,2	332.115	0,8	358.452	0,8
Rwanda	253.860	0,6	274.295	0,7	314.395	0,7
Others	164.283	0,4	131.032	0,3	246.660	0,6
Total	43.074.617	100,0	41.066.977	100,0	43.633.065	100,0

Source: Eurostat

With the exception of Uganda, the five main suppliers did not change position. Uganda dropped from fifth place in 2005 to 9th in 2006 while Peru, last years number 6 supplier, rose to the 5th position. Brazil remained the major green coffee supplier to the EU. Its volume increased by more than 710.000 bags, but its market share decreased marginally from 29,2% in 2005 to 29,1% in 2006. Vietnam comfortably retained its position as second supplier, with a higher volume (+1,5 mln bags) and share (+2,5 percentage points). The imports from Colombia increased by over 375.000 bags in volume and 0,3 percentage points in share.

Because of its rapid overall economic development, there is always in interest in coffee imports from China. In 2004 this country was just outside the top-20 with a volume of 151.000 bags. In 2005 the increase did not continue and volume dropped to just over 101.000 bags. In 2006 an increase to 107.000 bags could be recorded, making it the 26th EU supplier. Still, this is higher than traditional coffee exporting countries like the Democratic Republic of Congo - formerly Zaire- (28th supplier in 2006) or Ecuador (32nd).

The next two graphs illustrate the (limited) changes in the 'top 5':



The EU is not only an important importer of green coffee, but also a significant exporter of finished products. The EU imports of green decaffeinated coffee and roasted coffee are very modest compared to the exports of the same products while the imports and the exports of soluble coffee are in the same order of magnitude.

EU(25) imports and exports of green coffee and (semi)finished products from non-EU origins/to non-EU destinations - in tons -						
	2004		2005		2006	
	Import	Export	Import	Export	Import	Export
Green coffee (09011100)	2.584.477	15.537	2.464.019	14.764	2.617.984	16.369
Green coffee, decaffeinated (09011200)	2.300	93.743	1.777	85.544	1.754	90.429
Roasted coffee (09012100)	9.340	59.629	11.456	68.220	13.660	77.909
Roasted coffee, decaffeinated (09012200)	872	3.697	1.118	3.371	1.356	3.841
Soluble coffee (21011111+21011119)	39.121	35.746	39.609	52.425	41.267	52.139

Source: Eurostat

Compared to 2005 the (re)exports in 2006 of green coffee and green decaffeinated coffee both increased with respectively 11% and 6%. Exports of roasted coffee continued to rise and increased with 14% for both regular and decaffeinated coffee. Green decaffeinated imports, modest in volume, dropped by 1% in 2006 compared to 2005. Imports of roasted coffee increased strongly by 19% for regular and 21% for decaffeinated coffee; those of soluble coffee modestly by 4%.

Looking in some more detail at the EU exports of finished products, in the years 2004-2006 the twenty main destinations of roasted coffee (non-decaffeinated plus decaffeinated), listed according to their ranking in 2006, were:

EU(25) exports of roasted coffee (incl. decaf) to non-EU destinations

- in tons and % -

	2004		2005		2006	
	ton	%	ton	%	ton	%
United States	13.053	20,6	14.537	20,3	14.791	18,1
Romania	6.909	10,9	9.735	13,6	11.756	14,4
Switzerland	4.464	7,0	4.786	6,7	8.732	10,7
Russian Federation	4.667	7,4	6.138	8,6	7.980	9,8
Ukraine	8.111	12,8	8.772	12,3	7.932	9,7
Australia	2.186	3,5	2.238	3,1	3.061	3,7
Norway	2.330	3,7	3.003	4,2	2.861	3,5
Bulgaria	2.056	3,2	1.914	2,7	2.085	2,6
Canada	1.784	2,8	1.700	2,4	1.944	2,4
Croatia	1.545	2,4	1.672	2,3	1.760	2,2
Japan	922	1,5	1.141	1,6	1.474	1,8
Iceland	1.368	2,2	1.597	2,2	1.331	1,6
Israel	992	1,6	981	1,4	1.062	1,3
Bosnia and Herzegovina	899	1,4	936	1,3	1.052	1,3
South Africa	895	1,4	993	1,4	994	1,2
Albania	520	0,8	767	1,1	959	1,2
Turkey	591	0,9	717	1,0	895	1,1
United Arab Emirates	688	1,1	933	1,3	815	1,0
Serbia	0	0	396	0,6	736	0,9
Ceuta	463	0,7	475	0,7	679	0,8
Others	8.884	14,0	8.161	11,4	8.850	10,8
EU(25) Total external trade	63.326	100,0	71.591	100,0	81.749	100,0

Source: Eurostat

Once more it has to be emphasised that EU(25) data are not comparable to older EU figures because of the growing EU membership. In 2006 total exports of roasted coffee (including decaffeinated coffee) to non-EU destinations increased by 14% in volume compared to the previous year. The US remained by far the largest non-EU destination. Exports to the US continued to increase in volume, be it very modestly in 2006. In that year its share in EU export destinations dropped. Exports to Romania increased steadily and this country is the second largest non-EU destination. Of course, in 2007 it will be an EU destination, just as Bulgaria. In 2006 Switzerland took third place with a significantly increased volume.

Regarding the 2006 EU exports of soluble coffee to non-EU destinations, the total volume dropped marginally by 0,5%. In 2006 the three largest clients were the Russian Federation, Ukraine and the United States. Exports to the Russian Federation increased with 2,7% in volume and those to the United States with a remarkable 183%. Exports to Ukraine also increased significantly with close to 18%.

In volume terms, listed according to their 2006 ranking, the 15 largest destinations in the three most recent years were:

EU(25) exports of soluble coffee to non-EU destinations (HS 21011111 + 21011119)

- in tons and % -

	2004		2005		2006	
	tons	%	tons	%	tons	%
Russian Federation	13.258	37,1	14.812	28,3	15.218	29,2
Ukraine	3.236	9,1	4.789	9,1	5.635	10,8
United States	771	2,2	1.779	3,4	5.038	9,7
Australia	2.149	6,0	5.792	11,0	4.502	8,6
Turkey	2.771	7,8	3.150	6,0	2.938	5,6
Switzerland	1.745	4,9	1.508	2,9	2.546	4,9
Romania	1.066	3,0	1.494	2,8	1.650	3,2
Japan	1.794	5,0	1.920	3,7	1.415	2,7

Canada	150	0,4	654	1,2	1.395	2,7
Norway	1.186	3,3	1.313	2,5	1.122	2,2
Israel	1.011	2,8	970	1,8	1.077	2,1
Saudi Arabia	905	2,5	972	1,9	928	1,8
South Africa	501	1,4	670	1,3	796	1,5
United Arab Emirates	456	1,3	536	1,0	771	1,5
Croatia	299	0,8	492	0,9	636	1,2
Others	4.448	12,4	11.575	22,1	6.475	12,4
EU(25) Total external trade	35.746	100,0	52.425	100,0	52.139	100,0

Source: Eurostat

Several coffee-producing countries have a sizeable production and export of soluble coffee. The following table, giving EU imports of soluble coffee from the five main non-EU origins, illustrates this: four out of the five largest suppliers in volume terms are coffee producing countries. In 2006 Brazil remained the largest non-EU origin, albeit with a reduced volume and share. Ecuador maintained its second place with a higher volume and Switzerland retained its third position, be it with a lower volume and share. Cote d'Ivoire significantly increased its volume and share in EU soluble coffee imports, taking fourth place from Colombia.

EU(25) imports of soluble coffee from non-EU origins (HS 21011111 + 21011119)						
- in tons and % -						
	2004		2005		2006	
	tons	%	tons	%	tons	%
Brazil	12.391	31,7	13.234	33,4	12.398	30,0
Ecuador	7.161	18,3	8.552	21,6	8.619	20,9
Switzerland	6.333	16,2	5.644	14,2	5.146	12,5
Cote d'Ivoire	3.229	8,3	2.559	6,5	4.391	10,6
Colombia	4.541	11,6	4.264	10,8	3.891	9,4
Others	5.467	14,0	5.356	13,5	6.822	16,5
EU(25) Total external trade	39.121	100,0	39.609	100,0	41.267	100,0

Source: Eurostat

Finally in this section some data on the value of imports and exports of green, roasted and soluble coffee:

Value of EU(25) imports and exports of green, roasted and soluble coffee										
- in mln EUR -										
	Green		Green decaf		Roasted		Roasted decaf		Soluble	
	2005	2006	2005	2006	2005	2006	2005	2006	2005	2006
Imports										
From non-EU origins	3.584	4.177	4	5	92	118	13	17	203	236
Including intra-EU trade	3.887	4.523	75	76	1.260	1.508	96	109	927	1.041
Exports										
To non-EU destinations	39	39	191	212	307	364	18	21	408	405
Including intra-EU trade	452	492	293	330	1.524	1.794	87	97	1.117	1.206

Source: Eurostat

These data underline the economic relevance of the coffee sector for the EU food and drinks industry and trade balance. The value of exports to non-EU destinations of finished coffee products (roasted and soluble coffee) in 2006 was EUR 790 million, 8% higher than the EUR 733 million in 2005. At the same time the EU green coffee imports represent about half of the world trade, both in terms of volume and value, making the EU a significant trading partner of the coffee exporting countries.

Production

The following table is a summary of the Eurostat Prodcom statistics over calendar years 2005 and 2006, summarising production of decaffeinated green, roasted, roasted decaffeinated and soluble coffee in volume and value.

Production of green decaffeinated, roasted and soluble coffee in selected EU and candidate EU member countries

- in tons -										
	Decaffeinated coffee, not roasted		Roasted coffee, not decaffeinated		Roasted decaffeinated coffee		Extracts, essences and concentrates of coffee in solid form (including instant coffee)		Extracts, essences and concentrates of coffee in liquid form; preparations with a basis of extracts; essences or concentrates of coffee or with a basis of coffee	
	2005	2006	2005	2006	2005	2006	2005	2006	2005	2006
Austria	0	0	16.392	16.102	219	177	0	0	0	0
Belgium	0	0	84.897	76.911	9.858	9.233	0	0	0	0
Bulgaria	0	0	11.970	5.457	425	0	10	0	0	0
Croatia	0	0	9.403	12.770	61	48	0	0	0	0
Denmark	0	0	18.030	18.449	0	0	107	90	168	172
Finland	0	0	53.257	53.676	0	0	17	9	0	0
France	0	0	180.606	179.055	10.651	10.143	0	0	0	0
Germany	207.814	204.275	427.756	462.356	80.969	74.706	113.703	112.895	29.596	28.589
Greece	0	0	10.214	10.665	0	0	0	0	0	0
Hungary	0	0	12.766	0	0	0	0	0	10.539	12.358
Iceland	0	0	645	708	0	0	0	0	0	0
Italy	19.609	17.719	314.297	348.814	13.466	15.493	0	0	3.304	124
Latvia	0	0	0	1.568	0	0	0	0	0	0
Lithuania	0	0	68	64	0	0	0	0	0	0
Netherlands	0	0	94.102	106.265	7.228	9.138	0	0	0	0
Norway	0	0	30.504	31.053	304	276	0	0	0	0
Poland	0	0	81.336	67.382	222	0	1.700	3.722	4.980	5.401
Portugal	0	0	30.168	31.531	1.680	1.863	0	0	0	0
Romania	0	0	29.431	26.238	0	0	0	0	0	0
Slovakia	0	0	3.848	0	0	0	0	0	0	0
Spain	13.268	9.401	111.365	107.683	14.085	13.942	33.954	37.335	2.983	3.072
Sweden	0	0	68.795	69.091	0	0	0	0	0	0
United Kingdom	0	0	18.067	17.576	2.637	3.107	53.094	0	109	113
EU25TOTALS	254.264	0	1.561.559	1.601.622	142.404	0	250.662	0	75.481	75.415
EU27TOTALS	0	0	1.602.960	1.633.318	142.829	139.207	0	252.920	75.481	75.415

Source: Eurostat

Production of green decaffeinated, roasted and soluble coffee in selected EU and candidate EU member countries
- in mln EUR -

	Decaffeinated coffee, not roasted		Roasted coffee, not decaffeinated		Roasted decaffeinated coffee		Extracts, essences and concentrates of coffee in solid form (including instant coffee)		Extracts, essences and concentrates of coffee in liquid form; preparations with a basis of extracts; essences or concentrates of coffee or with a basis of coffee	
	2005	2006	2005	2006	2005	2006	2005	2006	2005	2006
Austria	0	0	90	71	1	1	0	0	0	0
Belgium	0	0	394	400	56	55	0	0	0	0
Bulgaria	0	0	27	0	1	0	0	0	0	0
Croatia	0	0	52	70	0	0	0	0	0	0
Denmark	0	0	86	102	0	0	2	1	1	1
Finland	0	0	175	152	0	0	0	0	0	0
France	0	0	1.115	1.198	67	68	0	0	0	0
Germany	116	108	1.445	1.268	183	140	654	681	105	100
Greece	0	0	65	66	0	0	0	0	0	0
Hungary	0	0	29	0	0	0	0	0	42	49
Iceland	0	0	6	7	0	0	0	0	0	0
Italy	15	16	2.222	2.345	112	133	0	0	33	1
Latvia	0	0	0	5	0	0	0	0	0	0
Netherlands	0	0	531	610	0	56	65	73	0	0
Norway	0	0	146	151	2	2	0	0	0	0
Poland	0	0	202	179	0	0	10	29	28	0
Portugal	0	0	222	224	14	14	0	0	0	0
Romania	0	0	86	86	0	0	0	0	0	0
Slovakia	0	0	13	0	0	0	0	0	0	0
Spain	24	27	470	471	57	64	181	232	2	5
Sweden	0	0	331	393	0	0	0	0	0	0
United Kingdom	0	0	233	230	23	35	1.001	1.077	1	1
EU(25) Total	191	0	7.749	0	563	0	2.488	0	447	442
EU(27) Total	0	0	7.862	7.967	565	576	0	2.617	447	442

Source: Eurostat

The Prodcom statistics need to be used with caution. For a number of countries data are unavailable for reasons of confidentiality. Absence of a country or data therefore can mean 'unavailable' as well as 'no production'. Only those countries for which at least some data are available have been included, but the two tables differ. This is because some countries report values but not volumes or vice-versa. The EU totals in several cases record a zero value. This does not mean zero production, but an incomplete data set that does not allow for the calculation of a total. In some cases the reporting is questionable: countries are mentioned as having soluble coffee production where industry sources do not indicate the existence of production facilities. Please note that the Prodcom categories are not the same as those of the Harmonised System used for external trade data.

AUSTRIA

1. IMPORTS OF GREEN COFFEE

Imports of not –decaffeinated green coffee in 2006 reached a volume of 1.024.000 bags of 60 kilos (61.423 tons). This is an increase of 27% in comparison with 2005, when 807.231 bags of 60 kilos were imported. The import of decaffeinated green coffee amounted to 75.000 bags (4.500 tons) in 2006, an increase of 22,4% compared to 2005. This is the highest import of decaffeinated coffee on record. Total green coffee imports amounted to 1.099.000 bags (65.940 tons), which is 26,6% higher than in 2005 (52.068 tons).

Austria: Imports of not-decaffeinated green coffee			
- in bags of 60 kilos -			
Countries of origin	2004	2005	2006
Vietnam	178.075	237.301	339.142
Brazil	344.120	208.438	309.533
Colombia	113.686	47.761	59.485
Indonesia	87.835	91.868	51.158
Peru	-	3.343	37.806
India	25.053	26.890	29.478
Honduras	45.493	25.256	23.501
Guatemala	27.895	31.498	22.551
Thailand	-	-	21.316
Cameroon	-	12.095	17.270
Nicaragua	28.918	34.875	16.817
Others	101.088	87.906	95.943
Total	952.163	807.231	1.024.000

Source: OeStat

The most important country was Vietnam. The reasons were the high exports to Eastern Countries in 2006 (where Robustas are preferred) and the high consumption of espresso.

Austria: Percentage distribution of not-decaffeinated green coffee			
Imports by main sources in %			
Countries of origin	2004	2005	2006
Vietnam	18,0	29,3	33,1
Brazil	34,8	25,8	30,2
Indonesia	8,9	11,4	5,0
Peru	-	0,4	3,7
India	1,4	3,3	2,9
Honduras	4,6	3,1	2,3
Guatemala	2,8	3,9	2,2
Others	29,5	22,8	20,6

2. FOREIGN TRADE IN ALL FORMS

The total volume of the international coffee trade in all forms (green coffee, roasted coffee, instant coffee and instant specialities) increased to 147.058 tons, in comparison to 2005 –117.225 tons, a plus of 25,4%. Imports have been 93.616 tons (plus 22,5%), exports 53.440 tons (plus 29,2%)

3. COFFEE CONSUMPTION

Austria: Per capita consumption of green coffee	
- in kilos -	
Year	per capita consumption
1950	0,6
1960	1,9
1970	3,8
1980	6,9
1990	8,0
2000	7,9
2005	8,1
2006	8,0

4. DEVELOPMENT OF PRICES FOR ROASTED COFFEE

The prices in retail market increased by 7,5% as a result of price increases and the change to pads and capsules. In the gastronomic area the prices increased by 10 to 15%.

In 2006 increasing costs could be recovered, resulting in an improved situation in the coffee sector.

The membership of the Austrian Coffee Association represents 75% of the national market

6. COMMENTS ON PARTICULAR SUBJECTS

Main highlight in Austria was the Day of coffee on 1 October 2006. The press-conference on the 20th of September brought a record of visiting journalists and resulted in more than 90 articles in the press. Our partners, the Austrian Coffeehouses, ('Kaffeehäuser') developed activities for the consumers in more than 200 Coffeehouses.

From the beginning of 2006 a common website for Coffee and Tea (www.Kaffeeverband.at) became fully operational with very good results.

7. VAT

In Austria the VAT ('Mehrwertsteuer') rate is 20%

BELGIUM-LUXEMBOURG

1. IMPORTS OF GREEN COFFEE

Imports of not-decaffeinated green coffee reached a volume of 3.588.623 bags (215.317 tons) in 2006. This is 13,9% more than the 2005 imports and 14,9% more than the 2004 imports.

As to the imports of decaffeinated green coffee, 107.656 113.700 bags (6.459 tons) were imported in 2006. This is a decrease of 5,3% compared to 2005.

Total green coffee imports amounted to 3.696.279 bags (221.777 tons) in 2006.

Belgium-Luxembourg: Imports of green not-decaffeinated coffee			
- in bags of 60 kg -			
Countries of origin	2004	2005	2006
Brazil	619.931	650.744	694.489
Vietnam	316.807	267.597	530.614
France	397.487	292.018	433.792
Columbia	314.989	258.363	300.240
Honduras	143.838	177.004	209.885
Uganda	166.490	139.923	135.247
India	155.708	139.361	150.438
Ethiopia	81.705	123.515	135.153
Peru	106.281	116.176	136.696
Guatemala	90.364	105.914	101.762
Cameroon	80.501	93.531	82.309
Indonesia	55.224	56.893	80.184
Kenya	59.262	49.581	48.362
Costa Rica	51.471	33.230	34.570
Mexico	58.906	29.569	50.736
Others	424.990	616.625	464.146
Total	3.123.954	3.150.044	3.588.623

The most important country of origin remains Brazil with a total market share of 19,35%, which is slightly lower than its market share of 2005. Brazil is then followed by Vietnam, with a market share of 14,79%, which is significant higher than in 2005 (8,50%). France, on the third place, has a share of 12,09%, which is higher than its share in 2005 (9,27%).

The top ten suppliers were the following countries:

Belgium- Luxembourg:			
Percentage distribution of green not-decaffeinated coffee			
Imports by main sources			
- in % -			
Countries of origin	2004	2005	2006
Brazil	19,84	20,66	19,35
Vietnam	10,14	8,50	14,79
France	12,72	9,27	12,09
Columbia	10,08	8,20	8,37
Honduras	4,60	5,62	5,85
India	4,98	4,42	4,19
Peru	3,40	3,69	3,81
Uganda	5,33	4,35	3,77
Ethiopia	2,62	3,92	3,77
Guatemala	2,89	3,36	2,84
Cameroon	2,58	2,97	2,29

Compared to 2005, France and Vietnam changed places. India increased (up to the 6th place), as well as Peru (n° 7). Uganda and Ethiopia decreased, to place 8 and 9 and represent each 3,77% of the market. The Guatemala share decreased with 0.52%.

2. FOREIGN TRADE IN ALL FORMS

In relation to foreign trade in roasted coffee, Belgium has not only been an important market for foreign companies but also shows a strong export performance in finished goods.

Belgium-Luxembourg : Imports of roasted coffee - in tons -	
Countries of origin	2006
Germany	10.892
Netherlands	6.898
France	3.119
Luxembourg	804
Italy	797
Austria	292
Switzerland	283
Poland	121
Others	57
UK	45
Total	23.308

Belgium-Luxembourg: Exports of roasted coffee - in tons -	
Countries of origin	2006
France	32.803
Netherlands	10.153
Italy	6.220
Germany	4.393
UK	3.627
Luxembourg	1.321
Others	910
USA	819
Russian Federation	354
Denmark	322
Greece	225
Poland	202
Total	61.349

The Belgian export has increased in relation to the import. For 2006 Belgian exports of roasted coffee were 2,6 times higher than its imports. This certainly stays a very positive performance in a market dominated by international competition.

3. COFFEE CONSUMPTION

Receipt of excises on coffee give us a very clear view on the evolution of consumption as the amount to be paid is EUR 0,25 per kilo.

Belgium: Excises on coffee			
Year	EUR	Index	
1995	12.940	100,0	
1996	13.708	105,9	
1997	13.609	105,2	
1998	14.180	109,6	
1999	13.709	106,0	
2000	13.411	103,6	
2001	13.733	106,1	
2002	12.809	99,0	
2003	13.221	102,2	
2004	13.864	107,1	
2005	13.560	104,8	
2006	12.775	98,7	

Excises have to be paid 30 days after the moment of roasting. This means that those figures can only be affected by stockpiling by the consumer. In a quiet market with no consumer price changes, the excises give a clear indication of the purchase behaviour of the consumer.

As to the consumption of regular coffee, we mention the following figures:

Belgium: Roasted coffee consumption - in tons -	
Year	Tons
1995	51.300
1996	54.625
1997	54.041
1998	55.397
1999	53.059
2000	51.998
2001	52.778
2002	50.751
2003	51.005
2004	52.683
2005	52.351
2006	49.473

For 2006 we notice a firm decrease of the Belgian consumption. Nevertheless, this figure can be explained by the fact that coffee roasters used more of their coffee stock, partially due to the increase of the green coffee prices. It should be mentioned that the impact of single serve cups, such as pads, is very significant. Belgian consumers probably drink as much coffee as before, but all coffee that is prepared is now actually drunk.

4. DEVELOPMENT OF PRICES FOR ROASTED COFFEE

Belgium: Average consumer price in EUR/kilo, excises and VAT included -		
2002	March	7,20
	June	7,12
	September	7,07
	December	7,07
2003	March	7,08

	June	7,00
	September	6,98
	December	6,91
2004	March	6,91
	June	6,90
	September	6,86
	December	6,83
2005	March	7,14
	June	7,31
	September	7,49
	December	7,42
2006	March	7,33
	June	7,69
	September	7,71
	December	7,68

5. COMMENTS ON PARTICULAR SUBJECTS

The association still works on the development of a guide for self-control by the sector, according to the European and Belgian laws on food hygiene and HACCP. This guide has been introduced to the Official Controlling body in Belgium (FAVV/AFSCA). The final goal and purpose of this guide is to offer each Belgian coffee roaster a tool to implement the legal requirements in their factory. This guide will be used by the official controlling organism as a guideline for controls.

6. EXCISE DUTIES AND VAT LEVEL

Coffee carries an excise duty of EUR 0,25 per kg roasted coffee and EUR 0,69 per kg on soluble coffee. The Belgian VAT rate remains at 6%.

DENMARK

1. IMPORTS OF GREEN COFFEE

According to Eurostat data (revised for earlier years), imports of green not-decaffeinated coffee into Denmark from all sources were 34.329 tons (572.147 bags) in 2006, compared to 35.918 (598.630 bags) in 2005. This is a drop of 4,4%. In 2004 Denmark still imported over 900.000 bags. The strong decline in the following years was caused by the fact that two roasters have discontinued production in Denmark. Conversely, the imports of roasted coffee have increased.

Denmark: Imports of green not-decaffeinated coffee	
- in bags of 60 kilos -	
Year	Volume
2004	908.258
2005	598.630
2006	572.147

Source: Eurostat

Brazil and Colombia remained Denmark's most important suppliers in 2006. Vietnam retained the third spot. As was the case last year, Peru and Honduras completed the 'top 5'. Some of the smaller suppliers showed very large swings, for instance Burundi (losing ground in 2006 after a strong increase in 2005) and Costa Rica (an increase of over 6 times compared to 2005) .

Denmark: Imports of green not-decaffeinated coffee			
- in bags of 60 kilos -			
Countries of origin	2004	2005	2006
Brazil	412.222	273.362	251.957
Colombia	114.223	70.185	70.965
Vietnam	82.595	52.607	49.595
Peru	47.572	24.562	36.058
Honduras	36.303	21.115	31.578
Uganda	23.562	15.803	14.570
Indonesia	22.175	13.720	11.885
Kenya	9.482	5.245	9.213
Ethiopia	15.888	12.923	8.227
Burundi	4.368	15.195	7.595
Rwanda	8.652	3.940	7.025
Papua New Guinea	6.035	6.640	5.610
Mexico	20.150	6.032	4.857
Costa Rica	127	437	3.310
Tanzania	4.205	2.342	2.732
Nicaragua	3.208	1.020	2.527
Malawi	5.160	670	1.497
Guatemala	6.117	3.248	1.067
Dominican Republic	0	0	1.035
China	6.128	837	1.017
Others	80.087	68.748	49.828
Total	908.258	598.630	572.147

Source: Eurostat

In percentage terms Brazil's import share decreased slightly by 0,7 percentage points to 44%. The import share of Colombia (12,4%) showed a decline of 0,7 percentage points. Vietnam's growth in imports share levelled off. Peru and Honduras increased their market share after losses in the previous year.

**Denmark: Percentage distribution of green not-decaffeinated coffee
Imports by main sources**

- in % -

Countries of origin	2003	2004	2005
Brazil	45,4	45,7	44,0
Colombia	12,6	11,7	12,4
Vietnam	9,1	8,8	8,7
Peru	5,2	4,1	6,3
Honduras	4,0	3,5	5,5
Uganda	2,6	2,6	2,5
Indonesia	2,4	2,3	2,1
Kenya	1,0	0,9	1,6
Ethiopia	1,7	2,2	1,4
Burundi	0,5	2,5	1,3
Rwanda	1,0	0,7	1,2
Papua New Guinea	0,7	1,1	1,0
Mexico	2,2	1,0	0,8
Costa Rica	0,0	0,1	0,6
Tanzania	0,5	0,4	0,5
Nicaragua	0,4	0,2	0,4
Malawi	0,6	0,1	0,3
Guatemala	0,7	0,5	0,2
Dominican Republic	0,0	0,0	0,2
China	0,7	0,1	0,2
Others	8,8	11,5	8,7
Total	100,0	100,0	100,0

Source: Eurostat

**Denmark: Percentage distribution of green not-decaffeinated coffee
Imports by type**

Types of coffee	2004	2005	2006
Arabicas	79	78	78
Colombian Milds	14	13	14
Other Milds	18	17	18
Brazilian Naturals	47	48	45
Robustas	15	14	14
Unknown	6	8	8

Source: Eurostat, ICO

The dominant market position of Arabica coffees has remained unchanged in 2006. Within this group Brazilian Naturals have by far the largest and relatively stable share. The percentage shares of Colombian Milds and Other Milds increased by 1 percentage point. Robustas remained unchanged.

2. FOREIGN TRADE IN COFFEE IN ALL FORMS

Denmark: Foreign trade in coffee including intra-EU25 trade				
- in tons actual weight -				
Forms of coffee	Imports		Exports	
	2005	2006	2005	2006
Green coffee not decaffeinated	35.918	34.329	28	37
Green coffee decaffeinated	539	464	9	0
Roasted coffee not decaffeinated	12.007	13.009	7.089	6.026
Roasted coffee decaffeinated	130	111	45	46
Soluble coffee	2.255	2.278	904	1.002

Source: Eurostat

As a logical consequence of the discontinuation of production by two roasters in Denmark, imports of roasted coffee increased significantly in 2005 compared to 2004 and before. In 2006 a further increase of roasted not decaffeinated coffee imports could be noted: +8%. Imports of soluble coffee remained virtually unchanged. Regarding imports of finished products, Sweden remained the major supplier with a share of roasted coffee imports (including decaffeinated) of over 81%. Germany was the second source with a share of close to 11%, followed by the Netherlands (3%).

In 2006 France was the most important supplier of soluble coffee (31%), closely followed by Switzerland (30,5%), and – at a distance – by Germany (14%), Sweden (6,7%), the Netherlands (5,1%), UK (4,8%) and Colombia (4,2%).

3. COFFEE CONSUMPTION

According to revised data, the ICO calculated the Danish consumption in 2006 to be 831.000 bags (2005: 794.000). Per capita consumption in 2006 was 9,19 kg (2005: 8,82 kg).

4. COMMENTS ON PARTICULAR ASPECTS

The Danish coffee association promotion activities have focused on the coffee information office.

5. EXCISE DUTIES AND VAT LEVEL

VAT is unchanged at 25% and the excise duties are DKK 5,45 per kilo for green coffee, DKK 6,54 for roasted coffee and DKK 14,17 for coffee extracts.

FINLAND

1. IMPORTS OF GREEN COFFEE

In 2006 Finland imported 1.077.847 bags of green coffee, an increase of 2,4% compared to 2005.

Finland: Imports of green coffee in 1994-2005 - in bags of 60 kilos -	
Year	Imports
1995	793.556
1996	1.053.899
1997	1.037.833
1998	1.121.183
1999	1.146.675
2000	1.001.017
2001	1.025.000
2002	1.004.465
2003	1.023.708
2004	1.058.831
2005	1.052.660
2006	1.077.847

The most important origins by volume were:

Finland: Imports of green coffee by country of origin - in 1000 bags -			
Countries of origin	2004	2005	2006
Brazil	473,4	468,5	459,1
Colombia	203,8	196,7	236,4
Guatemala	45,3	49,7	75,2
Nicaragua	57,9	58,7	58,9
Kenya	48,6	50,8	56,7
Honduras	63,8	36,2	42,0
Peru	24,7	32,5	32,4
Ethiopia	29,9	35,2	28,3
Zambia	25,6	20,6	19,5
Vietnam	15,1	10,1	15,2
Tanzania	12,7	10,9	12,1
Zimbabwe	10,3	9,2	6,9
Costa Rica	3,6	10,0	6,8
Thailand	0,0	0,0	5,8
Burundi	3,0	12,5	5,0
El Salvador	9,2	8,3	4,9
Cameron	1,0	2,2	4,3
Guinea	0,0	0,0	3,2
Others	30,9	40,6	5,1
Total	1.058,8	1.052,7	1.077,8

The 'top 5' suppliers in 2006 were Brazil, Colombia, Guatemala., Nicaragua and Kenya. Imported volumes from Colombia, Guatemala, Nicaragua and Kenya increased, while those of Brazil decreased.

Finland: Percentage distribution of green coffee imports by main sources 2004-2006			
	- in % -		
Countries of origin	2004	2005	2006
Brazil	44,7	44,5	42,6
Colombia	19,2	18,7	21,9
Guatemala	4,3	4,7	7,0
Nicaragua	5,5	5,6	5,5
Kenya	4,6	4,8	5,3
Honduras	6,0	3,4	3,9
Others	15,7	18,3	13,8
Total	100,0	100,0	100,0

2. FOREIGN TRADE OF COFFEE IN ALL FORMS

Green coffee

Imports of green coffee reached 64.671 tons in 2006. The imports increased by 2,4% from the previous year. The average C.I.F price was € 1,95/kg.

Exports of green coffee were 213 tons in 2006 (3 tons in 2005).

Roasted coffee

Imports of roasted coffee were 2.802 tons in 2006, a decrease of 23,9% from 2005.

Exports of roasted coffee increased from 2005 by 148,8% to 6.531 tons. The main export destination for roasted coffee was Estonia (98,5%).

Finland: Foreign trade in coffee 2004-2006						
	Imports			Exports		
Forms of coffee	2004	2005	2006	2004	2005	2006
Green coffee	63.530	63.160	64.671	102	3	213
Roasted coffee	3.482	3.681	2.802	6.332	2.625	6.531
Instant coffee	722	926	1.007	32	49	27

3. IMPORT RATES AND NATIONAL TAXES

There are no national import rates or national taxes for coffee.

4. COFFEE CONSUMPTION

The consumption of roasted coffee was 9,8 kg/person in 2006.

5. DEVELOPMENT OF PRICES FOR ROASTED COFFEE

The consumer prices of roasted coffee increased in 2006. The average for 2006 was 5,16 €/kg.

6. EXCISE DUTIES AND VAT LEVEL

The value-added tax for coffee is the same as for other food stuffs, i.e. 17%. There are no excise duties for coffee.

FRANCE

The following is provided by the *Confédération Nationale du Café*. All following figures are extracted from national official statistic provided by French customs and the French Economics Ministry.

The *Confédération Nationale du Café* (CNC) represents the coffee trade and industry in

- Green Coffee importers (UNACAF)
- Small roasters and coffee shops joined in the Comité Français du Café (CFC)
- Industrial roasters and Soluble Coffee manufacturers (Syndicat Français du Café - SFC)

1. IMPORTS

France: Total imports of green and processed coffee			
- in tons -			
	2006	2005	2004
Green coffee non decaf	219.494	211.503	234.816
Green coffee decaf	1.389	1.836	1.570
Roasted coffee non decaf (in green equivalent)	106.837	96.007	82.391
Roasted coffee decaf (in green equivalent)	2.699	2.958	4.010
Pure extracts (>95%) = soluble coffee (in green equivalent)	33.025	29.996	33.002
Other extracts (in green equivalent)	28.865	25.126	18.674
Total volume	392.309	367.426	374.463
TOTAL VALUE in 1.000 EUR	885.514	744.453	614.594

The main green coffee suppliers in terms of volumes and percentages were:

France: Imports of green, not-decaffeinated coffee by main origins						
- in tons and % -						
	2006		2005		2004	
Brazil	59.375	27,05%	60.395	28,56%	64.284	27,38%
Vietnam	34.944	15,92%	31.620	14,95%	39.654	16,89%
Colombia	14.212	6,47%	12.587	5,95%	15.336	6,53%
Ethiopia	10.618	4,84%	10.537	4,98%	10.140	4,32%
Cote d'Ivoire	6.747	3,07%	8.860	4,19%	13.218	5,63%
Indonesia	3.112	1,42%	6.420	3,04%	4.772	2,03%
Cameroon	7.717	3,52%	6.068	2,87%	10.098	4,30%
Honduras	5.288	2,41%	6.036	2,85%	6.924	2,95%
Uganda	2.398	1,09%	5.758	2,72%	7.170	3,05%
Peru	6.537	2,98%	4.962	2,35%	5.052	2,15%
India	5.316	2,42%	4.829	2,28%	6.564	2,80%
Guatemala	4.286	1,95%	3.992	1,89%	3.912	1,67%
Madagascar	5.167	2,35%	3.161	1,49%	4.009	1,71%
Mexico	4.337	1,98%	2.664	1,26%	4.350	1,85%
Guinea	4.247	1,93%	1.917	0,91%	1.791	0,76%
EU	24.392	11,11%	23.359	11,04%	20.972	8,93%
Other	20.801	9,49%	18.339	8,67%	16.570	7,06%
Total	219.494	100,00%	211.503	100,00%	234.816	100,00%
	Change on previous year	+3.78%	Change on previous year	-9.93%	Change on previous year	-18.24%

France: Percentage distribution of green not-decaffeinated coffee imports by types of coffee

- in % -

	2006	2005	2004
Arabicas	56,72	55,65	54,25
Colombian Milds	6,90	6,93	7,23
Other Milds	17,73	14,99	15,17
Brazilian Naturals	32,09	33,73	31,85
Robustas	31,39	32,54	35,89
Other, not specified (*)	11,89	11,81	9,86

(*) considered to be mainly Robusta

Prices of imported green coffee

The import values of not decaffeinated green coffee can be detailed as follows:

France : Average import price of green coffee

- EUR per kilo -

	2006	2005	2004
January	1,56	1,19	0,95
February	1,65	1,31	0,99
March	1,68	1,25	1,03
April	1,70	1,49	1,04
May	1,61	1,40	1,12
June	1,57	1,57	1,06
July	1,57	1,70	1,06
August	1,55	1,68	1,03
September	1,52	1,56	1,02
October	1,55	1,59	1,05
November	1,55	1,52	1,09
December	1,66	1,55	1,12
Year average	1,60	1,48	1,05

2. FOREIGN TRADE IN COFFEE IN ALL FORMS:

The exports of processed coffee (in green bean equivalent) can be summarised as follows:

France : Exports of coffee

- in tons -

	2006	2005	2004
Green coffee non decaf	1.844	2.189	1.591
Green coffee decaf	8.952	16.358	15.209
Roasted coffee non decaf (in green equivalent)	13.623	14.961	12.348
Roasted coffee decaf (in green equivalent)	655	285	2.039
Pure extracts (>95%) = soluble coffee (in green equivalent)	28.218	25.406	34.337
Other extracts (in green equivalent)	7.570	5.314	5.633
Total exports of coffee in all forms	60.862	64.513	71.157

3. COFFEE CONSUMPTION

Coffee consumption is calculated as the difference between imports and exports of green coffee and green coffee equivalent for all other forms, including stocks.

Estimated internal consumption (previous year revised)

2006: 312.800 tons, means 4,97 kg per capita

2005: 302.912 tons, means 4,84 kg per capita

2004: 303.752 tons, means 4,88 kg per capita

4. DEVELOPMENT OF PRICES FOR ROASTED COFFEE

According to the *Institut National de la Statistique et des Etudes Economiques* (INSEE) the retail price index for coffee showed the following development:

Average annual consumer price index:

Basis 100 in 1998

2006 = 98,26

2005 = 93,38

2004 = 92,57

5. COMMENTS ON PARTICULAR ASPECTS

In the year 2006, the data show a reversal situation in the trend of consumption. For the first time since 2001, the consumption increased.

Possibly this is thanks to the effect of the innovations and actions conducted within the market in the previous years:

- Origins: with a great diversity, France is the main European market to offer coffees of pure origins, responding to the particular awareness of the consumers of the concepts of soil and origin.
- Presentation and packaging for instant coffee and roast & ground coffee: France is today one of the main European markets for espresso machines with single-serve portions and, consequently, for the availability of coffee in single-serve portions which shows an exponential growth
- New solidarity by initiating partnerships with the producer countries to propose labels as regards sustainable development (organic coffees, fairly traded coffee and such)
- Products for easy home preparation, with an offer extending to cappuccino in particular, as well as new recipes suggested to the barmen to generate additional consumption in bars and *brasseries*: cold coffee shakes, flavoured coffees, cappuccino, coffee 'macchiato'.

In addition medical research and distribution of serious and reliable information concerning the positive effects of coffee consumption on health is being carried out. The profession supports the publication of a newsletter for use by doctors containing independent and objective research results by medical scientists: 'Health & Coffee'.

GERMANY

1. IMPORTS OF GREEN COFFEE

According to German foreign trade statistics the gross imports of not-decaffeinated green coffee into the Federal Republic of Germany in 2006 reached around 16,67 million bags (1.000.620 tons), compared to around 14,99 million bags (899.886 tons) in 2005. These figures include coffee imported for free circulation, for passive processing under customs control and for storage. Stocks in terms of foreign trade statistics comprise free ports and customs stocks as well as open customs stocks.

Subtracting the amounts of green coffee imports that were declared as not being destined for the German market but subject to passive processing under customs control, 16.676.234 bags (1.000.574 tons) of green coffee were imported into the EU through Germany. In 2005 the comparable volume was 14.996.054 bags (899.763 tons).

The currently used method for data collection for import statistics generates figures representing the flow of goods rather than an exact registration of imports. This is illustrated by the fact that the import figures remained largely unchanged even if consumption in Germany dropped. Details regarding the countries of provenance has also suffered, although it is still possible to identify the approximate share of the various supplying countries.

Federal Republic of Germany: Imports of not-decaffeinated green coffee - in bags of 60 kilos -		
Countries of origin	2005	2006
Brazil	4.246.290	4.747.490
Vietnam	2.548.540	3.102.566
Columbia	1.446.586	1.527.795
Peru	741.245	1.247.366
Indonesia	1.405.440	1.032.175
Honduras	671.243	973.675
Ethiopia	676.656	655.231
El Salvador	441.102	428.156
Papua New Guinea	477.743	385.353
India	159.438	364.352
Guatemala	282.535	294.270
Uganda	169.237	254.251
Kenya	225.366	216.937
Costa Rica	209.843	169.537
Rwanda	141.113	156.449
Nicaragua	99.275	154.075
Tanzania	212.818	153.385
Mexico	183.804	143.342
Thailand	31.473	128.250
Others	626.307	541.579
Total	14.996.054	16.676.234

Source: Federal Statistical Office Germany

In 2006 imports of not-decaffeinated green coffee were 11% higher than the previous year. The list of the countries of origin has remained fairly stable. Brazil remained the largest supplier, but with an increase in volume (11,8% higher). Vietnam is placed second - also with an increase in volume of 21,7% and Colombia shows an increase in volume of 5,6%.

Federal Republic of Germany:

imports of not-decaffeinated green coffee by countries of origin		
- in % -		
Countries of origin	2005	2006
Brazil	28,32	28,47
Vietnam	16,99	18,60
Columbia	9,65	9,16
Peru	4,94	7,48
Indonesia	9,37	6,19
Honduras	4,48	5,84
Ethiopia	4,51	3,93
El Salvador	2,94	2,57
Papua New Guinea	3,19	2,31
India	1,06	2,18
Guatemala	1,88	1,76
Uganda	1,13	1,52
Kenya	1,50	1,30
Costa Rica	1,40	1,02
Rwanda	0,94	0,94
Nicaragua	0,66	0,92
Tanzania	1,42	0,92
Mexico	1,23	0,86
Thailand	0,21	0,77
Others	4,18	3,25
Total	100,00	100,00

Source: Federal Statistical Office Germany

The distribution of green coffee imports according to ICO coffee groups showed no change between Arabicas and Robustas.

Federal Republic of Germany: Percentage distribution of not-decaffeinated green coffee imports by types of coffee			
- in % -			
	2004	2005	2006
Arabicas	72	71	71
Colombian Milds	12	13	11
Other Milds	28	25	27
Brazilian Naturals	32	33	33
Robustas	28	29	29
Unknown	-	-	-

2. FOREIGN TRADE OF COFFEE

Please note that the source for the data in this paragraph is different and the data are therefore not directly comparable with those in other paragraphs.

Federal Republic of Germany: Foreign trade of coffee including intra-EU25 trade - in tons, actual weight -				
Forms of coffee	Imports		Exports	
	2005	2006	2005	2006
Green coffee not decaffeinated	900.204	1.001.093	167.113	159.543
Green coffee decaffeinated	920	682	113.627	132.731
Roasted coffee not decaffeinated	48.338	42.391	113.592	119.373
Roasted coffee decaffeinated	1.197	1.403	9.250	8.472
Soluble coffee	31.678	30.466	51.841	57.929

Source: Eurostat

In 2006 the imports of roasted coffee (not-decaffeinated and decaffeinated together) decreased by 11,6%. In 2006 the largest suppliers of roasted coffee (incl. decaffeinated) were Italy (39% of total volume) and Austria (25%).

The German imports of soluble coffee originated mainly from Belgium (25,6% of total volume) and the Netherlands (21,1%), followed by the United Kingdom (11,6%), Ecuador (10,1%), Spain (8%) and Brazil (6,8%).

Exports of decaffeinated green coffee increased by 17%. Main destinations in 2006 were the Netherlands (8,5%), Spain (7,5%), Belgium (5,9%) and Italy (5,1%).

Exports of roasted coffee (incl. decaffeinated) increased by 4,1% and were mainly destined to the Netherlands (16,8% of total volume), France (14%), Austria (11%) and Poland (8,9%). In 2006 soluble coffee exports increased by 11,7%. The main export destinations were the Russian Federation (13% of total volume), France (11,3%), the United Kingdom (10,3%), Hungary (8,9%), the Netherlands (8,4%) and Ukraine (7,7%).

3. COFFEE CONSUMPTION

Import figures, production statistics or even tax revenue data on their own no longer provide reliable information regarding the size or development of the domestic market for coffee products. As a consequence since 1992 a working group of the German Coffee Association ('Working Group Market Research') evaluates all available data. Relevant information is gathered through the 'Coffee Registration Pool' of the German Coffee Association, through which a trustee covers about 85% of coffee sales on a four-monthly basis.

The turnover of the German coffee industry reached EUR 4,25 billion in 2006, which was an increase of turnover of 6% compared to 2005. This was mainly due to market growth and to the adaptation to green coffee prices.

Converted into the green coffee equivalent, the volume of coffee sales reached 510.420 tons (8,51 million bags) of green coffee that were processed to roasted and soluble coffee. This is an increase of 1,5%. The statistical per capita consumption in Germany in 2006 reached 6,2 kg (green coffee). In 2005 the figure was 6,1 kg.

Roasted coffee sales increased to a volume of 392.000 tons of roasted coffee in 2006, compared to 386.500 tons in 2005. Soluble coffee sales increased to a volume of 16.900 tons in 2006, compared to 16.500 tons in 2005.

Federal Republic of Germany: Imports of green coffee per capita*		
Year	Green coffee imports in tons	Green coffee per capita in kilos

1953	75.417	1,5
1960	191.005	3,5
1970	295.789	4,9
1980	410.748	6,7
1990*	563.350	7,1
1991	590.101	7,4
1992**	605.500	7,5
1993**	601.200	7,4
1994**	578.800	7,1
1995**	564.600	6,9
1996**	562.250	6,9
1997**	552.620	6,7
1998**	548.170	6,7
1999**	549.520	6,7
2000**	548.520	6,7
2001**	549.530	6,7
2002**	541.050	6,6
2003**	532.030	6,5
2004**	525.930	6,4
2005**	502.835	6,1
2006**	510.420	6,2

* Since 1990: including the 'new' federal states of the former eastern Germany.

** estimated total market volume

Source: German Coffee Association

Federal Republic of Germany: Coffee Market		
- in tons -		
	2005	2006
Total volume green coffee	502.835	510.420
of which roasted coffee	386.500	392.000
in green bean equivalent	459.935	466.480
Roasted coffee, not decaffeinated	348.000	357.000
Roasted coffee, decaffeinated	38.500	35.000
included in roasted coffee:		
Espresso/Caffè Crema	25.000	30.000
Coffeepads/capsules	7.000	14.000
of which soluble coffee*	16.500	16.900
in green bean equivalent	42.900	43.940
Soluble coffee, not-decaffeinated	15.500	16.000
Soluble coffee, decaffeinated	1.000	900

* soluble coffee beverages are taken into account with their coffee content only

Source: German Coffee Association

The market share of various segments showed little or no change. Treated decaffeinated coffee decreased to 8%, untreated others increased to 54% in 2006.

Federal Republic of Germany:	
Market shares of roasted coffee products	
- in % -	
2005	2006

Untreated	71	72
naturally mild	18	18
others	53	54
Treated	29	28
decaffeinated	9	8
special mild	20	20

Source: German Coffee Association

Non-household consumption is difficult to assess statistically. According to market research, this segment accounts for 30% of the total market. However, a large part of this segment is covered by household packs. There are no exact data as to how many household packs are consumed in the out-of-home sector. An ever-growing segment in the non-household and the household sector is the market for Espresso and Caffè Crema. In 2006 30.000 tons of Espresso and Caffè Crema were supplied to the total market, which marks an increase of 20%. 2006 was the first year in which the internal German production of Espresso reached the same level as the imports from Italy (15.000 tons each). Instant coffee drinks, introduced in the mid-eighties, continue to increase in sales. In 2006 sales reached 44.700 tons (2005: 44.150 tons). The instant coffee drinks, which consist only partially of coffee extracts, are represented here with their actual weight.

Federal Republic of Germany: Sales of soluble coffee including instant coffee drinks		
Year	Total market in tons	Instant coffee drinks share in %
1990	14.200	14
1991	15.800	21
1992	17.700	30
1993	21.700	45
1994	24.200	52
1995	26.350	58
1996	26.450	58
1997	26.400	60
1998	27.050	61
1999	29.910	64
2000	32.760	67
2001	37.600	70
2002	43.300	74
2003	49.000	76
2004	53.700	77
2005	55.700	79
2006	56.600	79

Instant coffee drinks calculated with actual weight

Source: German Coffee Association

Instant-cappuccinos are the largest sector within the group of instant coffee drinks. Their market-share reached 86% in 2006, cuts in so-called family-packages with a content up to 1000 grams instant-cappuccino (55%), followed by traditional cappuccino (26%) and aroma cappuccino (4%). Latte Macchiato has a market-share of 5%. Iced-coffee, Café au lait and 'Wiener Melange' together have a market share of 9%.

4. DEVELOPMENTS OF PRICES FOR ROASTED COFFEE

At the beginning of 2006 the average prices for 500 grams roasted coffee reached a level of EUR 3,82. In December 2006 it decreased to EUR 3,70. The annual average for 2006 was EUR 3,79. In March 2007 the prices reached a level of EUR 3,67 per 500 grams.

Comparing the development of prices for roasted coffee in the last years with the development of prices for green coffee one can see, that the significant increase in green coffee prices has only rudimentary been passed

on to the consumers. Even if the fluctuations in exchange rates from Dollar to Euro, national coffee taxes as well as other cost factors have to be taken into account when making comparisons, the comparison of world market prices for green coffee to prices for roasted coffee in Germany give an impression of the market tendency.

Federal Republic of Germany: Retail prices of roasted coffee 1970-2006	
Year	Roasted coffee EUR/500 g
1970	4,24
1975	4,10
1980	4,94
1985	5,46
1990	3,70
1991	3,57
1992	3,55
1993	3,43
1994	3,82
1995	4,08
1996	3,58
1997	3,97
1998	4,02
1999	3,56
2000	3,43
2001	3,27
2002	3,06
2003	3,00
2004	2,91
2005	3,61
2006	3,79

average consumer price of not-decaffeinated roasted coffee

Source: German Coffee Association

5. COMMENTS ON PARTICULAR ASPECTS

Students, consumers, companies and journalists address the German Coffee Association with an increasing number of enquiries on coffee. The Association answers these questions and provides information regarding coffee worldwide, shows trends in consumption and presents recipes on the website www.kaffeeverband.de. Information material such as the coffee library, coffee digests, brochures, posters, a film about coffee and a photo-CD-ROM can be ordered via the website. The website also provides a special section on coffee and health, where people can ask an expert about the effects of coffee on the human body and find information on coffee and its ingredients.

GREECE

1. IMPORTS OF GREEN COFFEE

In 2006 imports of green, not decaffeinated coffee from all sources into Greece were 23.461 tons (391.015 bags). In calendar year 2005 a volume of 25.594 tons (426.573 bags) was imported. This represents a drop of 8,3%.

Greece: Imports of green, not –decaffeinated coffee from all sources			
	2004	2005	2006
ton	27.532	25.594	23.461
bags	458.867	426.573	391.015

Source: Eurostat

The most important origins in the most recent three years were (listed in the 2006 order):

Greece: Imports of green, not-decaffeinated coffee by origin - in bags of 60 kilos -			
Countries of origin:	2004	2005	2006
Brazil	336.252	327.390	293.457
India	47.463	34.623	38.473
Vietnam	32.035	29.027	25.238
Colombia	11.580	10.950	9.468
Ethiopia	8.087	7.205	6.895
Guatemala	603	453	1.060
Uganda	1.370	652	1.033
Indonesia	4.643	697	765
Kenya	1.028	330	675
Nicaragua	158	683	612
Costa Rica	1.082	853	598
Papua New Guinea	0	0	320
Tanzania	0	753	310
Mexico	697	315	302
Others	13.868	12.642	11.808
Total	458.867	426.573	391.015

Source: Eurostat

In 2006 Brazil remained by far the most important supplier, even with a lower volume. In recent years, India and Vietnam have contested the second place. In 2004 India overtook Vietnam, which became the third supplier. This ranking was maintained in 2005 and 2006. Colombia and Ethiopia retained their fourth respectively fifth position.

The following table gives the same information, expressed in percentage shares:

Greece: Imports of green, not-decaffeinated coffee by origin - in % -			
Countries of origin	2004	2005	2006
Brazil	73,3	76,7	75,0
India	10,3	8,1	9,8
Vietnam	7,0	6,8	6,5
Colombia	2,5	2,6	2,4
Ethiopia	1,8	1,7	1,8

Guatemala	0,1	0,1	0,3
Uganda	0,3	0,2	0,3
Indonesia	1,0	0,2	0,2
Kenya	0,2	0,1	0,2
Nicaragua	0,0	0,2	0,2
Costa Rica	0,2	0,2	0,2
Papua New Guinea	0,0	0,0	0,1
Tanzania	0,0	0,2	0,1
Mexico	0,2	0,1	0,1
Others	3,0	3,0	3,0
Total	100,0	100,0	100,0

Source: Eurostat

Brazil continues to represent around 3/4th of the imports into Greece. India increased its market share; that of Vietnam dropped slightly. The shares of Colombia and Ethiopia were comparatively stable.

2. COFFEE CONSUMPTION

The ICO calculates the consumption of coffee in Greece as follows:

Greece: Total consumption of green coffee	
- in 1000 bags -	
Years	Total consumption
1964-69 average	201
1970-79 average	290
1980-89 average	470
1990-99 average	504
2000	713
2001	578
2002	826
2003	929
2004	871
2005	871
2006	856

Source: ICO; 2002 and later data have been revised

Greece: Per capita consumption	
- in kg green coffee equivalent -	
Year	Consumption
1990	3,75
1995	2,20
1996	4,19
1997	4,31
1998	3,87
1999	3,67
2000	4,69
2001	3,47
2002	4,49
2003	5,04
2004	4,72
2005	4,70
2006	4,62

Source: ICO; 2002 and later data have been revised

The general picture emerges that coffee consumption in Greece has become relatively stable.

IRELAND

3. IMPORTS OF GREEN COFFEE

In 2006 imports of green, not decaffeinated coffee from all sources into Ireland were 5.091 tons (84.852 bags) compared to 5.311 tons (88.513 bags) in 2005. This means that 2006 imports were 4,1% lower in volume than the previous year.

Ireland: Imports of green, not –decaffeinated coffee			
	2004	2005	2006
tons	5.558	5.311	5.091
bags	92.632	88.513	84.852

Source: Eurostat

Almost half of the green coffee imported into Ireland arrives through other EU members (mostly the United Kingdom), making it impossible to determine the original country of export. With this limitation, the following table lists the most important producing country origins in the three most recent years (in 2006 order):

Ireland: Imports of green, not-decaffeinated coffee by origin			
- in bags of 60 kilos -			
Countries of origin	2004	2005	2006
Colombia	13.615	9.730	10.030
Brazil	6.165	7.942	9.447
Papua New Guinea	9.940	5.797	6.337
Honduras	6.393	4.112	5.670
Indonesia	4.268	6.217	5.102
Kenya	5.735	4.137	1.823
Costa Rica	1.890	2.210	1.263
Uganda	0	0	677
Congo, Democratic Republic	1.237	318	323
Congo	0	0	318
Others	43.388	48.052	43.862
Total	92.632	88.513	84.852

Source: Eurostat

The following table gives the same information, expressed in percentage shares:

Ireland: Imports of green, not-decaffeinated coffee by origin			
- in % -			
Countries of origin:	2004	2005	2006
Colombia	14,7	11,0	11,8
Brazil	6,7	9,0	11,1
Papua New Guinea	10,7	6,5	7,5
Honduras	6,9	4,6	6,7
Indonesia	4,6	7,0	6,0
Kenya	6,2	4,7	2,1
Costa Rica	2,0	2,5	1,5
Uganda	0,0	0,0	0,8
Congo, Democratic Republic	1,3	0,4	0,4
Congo	0,0	0,0	0,4
Others	46,8	54,3	51,7
Total	100,0	100,0	100,0

4. FOREIGN TRADE IN ALL FORMS

Ireland: Foreign trade in coffee including intra-EU(25) trade				
- in tons actual weight -				
Forms of coffee	Imports		Exports	
	2004	2005	2004	2005
Green coffee not decaffeinated	5.311	5.091	66	843
Green coffee decaffeinated	30	23	12	0
Roasted coffee not decaffeinated	1.433	1.482	1.924	1.646
Roasted coffee decaffeinated	41	27	2	0
Soluble coffee	3.312	3.112	136	120

Source: Eurostat

This table illustrates the high percentage finished coffee imports into Ireland. Expressed in green coffee equivalent, in 2006 green coffee import volumes were only half of finished product imports. Recalculated to green coffee equivalent, total coffee imports in all forms into Ireland dropped slightly from 15.705 tons in 2005 to 15.001 tons in 2006 (-4,5%). Total exports (green coffee equivalent) increased by 14% from 2.724 tons in 2005 to 3.115 tons in 2006. Virtually all of Irelands soluble coffee imports come from the United Kingdom. In 2006 the same origin represented 71% of Irelands roasted coffee imports. The other major supplier is Germany (20% in 2006).

5. COFFEE CONSUMPTION

The International Coffee Organisation provides the following data on coffee consumption in Ireland:

Ireland: Total consumption of green coffee	
- in 1000 bags -	
Years	Total consumption
1964-69 average	20
1970-79 average	43
1980-89 average	84
1990-99 average	108
2000	83
2001	147
2002	136
2003	151
2004	224
2005	222
2006	203

Source: ICO; some data revised

Ireland: Per capita consumption - in kg green coffee equivalent -	
Year	Consumption
1998	1,49
1999	2,16
2000	1,31
2001	2,30
2002	2,08
2003	2,27
2004	3,31
2005	3,23
2006	2,88

Source: ICO; some data revised

ITALY

1. IMPORTS OF GREEN COFFEE

According to official data from the National Institute of Statistics (ISTAT), the quantity of green coffee imported into Italy in the year 2006 was 6.943.432 bags (416.606 tons), an increase of 4,18% compared to 2005. This sizeable increase should be ascribed to the consistent growth of roasted coffee exports. These show an increase of close to 21%, while disappearance would appear substantially in line with the average annual growth of recent years.

The annual data for green coffee imports, however, show that for a number of reasons import activity does not directly result from changes in demand in the coffee processing industry. In order to provide a more accurate and realistic analysis of the activity in this sector, it is worthwhile taking into consideration data related to the import and export of coffee in all forms in the last seven years.

This comparison shows that the annual growth in the coffee processing sector for the period under consideration is about 2,67%. On the other hand, if movement of all forms of coffee is used as the basis for calculation, in the same period coffee imports have increased by 2,82%, exports by 9,85% and disappearance in the same period increased only by 1,23%.

<i>1.1 Italy: Imports of green coffee</i>							
<i>- in bags -</i>							
Country of Origin	2000	2001	2002	2003	2004	2005	2006
Brazil	1.619.723	1.772.565	2.061.996	2.428.847	2.330.265	2.408.309	2.555.270
Vietnam	809.509	862.754	904.563	830.764	902.292	982.050	1.118.287
India	575.208	569.415	634.778	699.153	844.969	748.934	893.873
Indonesia	221.333	245.581	253.914	377.106	371.521	484.097	466.671
Colombia	209.233	226.897	236.270	246.345	253.460	352.293	399.286
Cameroon	564.794	635.266	397.014	277.270	338.578	299.654	251.930
Guatemala	164.758	206.152	150.208	197.506	209.282	153.635	174.292
Uganda	302.585	255.383	298.117	339.275	249.554	245.459	146.067
Honduras	153.637	151.935	155.608	124.212	123.754	89.880	128.815
Ivory Coast	307.052	364.729	230.069	178.151	173.254	143.407	128.354
Ethiopia	72.873	72.832	91.426	104.803	108.052	141.412	105.468
Costa Rica	172.790	163.874	195.701	163.232	119.442	101.525	73.606
Tanzania	55.603	36.163	35.482	33.331	49.153	95.299	73.174
Congo Dem. Rep.	248.963	135.608	64.138	66.325	81.030	85.292	68.367
Nicaragua	23.866	30.187	28.204	34.005	40.995	35.735	42.301
Burundi	1.434	2.370	2.386	3.639	4.689	43.081	40.856
Togo	45.427	38.345	30.752	20.413	28.299	36.137	40.758
Congo	31.376	29.188	46.305	57.906	57.491	24.522	30.109
Perù	1.284	9.735	17.857	15.002	25.173	38.556	29.448
El Salvador	23.240	18.335	22.497	29.227	24.138	39.230	25.215
Dominican Rep.	30.796	29.832	26.848	21.372	21.622	16.682	16.805
Mexico	12.382	12.721	12.818	10.616	13.966	11.888	13.028
Kenya	17.515	18.682	11.571	10.197	8.681	9.938	10.628
Haiti	7.023	8.302	6.694	4.581	5.489	3.845	3.760
Others	206.998	181.110	124.448	108.370	72.288	74.193	107.064
Total	5.879.402	6.077.961	6.039.664	6.381.648	6.457.437	6.665.053	6.943.432

The data for the year 2006 contained in the above table compared with the previous year show that:

- Brazil, with a further increased volume, maintains with a large margin its position as the number one supplier of coffee for the Italian market.

- imports from Vietnam have marked a new record;
- imports from Madagascar, Colombia, India, Honduras, Guatemala and Congo have shown a sizeable growth;
- imports from Cameroon, Honduras, Peru, El Salvador, Ethiopia and Uganda have decreased considerably;
- customs clearance of coffee from Cameroon, Congo R.D., Ivory Coast, Haiti, Uganda and Costa Rica continued the downward trend of the last years;
- in terms of percentage, the origins that in 2006 have shown the greatest improvement within our market are Colombia and Vietnam.

Italy: Imports of green coffee							
- in % -							
Country	2000	2001	2002	2003	2004	2005	2006
Brazil	27,55	29,16	34,14	38,06	36,09	36,13	36,80
Vietnam	13,77	14,19	14,98	13,02	13,98	14,74	16,11
India	9,78	9,37	10,51	10,96	13,09	11,24	12,87
Indonesia	3,76	4,04	4,20	5,91	5,76	7,26	6,72
Colombia	3,56	3,73	3,91	3,86	3,93	5,29	5,75
Cameroon	9,61	10,45	6,57	4,34	5,25	4,50	3,63
Guatemala	2,80	3,39	2,49	3,09	3,24	2,31	2,51
Uganda	5,15	4,20	4,94	5,32	3,87	3,68	2,10
Cote d'Ivoire	5,22	6,00	3,81	2,79	2,69	2,15	1,85
Etiopia	1,24	1,20	1,51	1,64	1,67	2,12	1,52
Costarica	2,94	2,70	3,24	2,56	1,85	1,52	1,06
Others	14,62	11,57	9,70	8,45	8,58	9,06	9,08
Total	100,00	100,00	100,00	100,00	100,00	100,00	100,00

With regard to the percentage distribution according to groups of coffee, the imports of Other Milds grew by 1,4%, Robustas dropped by 1,5%, while Colombian Milds and Brazilian Naturals coffees largely maintained their position.

Italy: Imports of green coffee							
- distribution by coffee type in % -							
Type	2000	2001	2002	2003	2004	2005	2006
Colombian Milds	4,86	4,71	4,75	4,59	4,85	6,90	6,99
Other Milds	21,12	20,67	21,46	20,93	22,58	19,66	21,07
Brazilian Naturals	29,12	30,84	36,14	40,13	37,96	38,47	38,51
Robustas	44,90	43,78	37,65	34,35	34,61	34,97	33,43
Total	100,00	100,00	100,00	100,00	100,00	100,00	100,00

2. FOREIGN TRADE IN ALL FORMS

The year under analysis is characterised by a sizeable growth of green coffee imports and by the further consistent expansion of the foreign trade of processed coffee.

As can be seen from the following table, with the exception of imports of green decaffeinated coffee, the data both for imports and export of coffee in all forms show a positive trend.

The trade of coffee with countries in the European Union is particularly active.

Italy: Foreign trade in coffee

- in tons -

	Imports				Exports			
	2003	2004	2005	2006	2003	2004	2005	2006
Green coffee	382.926	387.450	399.903	416.606	3.698	4.199	4.851	5.442
Green decaffeinated coffee	6.933	7.240	8.278	7367	606	891	807	867
Roasted coffee	14.184	14.364	14.838	14.383	64.219	70.497	72.002	87.446
Roasted decaffeinated coffee	290	311	338	505	2.273	2.406	2.803	2.808
Coffee Extracts	3.276	3.673	3.781	4162	610	473	437	554
Preparations with coffee	679	822	1.077	1.347	1.062	2.567	2.976	4.447

Exports of roasted coffee, which in recent years has represented the major positive factor of the activity in our sector since the increase in internal consumption is rather limited, has increased significantly, reaching nearly 1.8 million bags green equivalent.

Thanks to this growth, Italian coffee roasting firms have strengthened their position in the group of major coffee exporters, consolidating the second place held by our country for several years.

3. COFFEE CONSUMPTION

In 2006 the total home coffee market in Italy was stable in volume compared to the previous year.

If the market segmentation is analysed in detail, it has to be pointed out that the Moka segment (coffee with caffeine for coffee pot machines – about 72% of total household consumption in volume) continues to decrease slightly (-0,5%). The Decaffeinated segment (7% of total household consumption in volume) reversed the positive trend of the last years, decreasing by 4%.

The Espresso segment (coffee blends for espresso machines – about 10% of total household consumption in volume) increased by 4%.

Finally, the Pods segment, that still represents only 0,5% of the total market, rose by 50%.

Total packaged coffee (total market without the instant segment): sales location in percentage by type of client and point of sale (year 2006):

<u>2</u>	<u>Type of Client</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>Type of Sales Outlet</u>	<u>6</u>
		%				%
Large Distributors		48		Supermarkets & Hypermarkets		66
Volunteer Union and Purchasing Groups		52		Self Services & Groceries		24
				Discount		10

The 'out of home' consumption remained essentially stable in the long term, but in the short term we are seeing a switch between Food Service sector and coffee in Automatic Distribution.

4. DEVELOPMENT OF PRICES FOR ROASTED COFFEE

In 2006 the average price of the total regular coffee was EUR/kg 7,39 and it increased by 1,7% compared to 2005.

The average price of the Moka segment was EUR/kg 6,80 and it rose by 1,5%.

Also the price of the decaffeinated segment increased compared to the previous year: EUR/kg 8,98 (+1,3%); the average price of the Espresso segment decreased by 0,1% to EUR/kg 9,60.

5. COMMENTS ON PARTICULAR SUBJECTS

The *Consorzio Promozione Caffè* continued its public relations campaign and communication activities in 2007, aimed at consolidating the positive effects generated throughout the campaign in preceding years.

This activity is focused primarily towards consumer reassurance through public relations and communication initiatives targeted at opinion leaders, the media and the world of consumerism. For the third year a large part of the budget was destined to the “Healthcare Professions Coffee Education Programme”, co-financed by the HCPCEP programme of the International Coffee Organization.

6. VAT LEVELS

Coffee is subject to 20 percent Value Added Tax. Soluble coffee is subject to 10 percent Value Added Tax.

THE NETHERLANDS

1. IMPORTS OF GREEN COFFEE

In 2006 imports of green coffee into the Netherlands reached a volume of 2.555.817 bags (153.349 tons), an increase compared to the previous year when 2.424.717 bags (145.483 tons) were imported. The table below shows the most important countries of origin.

The Netherlands: Imports of green coffee		
- in bags of 60 kilos -		
Countries of origin	2005	2006
Brazil	571.133	602.317
Vietnam	318.567	488.867
Honduras	149.767	284.517
Peru	194.383	242.267
Columbia	164.300	214.483
Uganda	284.883	148.350
India	59.500	44.817
Kenya	57.383	43.267
Rwanda	43.633	42.900
Ethiopia	41.183	41.283
Others	539.983	402.750
Total	2.424.717	2.555.817

Source: HPA (Central Commodity Board for Arable Products)

The figures in the table above are based upon registration of the origin of green coffee imported for roasting in the Netherlands.

The Netherlands: percentage distribution of net green coffee imports by main sources		
- in % -		
Countries of origin	2005	2006
Brazil	23,6	23,6
Vietnam	13,1	19,1
Honduras	6,2	11,1
Peru	8,0	9,5
Columbia	6,8	8,4
Uganda	11,7	5,8
India	2,5	1,8
Kenya	2,4	2,0
Rwanda	1,8	2,0
Ethiopia	1,7	1,6
Others	22,3	15,8

Source: HPA

The figures in the tables above show that:

1. Brazil remains the main supplier of the Netherlands with an unchanged share of imports of 23,6%.
2. In 2006 imports from Vietnam are up 6% compared to 2005. Honduras nearly doubled its imports compared to 2005.
3. The imports from Peru increase with 47.884 bags; imports from Columbia increase with 50.483 bags.

4. Uganda decreased its share of imports from 11,7% in 2005 to 5,8% in 2006.
5. Less coffee was imported from India, Kenya and Ethiopia.

The Netherlands: breakdown of net green coffee imports by type of coffee			
- in % -			
Type of coffee	2004	2005	2006
Arabicas	62	64	66
Colombian Milds	12	12	12
Other Milds	24	26	29
Brazilian Naturals	26	26	25
Robustas	28	28	28
Not defined	10	8	6

Source: HPA

2. FOREIGN TRADE IN COFFEE IN ALL FORMS

Forms of coffee	Imports		Exports	
	2005	2006	2005	2006
Green coffee (including decaffeinated)	145.483.391	153.349.058	5.829.311	8.448.924
Roasted coffee (including decaffeinated)	20.296.570	29.792.127	23.522.520	25.210.201

Figures imports green coffee (including decaffeinated) from HPA, other figures from CBS
Source: HPA and CBS (Central Bureau for Statistics)

3. CUSTOMS DUTY AND OTHER IMPORT DUTIES

The import duties are conform EU rates. There are no additional taxes on roasted coffee or soluble coffee in the Netherlands, except 6% VAT .

4. COFFEE CONSUMPTION

The calculation of the consumption of coffee is based on the quantity of roasted coffee delivered by the roasting industry for domestic consumption, plus the imports of roasted coffee. On this basis total consumption in 2006 reached a volume of 112.765 tons, compared to 113.335 tons in 2005. The average annual per capita consumption in 2006 was 6,9 kg or 144 liters, compared to 7,0 kg or 145 liters in 2005.

The index of the coffee deliveries shows the following trend:

The Netherlands: total sales of roasted coffee		
	x 1000 kg	Index
1970	77.891	100
1975	93.320	120
1980	103.241	133
1985	114.704	147
1990	124.974	160
1995	121.527	156
2000	116.405	149

2001	114.661	147
2002	113.853	146
2003	112.895	145
2004	115.233	148
2005	113.335	146
2006	112.765	145

Source: CBS, HPA and private estimates

The Netherlands: per capita coffee consumption			
	Kg	Liter	Cups
1970	5,6	117	2,6
1975	6,8	142	3,1
1980	7,3	152	3,3
1985	7,8	163	3,6
1990	8,4	174	3,8
1995	7,9	164	3,6
2000	7,3	153	3,4
2001	7,1	148	3,3
2002	7,0	146	3,2
2003	6,8	142	3,2
2004	7,1	148	3,2
2005	7,0	145	3,2
2006	6,9	144	3,2

Source: HPA, CBS and private estimates

5. COMMENTS ON PARTICULAR ASPECTS

Coffee and Tea Information Bureau

Each year the Netherlands Coffee and Tea Information Bureau answers large numbers of questions on coffee and tea from consumers, students, and companies. Moreover, information material, such as brochures, posters and cd-roms can be ordered by phone, e-mail or via the website www.koffiethee.nl. The site provides ample information on the production process of coffee and tea, shows trends in consumption, contains recipes and the visitors can take part in an exam to test their knowledge of coffee and tea.

Information Bureau on Coffee and Health

In 2006 the association continued its activities in the field of the ICO/Health Care Professions Coffee Education Programme. One of the Information Bureau's main activities in 2006 was the introduction of a newsletter to be distributed by e-mail. Moreover a symposium on coffee and health was organized for scientists. Objective and scientifically based information on coffee and health can be found on the website www.koffieengezondheid.nl. Primary target audiences of this campaign are general practitioners, dieticians, nutritionists, academic specialists and medical media.

NORWAY

1. IMPORTS OF GREEN COFFEE

In 2006 Norway imported 596.149 bags (ca. 35.770 tons) of not-decaffeinated green coffee. This is a 4,4% decrease compared to 2005.

The top-three suppliers remained unchanged. Also this year Brazil strengthened its first position. Colombia and Guatemala remained the second and third suppliers; Guatemala with a small increase. Peru is the country with most dramatic decrease since 2005 and 2004.

Norway: Imports of not-decaffeinated green coffee			
- in bags -			
	2004	2005	2006
Brazil	226.950	265.387	278.103
Colombia	176.280	142.049	139.494
Guatemala	50.570	59.873	64.700
Kenya	24.341	28.999	27.218
India	19.848	16.108	15.190
Ethiopia	16.315	21.306	13.936
Honduras	21.626	31.129	13.907
Mexico	9.212	11.730	11.402
Peru	36.298	23.548	10.775
Nicaragua	5.469	4.190	6.887
Vietnam	2.634	1.447	5.759
Tanzania	1.367	3.844	3.916
Indonesia	3.092	3.244	2.775
Djibouti	0	0	600
Costa Rica	4.459	4.942	404
Bolivia	30	87	379
Rwanda	0	0	300
El Salvador	627	545	169
Dom. Rep.	0	2	129
USA	322	19	70
Italy	113	0	16
Ivory coast Republic	0	0	12
Others	1.118	5.014	8
Total	600.671	623.463	596.149

Source: Statistics Norway

The developments noted above are also reflected in the percentage distribution. Of the top-three, Brazil and Guatemala won some market share, but Colombia continued to decrease.

Norway: Percentage distribution of not-decaffeinated green coffee imports by main sources			
- in % -			
Countries of origin	2004	2005	2006
Brazil	37,8	42,6	46,6
Colombia	29,3	22,5	23,4
Guatemala	8,4	9,6	10,9
Kenya	4,1	4,7	4,6
India	3,3	2,6	2,5
Ethiopia	2,7	3,4	2,3
Honduras	3,6	5,0	2,3
Mexico	1,5	1,9	1,9
Peru	6,0	3,8	1,8
Others	3,2	3,9	3,7
Total	100,0	100,0	100,0

2. FOREIGN TRADE IN ALL FORMS

In 2006 imports of not-decaffeinated green coffee decreased by 4,4 % from 37.409 tons to 35.770 tons. Imports of decaffeinated green coffee decreased from 205 tons to 186 tons.

The imports of roasted coffee, not de-caffeinated were quite stable. The small increase in the total import of roasted coffee came from the de-caffeinated coffee.

The most important suppliers of not-decaffeinated roasted coffee were Sweden (1.212 tons), the Netherlands (566 tons), Germany (342 tons), Italy (339 tons), Brazil (282 tons), Colombia (191 tons) and Denmark (112 tons).

Imports of soluble coffee were slightly higher. Switzerland remained by far the most important supplier with 520 tons, but the Netherlands is taking a larger market share (414 tons).

Norway: Foreign trade in coffee				
- in tons-				
Forms of coffee	Imports		Exports	
	2005	2006	2005	2006
green coffee	37.409	35.769	84	141
green coffee, decaff	205	186	1	0
green coffee, total	37.614	35.955	85	141
roasted coffee	3.186	3.170	323	293
roasted coffee, decaff	22	63	3	0
Roasted coffee, total	3.208	3.233	326	293
Soluble coffee	1.449	1.569	39	38
coffee extracts, essences	315	332	8	8

Source: Statistics Norway

3. COFFEE CONSUMPTION

According to data from the Norwegian Coffee Association the total size of the Norwegian market (roasted and soluble coffee supplied by Norwegian roasters plus net imports of finished coffee products) in 2006 was 44.482 tons green bean equivalent (2005 43.369 tons).

The per capita consumption in Norway was 9,5 kg in 2006, 0,1 kg up from 2005.

Norway: Per capita consumption of coffee - in kg green bean equivalent -									
The 1960s		The 1970s		The 1980s		The 1990s		After 2000	
		1971	9,2 kg	1981	10,6 kg	1991	10,6 kg	2001	9,3 kg
		1972	10,3 kg	1982	10,5 kg	1992	10,7 kg	2002	9,1 kg
		1973	9,5 kg	1983	10,7 kg	1993	10,5 kg	2003	9,3 kg
		1974	9,9 kg	1984	9,9 kg	1994	10,1 kg	2004	9,3 kg
1965	8,6 kg	1975	10,1 kg	1985	10,2 kg	1995	9,7 kg	2005	9,4 kg
1966	9,1 kg	1976	10,4 kg	1986	10,0 kg	1996	10,1 kg	2006	9,5 kg
1967	9,3 kg	1977	8,8 kg	1987	10,5 kg	1997	9,4 kg		
1968	9,4 kg	1978	9,6 kg	1988	10,0 kg	1998	9,5 kg		
1969	9,6 kg	1979	10,3 kg	1989	10,1 kg	1999	9,9 kg		
1970	10,1 kg	1980	9,4 kg	1990	10,5 kg	2000	9,2 kg		
Average: 9,4 kg		Average: 9,8 kg		Average: 10,3 kg		Average: 10 kg		Average: 9,3 kg	

Source: Import and demographic statistics from Statistics Norway and statistics Norwegian Coffee Association.

The share of instant or liquid coffee was 10,8 % in 2006 (10,5 in 2005).

The share of espresso coffee was about 2 %.

Coffee drinking habits

Market research performed by the Norwegian Coffee Association every third year were last run in January 2006. The survey provides the following information on coffee drinking habits:

How many

74,4 % of the people over 15 drink coffee regularly (compared to 86,4% in 1985).

The share of coffee drinkers between 25-50 years is declining.

Where and when

For the people under 50 years the workplace is the most important place to drink coffee during the workdays. Home coffee drinking is declining, but those who drink most coffee also drink a lot of coffee at home.

On an average 55% of the coffee is taken at home, 29% at work, 9% visiting friends and relatives and 7% elsewhere (restaurants/coffee bars/petrol stations).

These figures have been (very) stable since 1997. In Norway more coffee is drunk during the normal working hours and less in the evenings.

Brewing methods

About 72% say they most often use a filter brewer when making coffee, 10% say instant, 6% the old Nordic boiling method in a kettle, 4% the French Press (cafetière), 1% filter the coffee manually, 2% use an espresso machine or mocha/bialetti pot. The rest has not replied.

Again it is more popular to take the coffee without milk or sugar! About 78% take the coffee black

Espresso and espresso-based drinks

The growth in the espresso-based drinks seems to have flattened since our last research in 2003.

36% have tasted espresso, 52% have tasted cappuccino or caffè latte, but fewer than 6% took an espresso once a month last year - and 12% took a cappuccino/caffè latte once a month last year.

4. VAT AND DUTIES

VAT rates on coffee

Green coffee: 13% VAT

Roasted coffee: 13% VAT + 0,4% food tax + NOK 0,49 per kilo customs duty

Instant, extracts: 13% VAT + 0,4% food tax + 0,3% research tax +
NOK 0,17 per kilo customs duty

PORTUGAL

1. IMPORTS OF GREEN COFFEE

Portuguese imports of green not-decaffeinated coffee from all sources in 2006 were 41.310 tons (688.492 bags), an increase of 3,5% compared to the 2005 imports of 39.897 tons (664.953 bags). The fifteen major suppliers were (ranked in order of 2006 imports):

Portugal: Imports of green not-decaffeinated coffee			
- in bags of 60 kilos -			
Countries of origin	2003	2004	2005
Brazil	123.050	104.553	113.810
Vietnam	67.158	94.522	85.418
Cameroon	59.218	56.657	65.370
Cote d'Ivoire	64.570	63.430	63.732
Uganda	64.465	58.777	57.525
India	55.117	52.008	55.125
Honduras	47.945	44.070	52.578
Costa Rica	21.507	20.035	30.903
Colombia	17.348	18.503	25.973
Guatemala	24.368	23.748	24.535
Indonesia	28.447	21.373	20.313
Timor-Leste	6.947	9.858	10.432
Laos	5.885	11.867	9.198
Nicaragua	8.815	12.983	5.690
Ethiopia	4.452	2.200	4.897
Others	102.448	72.568	67.888
Total	697.288	664.953	688.492

Source: Eurostat

In 2006 Brazil continued to be the most important supplier. Vietnam, fifth supplier in 2003, remained second origin in 2006, but with a lower volume. Imports from Cote d'Ivoire decreased, and this origin became fourth supplier, dropping from third place which is now taken by Cameroon. Uganda completed the 'top-5'. In the top-15 the increase of imports from several Central and Latin American origins (Honduras, Costa Rica, Colombia and to a lesser extent Guatemala) is noteworthy as well as the fact that Angola, traditionally an important origin for Portugal, did not make it into the top-15.

The following table summarises the information on the market shares of Portugal's main suppliers in percentage terms.

Portugal: Percentage distribution of green not-decaffeinated coffee imports			
by main sources			
- in % -			
Countries of origin	2003	2004	2005
Brazil	17,6	15,7	16,5
Vietnam	9,6	14,2	12,4
Cameroon	8,5	8,5	9,5
Cote d'Ivoire	9,3	9,5	9,3
Uganda	9,2	8,8	8,4
India	7,9	7,8	8,0
Honduras	6,9	6,6	7,6
Costa Rica	3,1	3,0	4,5
Colombia	2,5	2,8	3,8
Guatemala	3,5	3,6	3,6

Indonesia	4,1	3,2	3,0
Timor-Leste	1,0	1,5	1,5
Laos	0,8	1,8	1,3
Nicaragua	1,3	2,0	0,8
Ethiopia	0,6	0,3	0,7
Others	14,7	10,9	9,9
Total	100,0	100,0	100,0

Source: Eurostat

2. FOREIGN TRADE

Portugal: Foreign trade in coffee including intra-EU25 trade				
- in tons actual weight -				
	Imports		Exports	
	2005	2006	2005	2006
Green coffee not decaffeinated	39.897	41.310	158	36
Green coffee decaffeinated	1.795	1.716	20	5
Roasted coffee not decaffeinated	4.014	5.031	4.773	5.223
Roasted coffee decaffeinated	270	258	298	433
Soluble coffee	880	850	13	17

Source: Eurostat

The pattern of imports and exports of the various forms of coffee has been relatively stable in the last two years. In 2006 imports increased for green not decaffeinated and roasted not decaffeinated coffee. Exports increased for roasted coffee. On the import side, for decaffeinated green coffee the main source by far was Germany (74%), followed by Spain (24%) and Colombia (2%).

In 2006 the main sources of roasted coffee (incl. decaffeinated) were Italy (42%), Spain (33%) and Germany (19%). Spain was by far the most important destination for roasted coffee (incl. decaffeinated) with 68% of the total volume. The main sources for soluble coffee in 2006 were Spain (75%) and France (22%).

3. COFFEE CONSUMPTION

The International Coffee Organization provides the following data on coffee consumption in Portugal:

Portugal: Total consumption of green coffee	
- in 1000 bags -	
Years	Total consumption
1964-69 average	288
1970-79 average	292
1980-89 average	325
1990-99 average	609
2000	681
2001	768
2002	719
2003	655
2004	682
2005	753
2006	747

Source: ICO; some data revised

Portugal: Per capita consumption
- in kg green coffee equivalent -

Year	Consumption
1998	4,30
1999	4,84
2000	4,08
2001	4,48
2002	4,17
2003	3,78
2004	3,90
2005	4,29
2006	4,24

Source: ICO; some data revised

SPAIN

1. IMPORTS OF GREEN COFFEE

In 2006 Spain imported 4.023.116 bags of green coffee (241.387 tons) which represents an increase of 0,06 % compared to the previous year. In year 2005 a total volume of 241.236 tons was imported.

Spain: Imports of green coffee 1996 – 2006 - in bags of 60 kilos -	
Year	Volume
1996	3.270.741
1997	3.490.161
1998	3.483.274
1999	3.633.701
2000	3.511.108
2001	3.772.666
2002	3.681.934
2003	3.785.850
2004	3.770.856
2005	4.020.600
2006	4.023.116

Source: Spanish Coffee Federation

The main suppliers were:

Spain: Imports of green coffee by origin - in bags -		
Countries of origin	2005	2006
Vietnam	1.429.556	1.577.550
Brazil	759.366	738.720
Uganda	323.666	228.170
Colombia	236.966	288.050
Cote d'Ivoire	307.866	208.050
India	171.833	161.230
Germany	216.366	252.630
Honduras	76.000	77.280
Nicaragua	82.966	91.780
Indonesia	112.783	93.170
Others	304.216	306.486
Total	4.020.600	4.023.116

Source: Spanish Coffee Federation

Vietnam (+10,43%) and Brazil (-2,72%) remained the first Spanish suppliers. During the year 2006 Uganda (-29,51%) experienced a notable decrease whilst countries that during year 2005 had continued to improve their market shares have also experienced a decrease such as Cote d'Ivoire (-32,42%) and Indonesia (-17,39%). On the other hand, imports from Germany (+16,76%) and Colombia (+21,56%) have experienced important increases. Colombia fell by -1% the previous year!

In percentages, the main suppliers to Spain have been in recent years as follows:

Spain: Percentage distribution of green coffee imports by main sources					
- in % -					
Countries of origin	2002	2003	2004	2005	2006
Vietnam	26,5	25,4	34,29	35,5	39,21
Brazil	26,3	22,3	17,59	18,9	18,36
Uganda	12,5	13,1	9,34	8,1	5,67
Colombia	6,9	7,3	6,35	5,9	7,16
Cote d'Ivoire	4,1	6,2	6,12	7,7	5,17
India	n.a	n.a	6,15	4,3	4,01
Germany	n.a	n.a	3,44	5,4	6,28
Honduras	n.a	n.a	2,35	1,9	1,9
Indonesia	n.a	n.a	2,21	2,8	2,3
Nicaragua	n.a	n.a	3,02	2,1	2,2
Others	23,7	25,7	9,14	7,4	7,74

Source: Spanish Coffee Federation

Spain: Percentage distribution of green coffee imports by types of coffee					
- in % -					
Types of coffee	2002	2003	2004	2005	2006
Arabicas	43,68	45,49	39,22	38,88	39,18
1. Colombian Milds	7,29	7,74	6,72	6,45	8,99
2. Other Milds	12,19	13,08	12,21	8,76	6,73
3. Brazilian Naturals	24,2	24,67	20,29	23,67	23,46
Robustas	56,32	54,51	60,78	61,12	60,82
Others	0	0	0		

Source: Spanish Coffee Federation

2. FOREIGN TRADE IN COFFEE IN ALL FORMS

Spain: Foreign trade in coffee				
- in tons -				
Forms of coffee	Imports		Exports	
	2005	2006	2005	2006
Green coffee	241.236	241.387	22.737	15.697
Roasted coffee	11.560	15.001	9.225	9.186
Extracts	4.154	5.024	21.011	24.145

During the year 2006 green coffee imports have remained stable while roasted and soluble coffee have increased 30% and 21%. As for green coffee exports, these have experienced a sharp fall (-31%) whilst soluble coffee exports have increased 15%.

3. COFFEE CONSUMPTION

Spain: Coffee consumption 2005/2006		
- in tons -		
	2005	2006
<i>Home consumption</i>		
- Roasted	65.140	63.580
- Soluble	9.870	9.840

<i>Food service</i>		
- Roasted	62.500	61.875
- Soluble	2.120	2.000
<i>Green coffee equivalent</i>		
- Roasted	149.338	146.781
- Soluble	29.975	29.600
Total Green coffee equivalent	179.314	176.381

Coffee consumption in Spain decreased during the year 2006. It fell by approximately -2,11% in Home Consumption and by -1,15% in the Food Service sector. As for types, roasted coffee fell by -1,71% and soluble coffee by -1,24%. The most important decrease was absorbed by soluble coffee in the Food Service industry (-5,66%)

Per capita consumption during year 2006 can be estimated just under 4kg of green coffee per year. Concerning different forms and destinations of coffee, once again roasted coffee represents 83,28% of the total market, whilst soluble coffee accounts for the remaining 16,72%, following a similar trend as previous years. Distribution between home consumption and food service gives a result of 56,12% of total consumption to the former sector and 43,88% to the latter.

Taking into account total coffee home consumption, ground coffee represents over 92,14% whilst whole beans account for the remaining 7,86%. These percentages have remained considerably stable over the last few years, with an increasing trend for ground coffee. It is also interesting to note the steady increase of decaffeinated ground roasted coffee figures, representing 18% of total home roasted coffee consumption, in the year 2006.

Regarding the important increase of robusta green coffee imports, we should stress that Spain exports over 24.000 tm of soluble coffee, therefore accounting for a considerable percentage of the robusta usage.

4. DUTIES AND VAT LEVELS

Regarding fiscal matters, there are no excise duties imposed on coffee in Spain, and during 2006 the VAT rate, which for coffee is 7%, has not changed.

SWEDEN

1. IMPORTS OF GREEN COFFEE

According to Statistics Sweden data, in 2006 Sweden imported 1.802.100 bags (108.126 tons) of green, not decaffeinated coffee. This is an increase of 8% compared to 2005. In that year the imports were 1.668.367 bags (100.102 tons), increasing 12%.

Sweden: Imports of not-decaffeinated green coffee 2004 - 2006					
- in bags of 60 kilos -					
Countries of origin	2004	Change	2005	Change	2006
Brazil	707.733	9%	772.633	5%	814.983
Colombia	276.483	5%	290.667	8%	314.017
Peru	96.817	32%	127.550	-2%	125.267
Kenya	93.467	15%	107.550	-2%	105.300
Ethiopia	67.567	26%	85.267	15%	98.383
Honduras	61.950	-8%	57.267	37%	78.300
Vietnam	5.850	445%	31.883	63%	52.000
Guatemala	22.933	23%	28.317	15%	32.467
Indonesia	1.683	1001%	18.533	60%	29.700
Costa Rica	34.567	-60%	13.967	56%	21.833
El Salvador	10.583	94%	20.583	2%	21.050
Burundi	13.933	43%	19.933	5%	20.900
Nicaragua	27.517	-4%	26.433	-27%	19.283
Papua New Guinea	3.850	390%	18.867	-25%	14.150
Mexico	19.850	-17%	16.500	-19%	13.383
Uganda	13.950	-52%	6.683	100%	13.367
Rwanda	3.250	197%	9.667	-22%	7.500
India	2.550	59%	4.067	-24%	3.100
Others	21.917	-45%	12.000	43%	17.117
Total	1.486.450	12%	1.668.367	8%	1.802.100

Source: Statistics Sweden

As usual Brazil and Colombia are the main suppliers. Together they account for next to two thirds of Swedish imports. Both of them increased their volumes in 2005 but only Colombia enough to defend its share of imports.

Among the other of the top five origins, Peru, Kenya and Ethiopia, only Ethiopia increased its volumes and share of market.

The Robusta origins Vietnam and Indonesia continue to increase their volumes, this year about 60% and strengthen their positions. These Robusta volumes however do not reflect any big change in the Swedish consumption pattern but substantially increased export volumes of roasted coffee; Sweden is still an almost 100% Arabica market.

Sweden: Imports of not decaffeinated green coffee 2004 - 2006			
- percentage distribution by main sources -			
Countries of origin	2004	2005	2006
Brazil	47,6%	46,3%	45,2%
Colombia	18,6%	17,4%	17,4%
Peru	6,5%	7,6%	7,0%
Kenya	6,3%	6,4%	5,8%
Ethiopia	4,5%	5,1%	5,5%
Honduras	4,2%	3,4%	4,3%

Vietnam	1,3%	1,9%	2,9%
Guatemala	1,9%	1,7%	1,8%
Nicaragua	1,5%	1,6%	1,6%
El Salvador	0,1%	1,2%	1,2%
Burundi	0,3%	1,2%	1,2%
Papua New Guinea	2,3%	1,1%	1,2%
Indonesia	0,1%	1,1%	1,1%
Mexico	0,7%	1,0%	0,8%
Costa Rica	0,4%	0,8%	0,7%
Rwanda	0,2%	0,6%	0,7%
Uganda	0,9%	0,4%	0,4%
India	0,9%	0,2%	0,2%
Others	1,5%	0,7%	0,9%
Total	100,0	100,0	100,0

Source: Statistics Sweden

Sweden: Imports of not decaffeinated green coffee 2004 - 2006
- percentage distribution by types of coffee -

Types of coffee	2004	2005	2006
Arabicas	99	96	95
Colombian Milds	25	24	23
Other Milds	22	21	21
Brazilian Naturals	52	51	51
Robustas	1	4	5

Source: Statistics Sweden and own estimates

These data are not available in any official statistics but estimated on the basis of the origins. The shares are very stable and a decrease of one origin is most often balanced by an increase of another one within the same group. However, in the long run Brazilian Naturals have increased to the cost of Colombian and Other Milds. The increased shares of Robustas reflect increases in exports, mainly to Denmark and the Baltic countries (and to a small extent the espresso trend in Sweden).

2. FOREIGN TRADE IN ALL FORMS OF COFFEE

Sweden: Foreign trade in coffee 2004 - 2006
- in tons actual weight -

	2004	2005	2006	2004	2005	2006
	Imports			Exports		
Green coffee	90.543	102.539	109.944	145	238	101
Green coffee (decaf)	1.442	1.495	716	0	0	0
Roasted coffee	9.654	8.297	7.601	11.547	23.727	23.227
Roasted coffee (decaf)	692	924	423	1.326	1.210	1.153
Instant coffee	2093	2838	2.338	467	527	436

Source: Statistics Sweden and own estimates

The huge increase of exports of roasted coffee in 2005 is mainly an effect of structural changes in the Scandinavian coffee industry. Two roasting plants were closed in Denmark and these volumes were moved to Swedish plants. Thus Denmark is the biggest export market since 2005 with 45% of the volume. In 2006, however, the export volume was more or less unchanged. The largest destination after Denmark was the USA (27% of total exports and increasing), followed by the Baltic countries (9% and decreasing), Norway (6%), Finland (5%) and the United Kingdom (3%).

Imports of roasted coffee decreased about 9% and came mainly from the Netherlands and Germany (51% and 17% respectively). Imports from Italy increased to 10%, reflecting the espresso trend.

Imports of instant coffee (only pure instant is registered), is about 2.000 tons yearly and changes are supposed to reflect changes in stocks.

3. COFFEE CONSUMPTION

The total size of the Swedish market in 2006 was 85.227 tons roasted coffee equivalent, giving a total per capita consumption of all forms of coffee of 9,35 kilos. (Roasted coffee is calculated as 85% of green coffee weight. A multiple of 4 is used in Sweden to calculate instant coffee as roasted.). Of coffee consumed, calculated this way, about 9% was instant coffee.

The consumption of decaffeinated coffee is negligible: less than 1%. Practically all the decaffeinated green coffee volume imported is re-exported as roasted coffee.

The consumption of ecological coffee is about 5% and increasing while Fair Trade coffee still accounts for only about 1%. Other certification programs for responsibility or sustainability (Utz Kapeh and Rain Forest Alliance) have continued to gain market during 2006 and the total market share of these ethical labelled coffees was well above 6%.

Espresso is doing well too, increasing to a share above 2% thanks to the coffee shop trend.

Consumption usually is estimated to be equivalent to net import, since stock changes are not registered or visible. Net import increased in 2006 with 4,2%, which probably reflects increased consumption as well as stocks. Consumption now seems to be back on the relatively high level of the early nineties. Total consumption was slightly decreasing during the nineties but has recovered since 2001. Since changes in stocks cannot be captured, moving average figures are presented as well, which also show that the per capita consumption now is relatively stable.

The figures *cups/day* are calculated as 7,5 grams coffee/cup of 0,125 litre.

Sweden: Per capita consumption of coffee 2004 – 2006				
		2004	2005	2006
Roasted ground coffee	kg/capita	8.45	8.01	8,52
Instant	gr/capita	180	255	209
All coffee as roasted	kg/capita	9,17	9,04	9,35
	cups/day	3.4	3.3	3,4
- as an average of three latest years	kg/capita	8,86	8,93	9,19
	cups/day	3,2	3.3	3,4

Source: Statistics Sweden and the Swedish National Coffee Association

4. DEVELOPMENT OF PRICES FOR ROASTED COFFEE

According to Statistics Sweden data, the average retail price for roasted coffee was SEK 51,12 per kilo in 2006 and SEK 49,18 in 2005. However the official statistics underestimate discounts and campaign prices which are very frequent in Sweden and a weighted average price per kilo is 15 - 20% lower. The table does reflect the trend of price level, which has been decreasing since 1999. Last year 2006 was the first one since 1998 when the average price increased.

Sweden: Retail prices roasted ground coffee 1997 - 2006			
Year	SEK/kg	Year	SEK/kg
1997	73,40	2002	54,60
1998	77,20	2003	52,30
1999	63,80	2004	49,90
2000	61,00	2005	49,18
2001	57,60	2006	51,12

Source: Statistics Sweden

5. COMMENTS ON PARTICULAR SUBJECTS

No national promotion campaigns are run in Sweden. The Swedish National Coffee Association (*Svensk Kaffeinformation*) is working towards the public mainly with its web site www.kaffeinformation.se (today partly available in English).

6. DUTIES AND VAT LEVELS

The import duties are EU rates. There are no other taxes on coffee in Sweden but the VAT, which on food and drinks is 12% in retailing and 25% in restaurants, coffee shops etc.

SWITZERLAND

1. IMPORTS OF GREEN COFFEE

Green not-decaffeinated coffee imports into Switzerland reached a total of 1.274.700 bags in 2006. This is a decrease of almost 16% compared to the 1.511.600 bags imported in 2005.

According to F.O. Licht data, the main supplying and countries of origin (2006 ranking) were:

Switzerland: Imports of green not-decaffeinated coffee		
- in % -		
	2005	2006
Brazil	29,2	25,6
Colombia	10,5	14,5
Vietnam	6,0	9,4
India	6,5	6,8
Honduras	6,0	5,6
Guatemala	5,3	5,5
Costa Rica	4,2	4,7
Indonesia	4,0	3,4
Mexico	4,6	2,6
Laos	3,6	0,0
Others	20,2	21,9
Total	100,0	100,0

Source: F.O. Licht's International Coffee Report

In 2006, Brazil lost some market share compared to 2005. The second supplier, Colombia, increased its share by 4 percentage points. Of the other 'top-5' suppliers, the share of India increased slightly and that of Vietnam significantly, making this country the third origin. The share of Honduras dropped somewhat.

2. FOREIGN TRADE IN COFFEE IN ALL FORMS

Switzerland: Foreign trade in coffee				
- in tons-				
	Imports		Exports	
	2005	2006	2005	2006
Green coffee	89.834	73.702	687	719
Green coffee, decaffeinated	2.481	2.782	106	234
Roasted coffee	3.381	8.910	9.538	11.795
Soluble coffee*	1.472	1.556	8.494	8.980

* pure extracts only

Source: RéserveSuisse

On the whole, the pattern of imports and exports is fairly stable. However, the continued increase of roasted coffee exports is notable (+23,6%).

3. COFFEE CONSUMPTION

Domestic coffee consumption in Switzerland in 2006 was an estimated 58.000 tons green coffee equivalent, according to data of RéserveSuisse. This compares to 66.000 ton green coffee equivalent in 2005.

Three distinct consumption patterns can be noted. In the German-speaking north coffee drinkers prefer the lightly roasted blends with more fine acidity. Both in the French-speaking and Italian -speaking parts of the

country the darker roasted blends, i.e. the Italian-type roasts, are most popular. However, the large number of espresso machines in Swiss households (60%) means that the consumption is gradually becoming more similar. The north is becoming increasingly interested in the darker roasts. Fully automated espresso machines (preferably with integrated grinders) have started to dominate the out-of-home sector. Standard coffees outside the home are now espressos.

4. DEVELOPMENT OF PRICES FOR ROASTED COFFEE

In January 2006 the average retail price of roasted coffee was CHF 4,18 per 250 grams. In December 2006 this figure had risen slightly to CHF 4,22.

5. PROMOTION CAMPAIGN

PROCAFE is continuing its generic promotion activities with a budget of CHF 147.000 in 2006.

6. VAT AND OTHER DUTIES

Import duties and national fees (in CHF per 100 kilo gross weight) are:

	Normal tariff	Developing countries	LDC's	Compulsory stocks contribution
Green coffee:	0,00*	0,00*	0	3,75
Green coffee, decaffeinated:	00,00*	0,00*	0	3,75
roasted coffee:	63,00**	46,75***	0	4,50
roasted coffee, decaffeinated:	63,00**	46,75***	0	4,50
soluble coffee:	182,00**	127,50***	0	8,85

*: since 1 October 2006

** : 0,00 for European and least developed countries

***: not for Brazil

Note: LDC is Least Developed Country

Source: RéserveSuisse

UNITED KINGDOM

1. IMPORTS OF GREEN COFFEE

Imports into the United Kingdom during 2006 of non-decaffeinated green coffee showed an increase of nearly 3,5% but, based on the average of 2004 and 2005, were just a couple of percentage points lower.

United Kingdom:		
Imports of green coffee non-decaffeinated		
- in bags of 60 kilos -		
Countries of origin	2005	2006
Vietnam	468.490	553.936
Colombia	352.723	378.413
Brazil	222.261	244.554
Indonesia	336.065	228.862
Peru	97.848	78.009
Honduras	33.207	40.411
Kenya	37.877	34.316
Nicaragua	38.687	29.327
Ethiopia	31.899	27.446
Costa Rica	12.248	22.660
Guatemala	12.660	22.324
Uganda	25.296	16.831
El Salvador	14.666	15.696
Cote d'Ivoire	0	14.743
India	12.220	14.164
Panama	4.462	9.334
Mexico	8.029	8.179
Tanzania	4.983	7.754
Papua New Guinea	5.958	3.019
Others/Unknown	21.505	51.030
Total	1.741.084	1.801.008

Source: Coffee Trade Federation Ltd

Vietnam continues as the leading supplier of non-decaffeinated green coffee and further increased its share of the market from 26,9% to 30,76%. This was partially at the expense of Indonesia which suffered a significant drop in imports from 19,3% to 12,71% and fell from third to fourth place in the table. Both Brazil and Colombia held their share with slight increases. As usual, the UK's other suppliers consisted mainly of Central American origins, with Peru again the major exporter. Other countries included Kenya, Ethiopia, Uganda, India and Papua New Guinea. Cote d'Ivoire entered the table after a gap of quite a few years!

United Kingdom		
Percentage distribution of green coffee non-decaffeinated imports by main origin		
- in % -		
Countries of Origin	2005	2006
Vietnam	26,9	30,76
Colombia	20,3	21,01
Brazil	12,8	13,58
Indonesia	19,3	12,71
Peru	5,6	4,33
Honduras	1,9	2,24
Kenya	2,2	1,91
Nicaragua	2,2	1,63
Ethiopia	1,8	1,52
Costa Rica	0,7	1,26
Guatemala	0,7	1,24
Uganda	1,5	0,90
El Salvador	0,8	0,87
Cote d'Ivoire	0,0	0,82
India	0,7	0,79
Panama	0,3	0,52
Mexico	0,5	0,45
Tanzania	0,3	0,43
Papua New Guinea	0,3	0,17
Others/Unknown	1,2	2,86
Total	100,0	100,0

Source: Coffee Trade Federation Ltd

United Kingdom: Imports by types of coffee (ICO)			
- in % -			
Types of coffee	2004	2005	2006
Arabicas	55	52	52
Colombian Milds	15	23	23
Other Milds	18	14	14
Brazilian Naturals	22	15	15
Robustas	44	47	47
Others/Unknown	1	1	1

Source: Coffee Trade Federation Ltd

Although imports were up, percentage wise the figures were unchanged.

2. FOREIGN TRADE IN ALL FORMS

United Kingdom: Foreign Trade in Coffee				
- tons -				
	Imports		Exports	
	2005	2006	2005	2006
Green	104.465	108.060	1.818	3.266
Green Decaf	244	278	82	102
Roasted	841	1.138	2.774	2.898
Roasted Decaf	177	142	153	203
Soluble/Extracts	8.762	7.676	17.461	18.062

Source: Coffee Trade Federation Ltd

Imports of soluble/extracts were down by over 12% from 8.762 tons to 7.676 tons. Brazil was once again the leading exporter although its share was down from 4.218 tons to 2.870 tons. The two other major suppliers, Ecuador and Colombia, also saw declines. Ecuador from 2.142 tons to 922 tons and Colombia from 1.045 tons to 818 tons.

Exports of soluble/extracts increased by 3.4%. The major markets were the EU followed by the Russian Federation.

Both imports and exports of roasted coffee increased. Imports of roasted decaffeinated fell by nearly 20% whilst exports showed a marked increase of 33%..

3. COFFEE CONSUMPTION

According to the data of the International Coffee Organization (ICO), total consumption in 2006 equated to 2.821.000 bags of green coffee and per capita consumption (in kg green coffee equivalent) was 2.41.

4. COMMENTS ON PARTICULAR SUBJECTS

In 2006 the two key coffee organisations in the UK, the British Coffee Association and the Coffee Trade Federation, formed a strong co-operative working relationship to ensure the UK coffee trade and industry speaks with one voice.

Work continues with strong communication programmes aimed at both Healthcare Professionals (HCPs) and consumers in order to overcome the negative perception of coffee and health and with the objective of halting the decline in coffee consumption.

2006 was the third year of the Coffee BREAK programme and excellent results have been seen with a significant reduction in HCPs advising patients to reduce their coffee intake or to cut it out completely. Following the success of the campaign, it has been extended for a further 3 years.

The campaign directly targeting the consumer continues to reassure that moderate coffee consumption of 4-5 cups per day can be part of a healthy balanced diet. The updated Coffee and Your Health leaflet continues to be popular with 250.000 distributed in 2006 and the focus has been very much on talking to the consumer in an environment when they will be thinking about health e.g. doctor's surgery, gym, office etc. The UK media continue to write prolifically on health and coffee/caffeine is frequently mentioned across all national, regional, consumer, broadcast and online media. The targeted PR campaign in the UK has seen an increase in positive information written about coffee and a reduction in the number of negative coffee/caffeine and health mentions.

EU VAT and excise duties

ROASTED, NON-DECAFFEINATED COFFEE, UNLESS INDICATED OTHERWISE

COUNTRY	VAT%	EXCISE DUTIES
Austria	10,0	
Belgium	6,0	€ 0,2479/kg
Bulgaria	20,0	roasted BGN 1/kg, extracts BGN 1,50/kg
Cyprus	0,0	
Czech Republic	19,0	
Denmark	25,0	DKK 6,54/kg
Estonia	18,0	
Finland	17,0	
France	5,5	
Germany	7,0	€ 2,19/kg
Greece	9,0	
Hungary	20,0	
Ireland	0,0	
Italy	20,0	
Latvia	18,0	LVL 50/100 kg pure coffee
Lithuania	18,0	
Luxembourg	3,0	
Malta	0,0	
Netherlands	6,0	
Poland	22,0	
Portugal	12,0	
Romania	19,0	€ 900/ton
Slovakia	19,0	
Slovenia	8,5	
Spain	7,0	
Sweden	12,0	
United Kingdom	0,0	

Up-to-date information on import duties, VAT and excise duties can be found on the European Commission Export Helpdesk website <http://export-help.cec.eu.int/>