



JAMPRO
TRADE & INVESTMENT JAMAICA

MARKET POINTERS

Coffee/Kahvi to Finland



JAMPRO
Business Analysis & Research
October 2015



Coffee/Kahvi (roasted)

Full bodied with a crisp, bold flavour and a sharp, potent, aroma, a freshly brewed cup of Jamaican coffee is not only guaranteed to awaken your senses, but will also provide you with the energy to start your day. The Jamaican coffee is of premium class and is characterized by sophistication and an element of mystique on the world stage.

The Jamaican coffee plant is a woody perennial evergreen that belongs to the Rubiaceae family. Two main species are cultivated today: the Jamaican *coffea canephora*, known as the Robusta and the Jamaican *coffea arabica* known as the Arabica. The more popular Arabica is the only variety of coffee ground and roasted in Jamaica. It is this variety that yields a range of pungent coffee from Jamaica – including the Jamaican Blue Mountain coffee, world renowned for its exceptional quality. Jamaica's majestic Blue Mountain - located at the eastern ends of the island that receives steady rainfall year-round, is of elevations of over 5000 ft. These environmental factors combine to create the perfect conditions for the cultivation of the world-famous Jamaica Blue Mountain coffee.

The Jamaican coffee has a range of health benefits and can be enjoyed by any demographic. Notwithstanding, this exceptional product has specific benefits for older persons more prone to cognitive decline and degenerative diseases.

Coffee:

1. Lowers the risk of heart disease
2. Is a potent antioxidant
3. Fights cancers such as prostate and endometrial
4. Protects against Alzheimer's and dementia, provides memory boost
5. Reduces the chance of diabetes
6. Total Jamaica production Green Beans: 5,298 tonnes

Total national exports

Roasted Coffee Value : US\$1,796,000

Tonnes:62 tonnes

Average unit value: US\$28,968

HS Code: 09.01.21

National tariff line: 09.01.21.00

Tariff line in Finalnd: 09.01.21.00

Target Market

Population: 5,486,101 % Growth 0.5 (2013)
 GDP per Cap: US\$40,838 % Growth -0.6 (2014)

Capital: Helsinki (Population 558,457)

Major cities: Espoo (Population 256,760); Tampere (Population 202,687); Vantaa (Population 190,058)

Currency: Euro
 132.5775 (JMD) : 1.0000 (EURO) (Sep 2015)

Languages: Finnish (89.33%) Swedish (5.34%)

Religions: Lutheranism Eastern Orthodoxy

In 2014, the European Union countries imported 6 million tonnes of green coffee beans. Most of which came from developing countries, these beans are then roasted in countries like Italy, Germany, the United Kingdom, the Netherlands and Finland.

The top 10 import partners for roasted coffee into Finland are European countries; with the Netherlands and neighbouring Sweden, industry leaders. As EU member states they do not pay tariffs and have the same regulations relating to labelling and packaging of products. Further, the tastes in coffee roasting are similar, as they prefer dark roasts over light roasts.

Finnish imports of coffee is influenced by the demand for the product which has been growing since the 1970s. Coffee is such a staple in Finland that imports were not affected by the 2008 global recession, imports continued to rise, peaking in 2013, before a marginal decline in 2014. Coffee drinking in Finland has become a way of life as the beverage is preferred over water and tea.

Total imports of roasted coffee (not decaffeinated) US\$52, 846,000

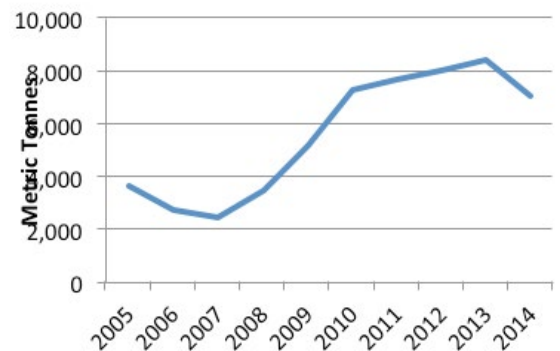
Quantity 7,058 tonnes

Average import value: \$7,520 per ton

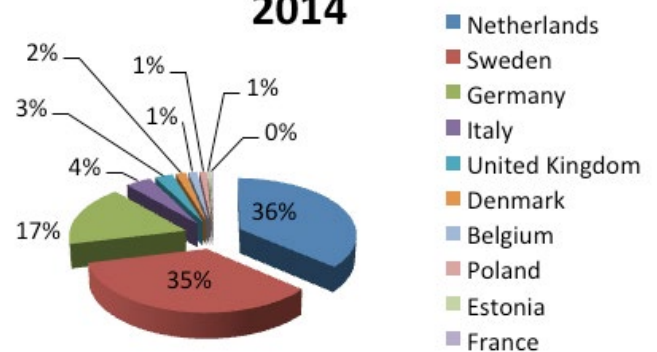
Imports of roasted coffee from Jamaica: Nil



Finland Import of Roasted Coffee 2005-2014



Market Share Roasted Coffee Imports 2014



Finland is one of the most northern countries in the world; its cold climate necessitates the consumption of warm beverages. As a result, Finland is the global leader in per capita coffee consumption, with the average Finn consuming an average of 1252 cups or 12kg of coffee per year. Coffee is consumed by most adult Finns, and a light roast is the preferred blend. Younger Finns have begun to express interest in new global brands in the specialty coffee area either at home or in cafes.

Helsinki is the largest coffee drinking city in Finland; there are approximately 300 cafes in the city. The specialty coffee

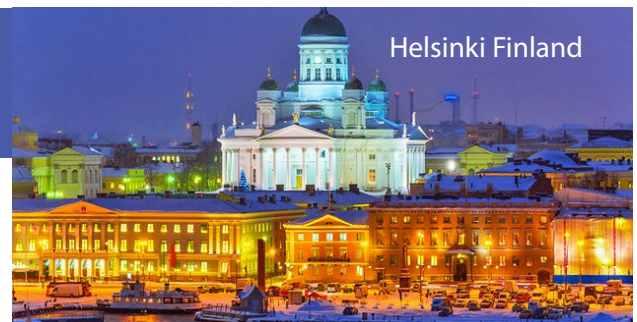
market, which Jamaica Blue Mountain would be placed is estimated at 2% however projected growth in this area is 20%. In response to this established brands have tried to increase their presence in this sub market.

Quantity and price trends in Finland are affected by the production of green coffee beans in the developing world, as all green beans for roasting are sourced externally. Roasting is light, to meet the tastes of the local market.

Market Access

- Finland is one of 28 European Union member states and as such is party to the EU-ACP Economic Partnership Agreement. This reciprocal trade agreement affords duty free access of CARICOM goods into the European Union, meeting the country of origin requirements.
- EU Basic Rules of origin state :
- Goods wholly obtained in a non-EU country
- "These are goods in whose production there is not a relation with any other country than the beneficiary or partner country - i.e. the product is obtained by processing carried out only in the beneficiary country and without incorporating materials of any other country."
- Further reference: http://exporthelp.europa.eu/thdapp/display.htm?page=cd/cd_BasicRules.html&docType=main&language=en

General applied tariff:	7.5%
Tariff applied to Jamaica:	0%
Tariff applied to main competitors:	0%
Other import duties to be paid:	0



Helsinki Finland

Certification:

In order to qualify for the preferential rates mentioned, countries must satisfy the rules of origin criteria and supply proof of origin documentation which can either be:

- Movement Certificate EUR.1 - issued by the customs authorities of the exporting country. The exporter (or authorised representative) applying for a certificate must be prepared to submit documents proving the originating status of the products concerned on request, and fulfil the other requirements of the Rules of Origin Protocol.
- An invoice declaration – issued by any exporter, for consignments valued €6 000 or less, or by approved exporters, for consignments of any value.

Further reference: http://exporthelp.europa.eu/thdapp/display.htm?page=cd%2fcd_ProofsOfOriginEPA.html&docType=main&language=en

Market Access

Other regulatory requirements to comply with:

Coffee exported to the EU must meet strict regulatory requirements regarding the handling of food and contaminants. The maximum level allowed for the contaminant Ochratoxin A in roasted coffee beans is 5 µg/kg.

Packaging requirements:

Packaging requirements for the EU have been amended on numerous occasions to meet the increasing awareness of environmental standards and the changes at national levels. The EU Food packaging directive (EC) 1935/2004 defines the requirements of food packaging, stipulating that:

- packaging materials shall not transfer its ingredients into food, in quantities that would impair health, deteriorate aroma or taste
- The most recent amendment to common EU packaging and packaging waste directives was April 2015 of the harmonised Directive 94/62/EC.

The specific requirements for the manufacture of packaging:



- Packaging ought to be manufactured in a way that ensures its recyclability, and be limited to the minimum weight adequate for safety, hygiene and acceptance for a packed product
- Packaging should be manufactured in a manner that does not create harmful substances when disposed in a landfill or incinerated.

See more at:

<http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=O-J:L:2004:338:0004:0017:en:PDF>

Distribution channels:

Distance to market: 8,901 km

Trade channels (Sea Freight):

20ft. container US\$1200 + B/L charges of US\$50

40ft. container US\$1400 + B/L charges of US\$50



Specialty coffee is traded through the networks of barista and coffee associations:

- Finland Barista Association

Finland Chapter of the Specialty Coffee Association of Europe
National Coordinator, Viivi Ahtiainen;
viivi.ahtiainen@gmail.com
Chapter President, Karoliina Makela
Karoliina.makela@paulig.com

Supermarket Chains:

Kesko Food Ltd.

Jorma Rauhala, President

Jorma.rauhala@kesko.fi

Satamakatu 3, FI-00016 Kesko, Finland

Visits: Mannerheimintie 117, Helsinki

Phone 010 53030

Fax 010 53 23467

<http://www.kesko.fi/en/>

S Group

Jorma Vehviläinen,

Executive Vice President,

SOK Consumer Goods

Outi Hohti, Communications Manager

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Tel. 010 76 80363

<https://www.s-kanava.fi/web/s/en/s-ryhma-lyhyesti>

Market Access

Importer :

Oy Valora Trade Finland AB

Riika Jukarainen

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Tel :+ 358 400 421 306

http://www.bestfoods.fi/

Labelling requirements:

- Name of the product: The name of the foodstuff shall be its legal name. It shall not be replaced with a name protected as intellectual property, brand name or fancy name.
- List of ingredients: Preceded by the word "Ingredients", the list shall include all ingredients (including additives or enzymes) in descending order of weight as recorded at the time of their use in the manufacture and designated by their specific name.
- Net quantity
- Minimum durability rate
- Storage conditions or conditions of use
- Country of origin or place of provenance is no longer mandatory for coffee products
- The name or business name and address of the manufacturer/packager/seller
- Nutrition declaration will be mandatory from December 2016

Mandatory content:

- energy value
- the amounts of fat, saturates, carbohydrate, sugars, protein and salt

See more at:

[http://eur-lex.europa.eu/legal-content/en/](http://eur-lex.europa.eu/legal-content/en/ALL/?uri=CELEX:32011R1169)

[ALL/?uri=CELEX:32011R1169](http://eur-lex.europa.eu/legal-content/en/ALL/?uri=CELEX:32011R1169)

Prices and pricing aspects in major distribution channels:

According to the ICO average retail price of roasted coffee in Finland is \$4.31/lb. In the last 10 years, it has reached a high of \$5.36 and a low of \$2.84.

Other consumer prices include:

Non-certified, high quality, arabica-based, ground coffee

PAULIG - PRESIDENTTI

500g

€ 4.90 gr.

(€ 9.50/kilo)



Non-certified, medium quality coffee

MEIRA - Saludo kahvi

500g

€ 3.90 (€ 7.70/kilo)

Organic certified, single origin coffee

PAULIG - Colombia luomu

250g

€ 6.50

(€ 25.50/kilo)



Organic certified, Fairtrade certified coffee

PAULIG - Mundo

500g

€ 5.90

(€ 11.80/kilo)

Market Access

Voluntary standards:

GLOBALG.A.P. Crops

GLOBALG.A.P. is a private sector body that sets voluntary standards for the certification of production processes of agricultural (including aquaculture) products around the globe. The GLOBALG.A.P. standard is primarily designed to reassure consumers about how food is produced on the farm by minimising detrimental environmental impacts of farming operations, reducing the use of chemical inputs and ensuring a responsible approach to worker health and safety as well as animal welfare.

- See more at: <http://www.standardsmap.org/identify#sthash.P296won9.dpuf>

Sustainable Agriculture Network - Rainforest Alliance

The Sustainable Agriculture Network is a network of conservation groups committed to community-based conservation initiatives and research. SAN develops and implements social and environmental standards applicable to tropical agriculture. The certification program for SAN standards is operated by Rainforest Alliance.

- See more at: <http://www.standardsmap.org/identify#sthash.P296won9.dpuf>

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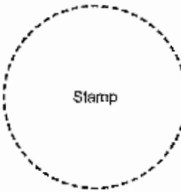
Fairtrade International - Small Producers Organizations

Fairtrade International is an independent, non-governmental, not-for-profit organization that promotes sustainable development and poverty alleviation and sets the Fairtrade standards. Nineteen national organizations, called Fairtrade Labelling Initiatives, promote the marketing of Fairtrade products in 24 countries in Europe, North and Central America, Australia and New Zealand. One organization - FLO-CERT - is responsible for auditing and certification of compliance against the Fairtrade standards. FLO-Cert is independent of Fairtrade International or the national organizations.

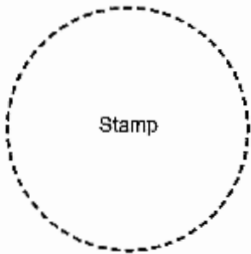
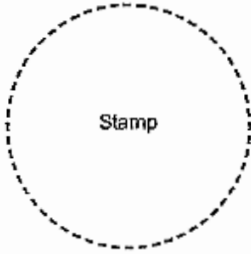
- See more at: <http://www.standardsmap.org/identify#sthash.P296won9.dpuf>

MOVEMENT CERTIFICATE

1. Exporter (name, full address, country)		EUR.1 No A 000.000	
		See notes overleaf before completing this form	
		2. Certificate used in preferential trade between	
3. Consignee (name, full address, country) (Optional)		and	
		(insert appropriate countries, groups of countries or territories)	
		4. Country, group of countries or territory in which the products are considered as originating	5. Country, group of countries or territory of destination
6. Transport details (Optional)		7. Remarks	
8. Item number; Marks and numbers; Number and kind of package (*); Description of goods		9. Gross mass (kg) or other measure (litres, m ³ , etc.)	10. Invoices (Optional)
11. CUSTOMS ENDORSEMENT Declaration certified Export document (*) Form No Customs office Issuing country or territory Date (Signature)		12. DECLARATION BY THE EXPORTER I, the undersigned, declare that the goods described above meet the conditions required for the issue of this certificate. Place and date (Signature)	



(*) If goods are not packed, indicate number of articles or state 'in bulk' as appropriate
(*) Complete only where the regulations of the exporting country or territory require

<p>13. Request for verification, to:</p>	<p>14. Result of verification</p> <p>Verification carried out shows that this certificate (*)</p> <p><input type="checkbox"/> was issued by the customs office indicated and that the information contained therein is accurate.</p> <p><input type="checkbox"/> does not meet the requirements as to authenticity and accuracy (see remarks appended).</p>
<p>Verification of the authenticity and accuracy of this certificate is requested</p> <hr/> <p>(Place and date)</p> <div data-bbox="321 1010 570 1262" style="text-align: center;">  <p>Stamp</p> </div> <p>(Signature)</p>	<hr/> <p>(Place and date)</p> <div data-bbox="1024 1010 1273 1262" style="text-align: center;">  <p>Stamp</p> </div> <p>(Signature)</p> <p>(*) Insert X in the appropriate box.</p>



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