



सत्यमेव जयते

Economic Diplomacy Division
Ministry of External Affairs



Canadian Coffee Industry Market Research Report

High Commission of India to Canada

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i. Trade

Imports and Exports



i. a) Analysis of the Size and Segmentation of the Canadian Coffee Market

Company	Share (%)	Key Brands	Revenue (million \$CAD)
Kraft Heinz	17.9	Maxwell House, Nabob	453.3
Nestlé SA	12.3	Starbucks, Nespresso	312.0
Keurig Dr Pepper Inc.	12.2	Van Houtte, Timothy	309.1
Restaurant Brands International Inc.	11.3	Tim Hortons	286.7
The JM Smucker Company	8.9	Folgers	225.5
Lavazza SpA, Luigi	5.7	Kicking Horse, Lavazza	143.7
McDonald's Corporation	4.3	McCafé	109.1
Melitta Unternehmensgruppe Bentz KG	2.1	Melitta	52.8
Tata Consumer Products Ltd.	1.2	Eight O'Clock	31.3
The Second Cup Coffee Company	0.9	Second Cup	21.9
Massimo Zanetti Beverage Group SpA	0.3	MJB, Hills Bro	8.8
Private Label	18.2	Private Label	461.4
Others	4.8	Others	123.1

i. a) Analysis of the Size and Segmentation of the Canadian Coffee Market (cont.)

- **Market Concentration:** Top 5 companies control 65.7%; Kraft Heinz leads with 17.9% (CAD \$453.3 million).
- **Bifurcated Market:** Multinationals (Nestlé, Keurig, RBI) dominate with scale; regional brands are less competitive.
- **Portfolio Strategy:** Leading firms use multi-brand segmentation (premium/mainstream/value) to capture all price tiers.
- **Private Label Competition:** 18.2% share generating CAD \$461.4 million – capturing a larger share than leading firm.
 - Private label coffee is a pre-roasted coffee product manufactured by a coffee roasting company and sold under a retailer's or distributor's own brand name, rather than the roaster's brand.
 - It allows businesses to build their own coffee brand without investing in roasting facilities, equipment, or sourcing infrastructure.
 - Historically, private label coffee has been positioned as a lower-cost alternative to branded products, offering better value for cost at a similar level of quality.
 - Because of this, private label sales often increase during periods of economic downturn and instability.

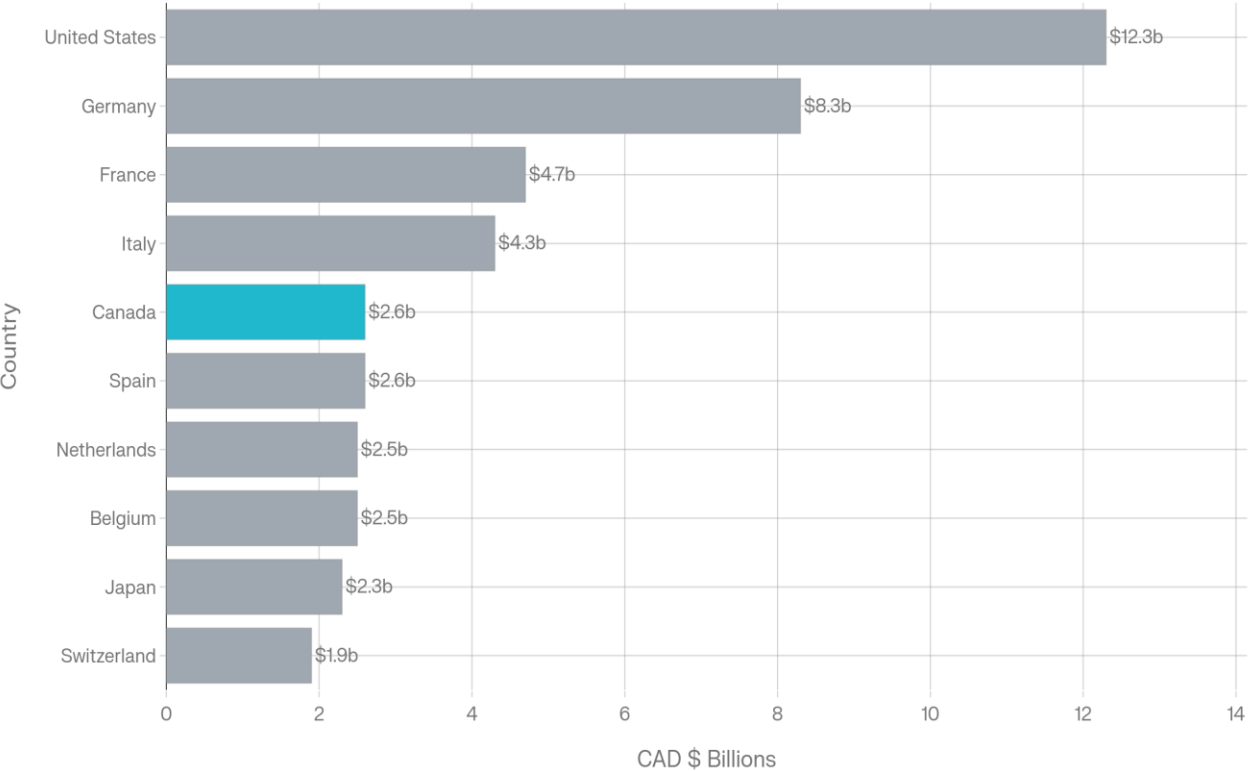
i. b) Mapping of Import-Export Flows of Coffee Brands to and from Canada: *Total Imports*

Canada's Global Position

- Canada ranks as the **5th largest coffee importer** per capita (CAD \$2.6 billion) in 2024.
- Growth rate: 12.5% Compound Annual Import Growth Rate (CAGR)* (2020-2024).
- In 2024, Canada imported around CAD \$1.44 billion of **unroasted** coffee (2024 dollars).
- In the same year, it imported CAD \$1.14 billion of **roasted** coffee.
- This represents a 78% increase from ten years prior for **unroasted** coffee.
- For **roasted** coffee, there was a 47.2% increase compared with 2014.

Canada Ranks 5th Among Global Coffee Importers (2024)

U.S. leads with nearly 5x Canada's import value

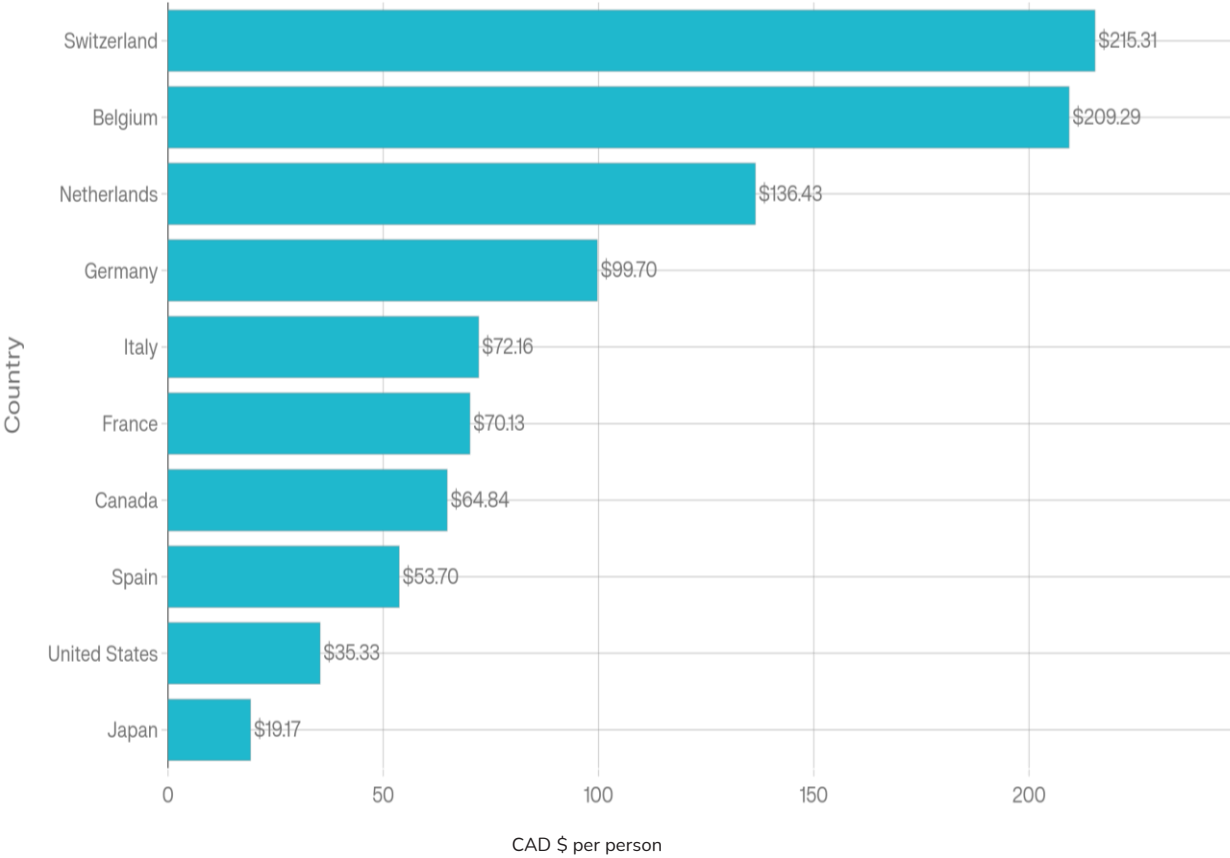


Source: OEC Stats <https://oec.world/en/profile/hs/coffee>
* CAGR is a way to measure how much something grows each year on average over multiple years, assuming the gains build on each other (compounding). It's not the actual yearly return but a hypothetical constant rate that matches the total growth.

i. b) Mapping of Import-Export Flows of Coffee Brands to and from Canada: *Imports per Capita*

Switzerland Leads Coffee Imports Per Person (2024)

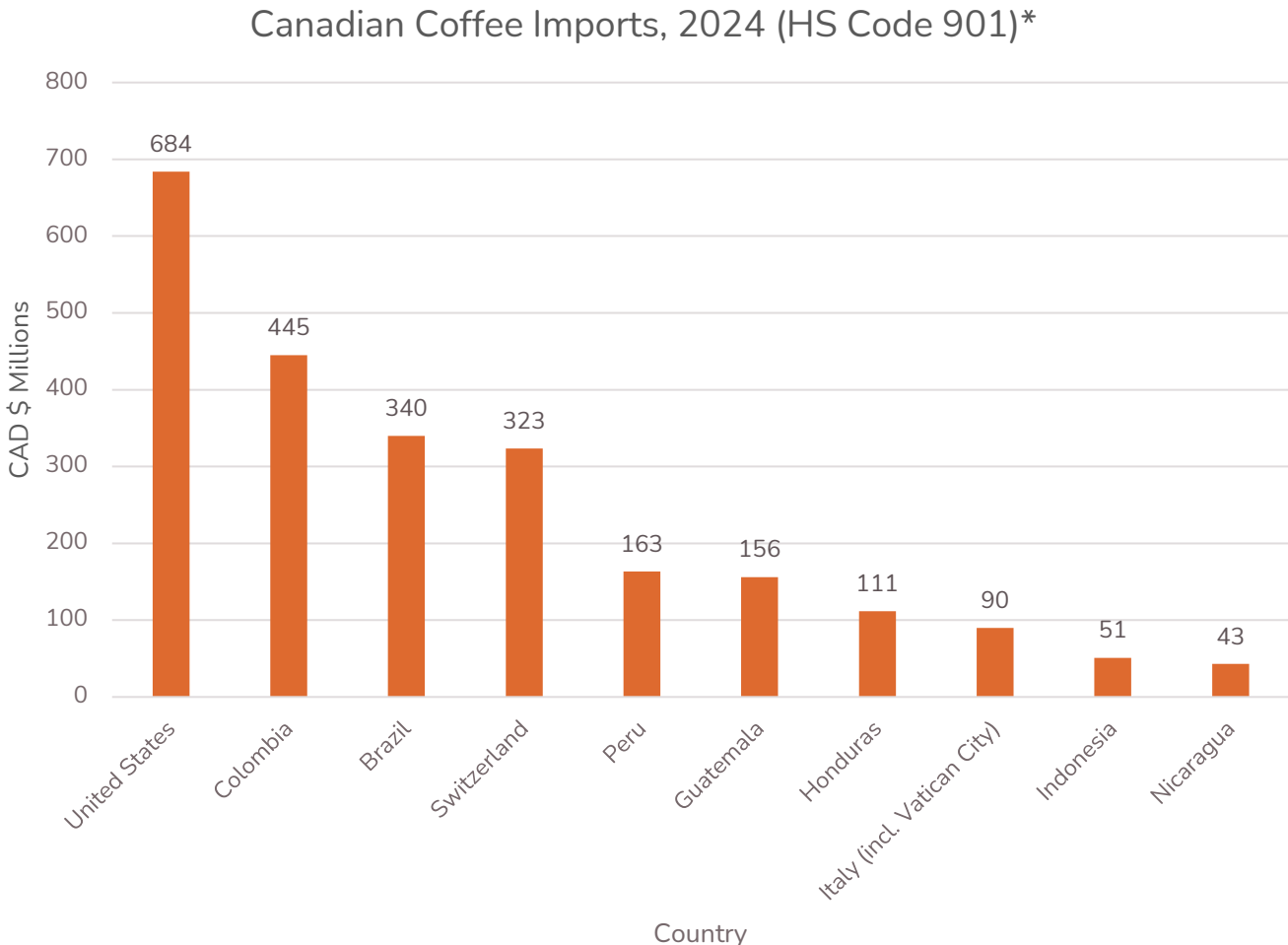
Per capita spending reveals import intensity beyond volume



How Does Canada Compare Globally Per Capita?

- Canada ranks as the **7th largest coffee** importer per capita (CAD \$64.84) in 2024.
- Growth rate: 12.5% compound annual growth rate (CAGR) of imports per capita (2020-2024).
 - Canada’s per capita coffee imports grew at the same 12.5% CAGR as its absolute imports, which is slightly below the global top 10 average of 12.9% CAGR.
 - This indicates that Canada’s coffee import growth has kept pace with its population growth.
- In 2024, Canada imported about CAD \$35.91 of **unroasted** coffee per capita (2024 dollars).
- In the same year, it imported about CAD \$28.43 of **roasted** coffee.
- This represents a 6% increase from ten years prior for **unroasted** coffee per capita.
- For **roasted** coffee, there was a 4% increase compared with 2014 per capita.

i. b) Mapping of Import-Export Flows of Coffee Brands to and from Canada: *Imports by Origin*

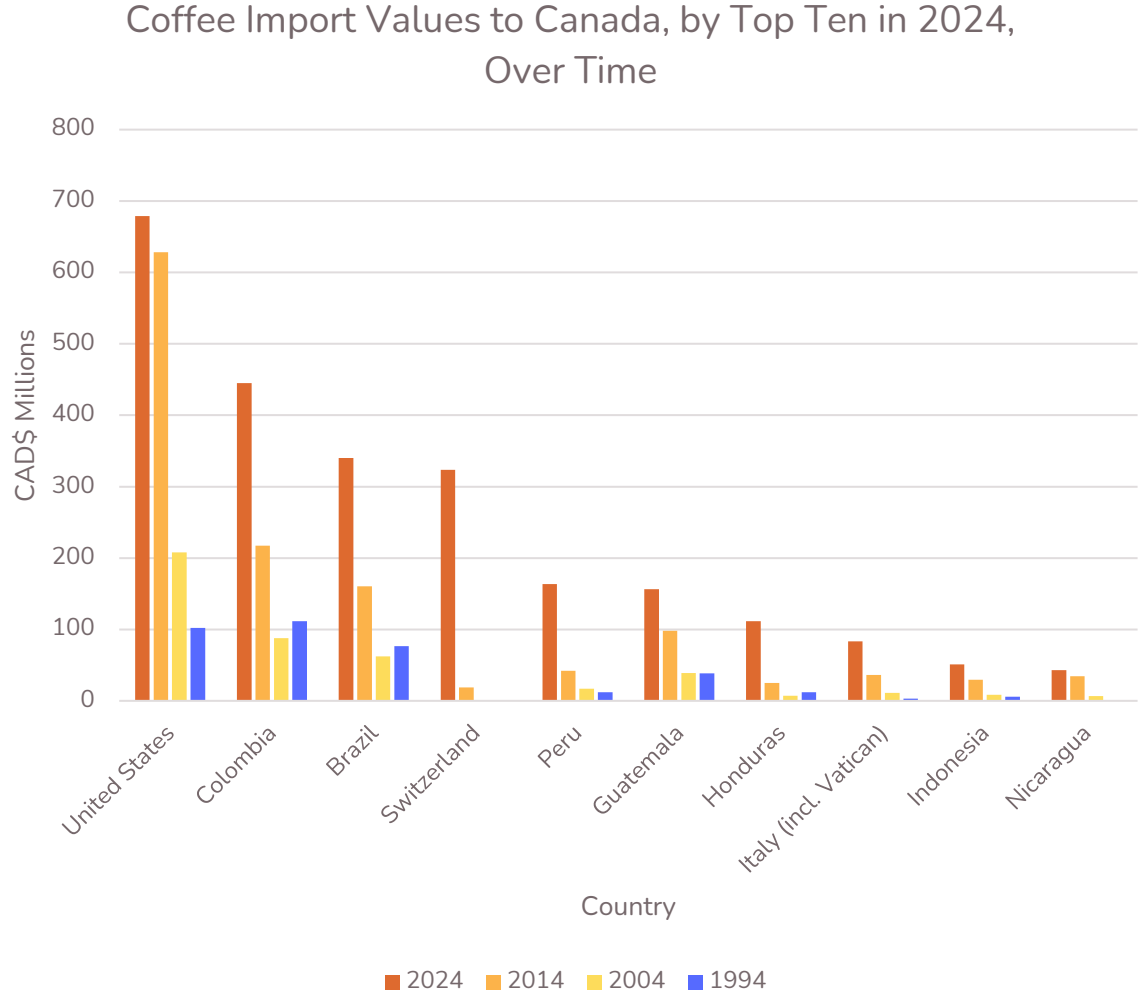
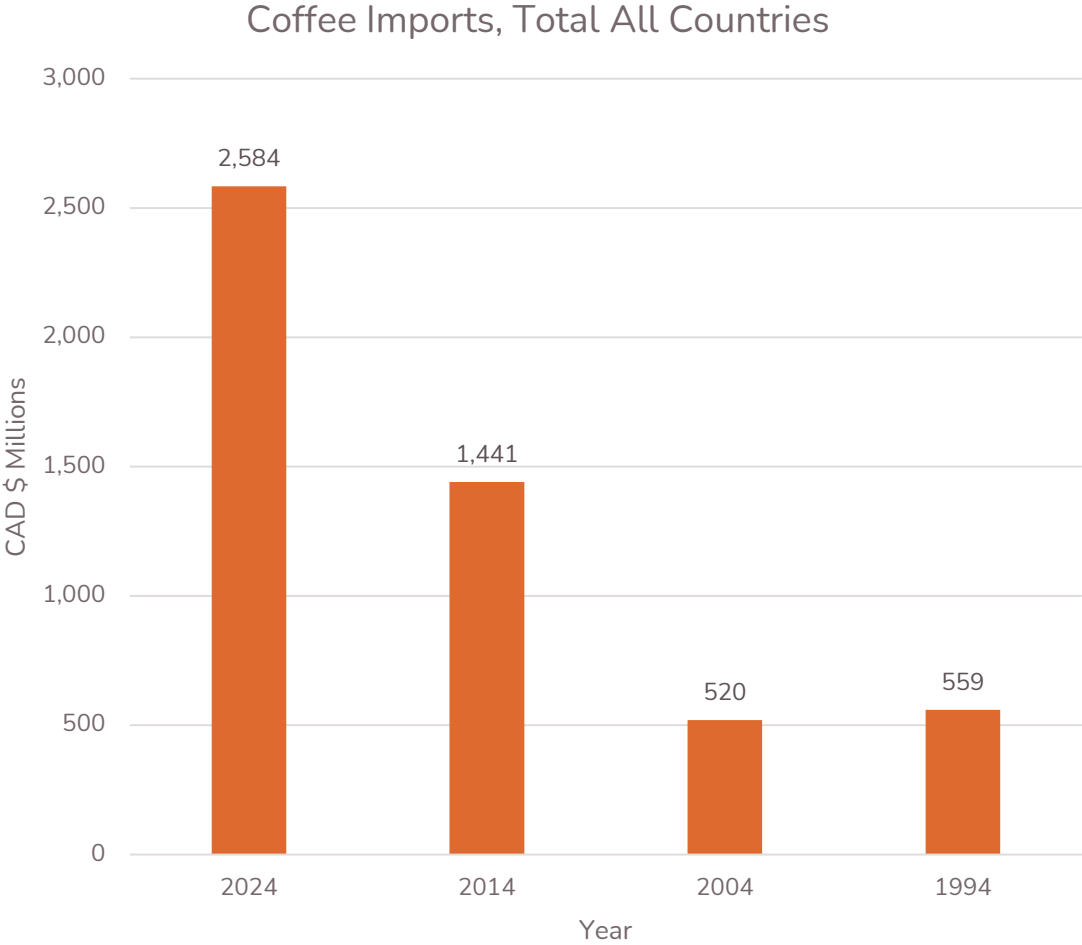


- The U.S. comprised 26% of Canada’s coffee imports in 2024, followed by Colombia at 17%, Brazil at 13%, Switzerland at 12% and Peru at 6%.
- Because their climates generally do not support coffee growing and therefore the export of raw beans, the U.S. and Switzerland **exported nearly all** (99% and 100% respectively) of their coffee **as roasted coffee**, with the coffee having been originally grown somewhere else.
- For the others, the converse is true: the vast majority of imports (Colombia at 97%, Brazil at 99% and Peru at 100%) are of **unroasted coffee**.

Source: ISED Trade Data Online <https://ised-isde.canada.ca/app/ixb/tdo/crtr.html>

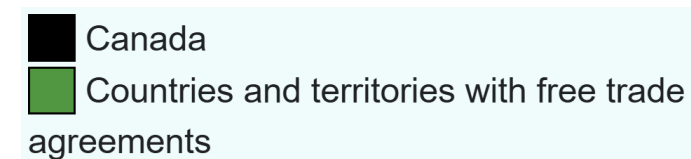
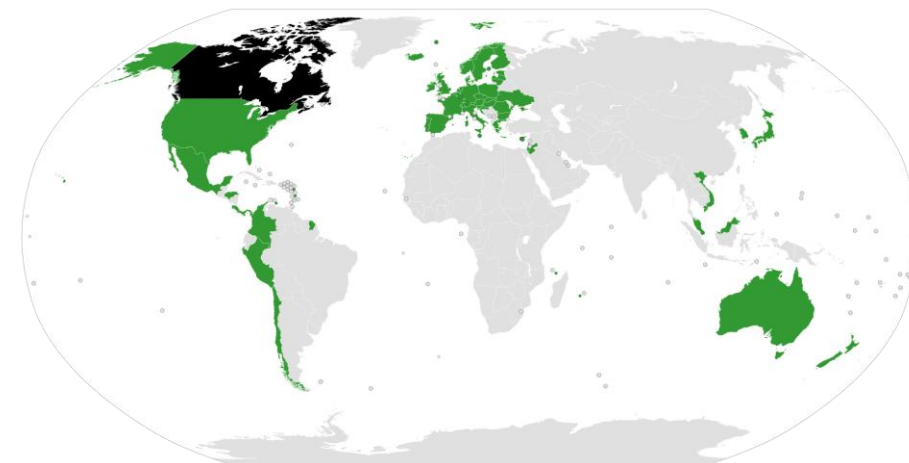
9 *Note: HS Code 0901 refers specifically to coffee, whether or not roasted or decaffeinated, including coffee husks, skins, and substitutes containing coffee in any proportion.

i. b) Mapping of Import-Export Flows of Coffee Brands to and from Canada: *History of Imports*

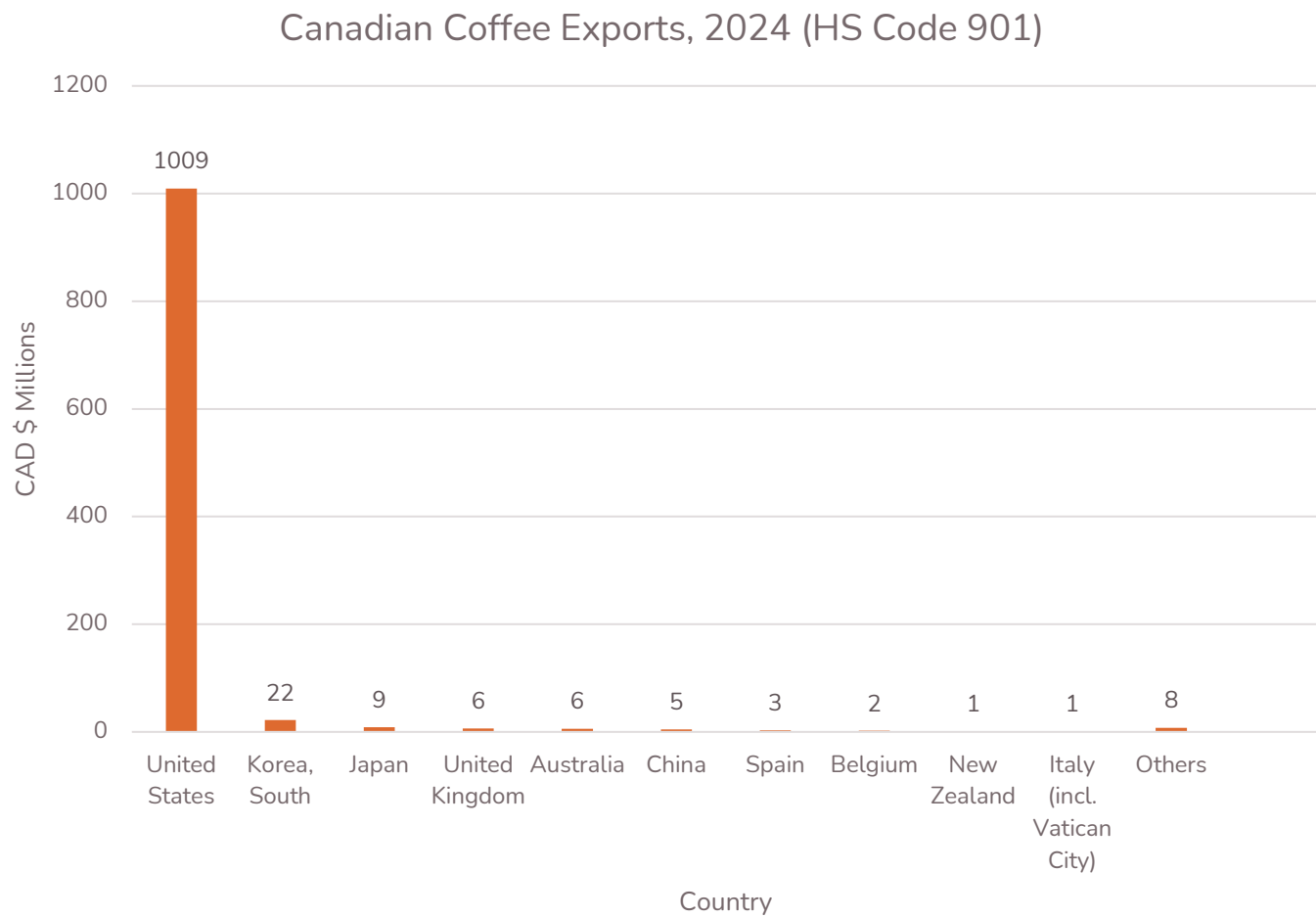


i. b) Mapping of Import-Export Flows of Coffee Brands to and from Canada: *History of Imports*

- Canada's total coffee imports have surged over the years from just over CAD \$500 million in the 1990s and 2000s, to nearly CAD \$2.6 billion in 2024.
- The composition of importing countries over time has changed:
 - Some (such as the U.S., Colombia, Guatemala and Brazil) have remained roughly proportional in their import share over the years.
 - Others have dropped out of the top ten (Mexico, Vietnam), while some have increased their share substantially (Switzerland, Italy, Peru, Honduras).
- There is a strong correlation between Canada's FTAs with Switzerland, Italy, Peru, & Honduras coming into force and growth in coffee imports from them:
 - EFTA (Switzerland) – 2009
 - CPFTA (Peru) – 2009
 - CHFTA (Honduras) – 2014
 - CETA (Italy) – 2017
- However, Canada also has FTAs with the counter-examples (Vietnam, CPTPP in 2018; Mexico, NAFTA in 1994), showing that an FTA can help, but that there are other factors at play, such as climatic issues or domestic policies impacting the industry.



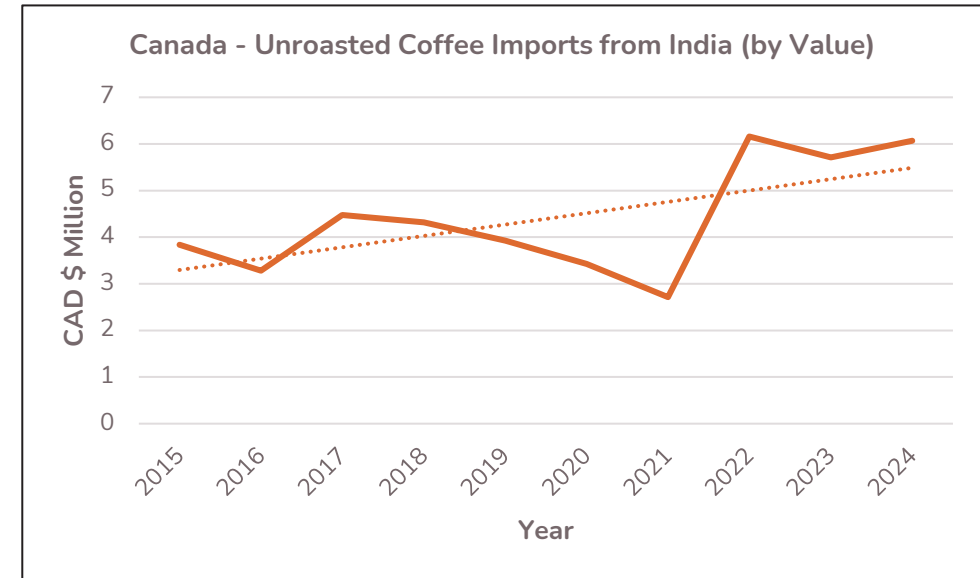
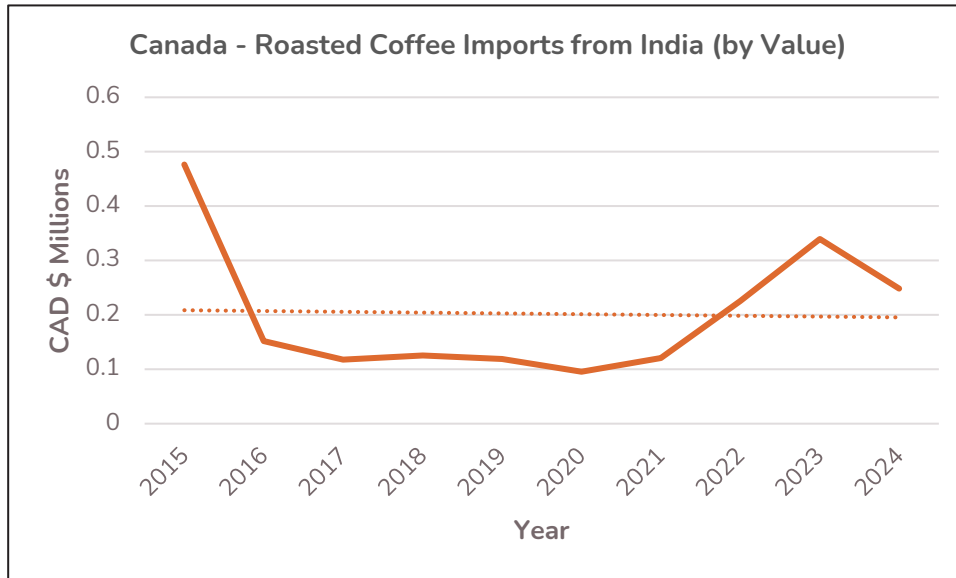
i. b) Mapping of Import-Export Flows of Coffee Brands to and from Canada: Exports



- For Canadian coffee exports, the vast majority go to the U.S.
- For countries that export to Canada, they generally fall into two clear groups of either unroasted or roasted almost entirely
- Canada itself, however, exports significant quantities of **both** roasted and unroasted coffee to the U.S.
- A lesson from this is that Canada gains acting as a hub in supply chains for U.S. unroasted coffee, with some added value from decaffeinating, and some arbitrage due to certain tariff differentials from countries that Canada has an FTA with (Peru, Colombia)
- Under CUSMA, roasting does not confer origin status for coffee (same HS classification; i.e., no transformation, and no automatic tariff-free treatment), meaning that roasting will not confer an additional comparative advantage other than existing advantages for unroasted coffee.

i. b) Mapping of Import-Export Flows of Coffee Brands to and from Canada (cont.)

Canadian Coffee Imports from India: Roasted vs. Unroasted



- **Imports of Indian coffee** into Canada are **almost all unroasted**.
- Unroasted Indian coffee has grown steadily over the past decade, almost doubling.
- **Imports of roasted Indian coffee, by contrast, have remained flat** – and are very minimal (averaging CAD \$200 thousand annually for the last decade).

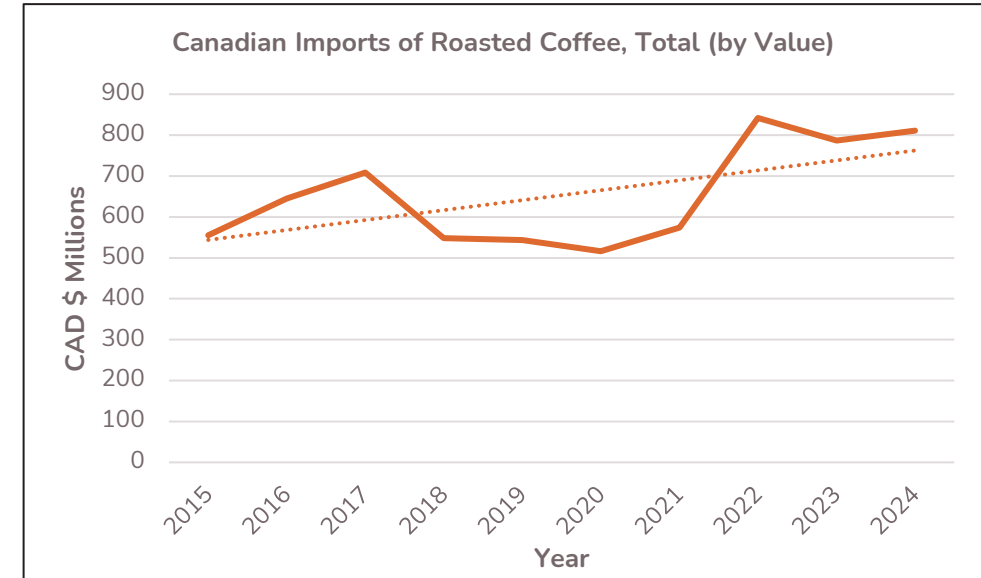
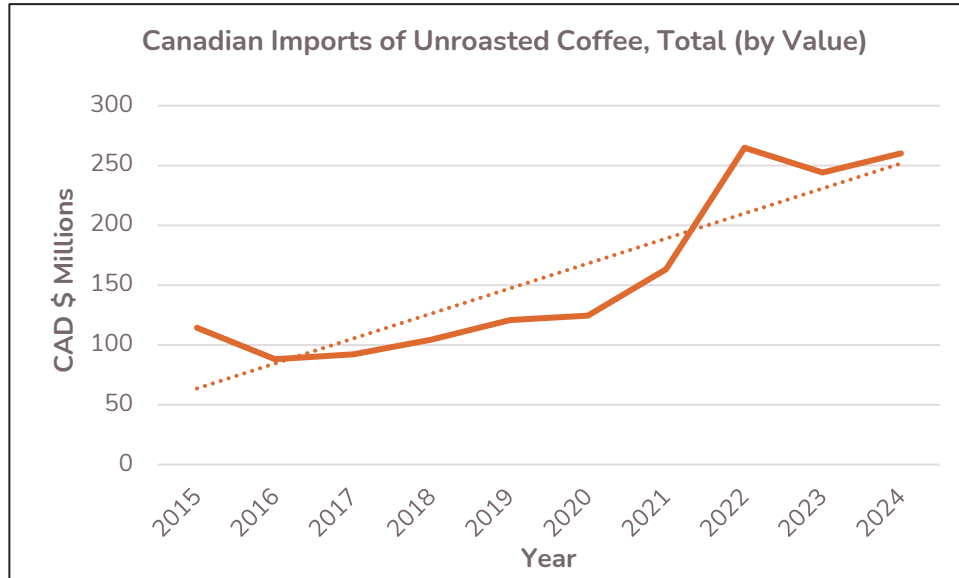
i. b) Mapping of Import-Export Flows of Coffee Brands to and from Canada (cont.)

- **Overall roasted coffee imports** into Canada have shown **steady growth** (averaging a 4.7% CAGR) over the past decade.
- **Roasted Indian coffee has not been gaining** from this: imports of roasted Indian coffee by total value have remained at around just CAD \$200 thousand per year, and as a percentage of total roasted coffee market share, they are now less than 0.01%, down from a high of 0.03%.
- Unroasted Indian coffee, however, has **kept up growth** (averaging 5.8% CAGR) roughly consistent with the overall growth in unroasted coffee imports (averaging 7.8% CAGR).
- For roasted Indian coffee, the very low import amounts likely coincide with low brand and name recognition (including Geographic Indication) in Canada.
- Even for unroasted coffee, there is still substantial room to grow to expand market share.



i. b) Mapping of Import-Export Flows of Coffee Brands to and from Canada (cont.)

Canadian Coffee Imports overall: Roasted vs. Unroasted



- **Imports of coffee to Canada overall exhibit a markedly different trend from Indian coffee imports:** for overall imports, three times more roasted coffee is imported than unroasted coffee.
- Both show an upward trend, although unroasted coffee is rising faster.

i b) Mapping of Import-Export Flows of Coffee Brands to and from Canada: *Analysis*



- **Accelerating growth in unroasted coffee imports suggests Canada is increasingly positioning itself as a coffee roasting and value-addition hub**, importing raw materials and processing them domestically for both domestic consumption and export to the U.S. and other markets.
- The ability to export **both roasted and unroasted coffee** (unique among exporters) positions Canada as both a processing value-adder and arbitrageur in the continental coffee supply chain.
- Canada's export profile (CAD \$1 billion to the U.S. vs. CAD \$63 million to rest of world) demonstrates near-total market orientation toward the U.S., reflecting CUSMA benefits, traditional integration and geographic proximity; however, uncertainty over the future of CUSMA means that this overwhelming dependency carries risks.
- While Indian unroasted coffee imports have grown at a 5.8% CAGR (tracking overall unroasted growth), imports of roasted Indian coffee remain negligible (with a <0.01% market share, down from 0.03%).
- This represents both a challenge and opportunity: low brand recognition for Indian roasted products, but potential for Geographic Indication branding and an effective marketing strategy to promote unique Indian varieties.

ii. The Domestic Market



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ii. a) Documentation of supply-chain (importers, roasters, distributors, e-commerce, food service)

Importers: *Gateway to the Supply Chain*

Role: Source green coffee directly from producing countries; management of regulatory compliance (CFIA, [Food & Drugs Act](#)).

Market Function: Navigate complex international supply chains; manage commodity price volatility; ensure [Safe Food for Canadians Regulations](#) compliance.

Key Players: International specialized importers integrating with roasters; U.S.-based importers re-exporting to Canada.

Market Pressure: Climate-driven commodity surge - Arabica prices up 80% since 2020; droughts in Brazil and Vietnam destabilizing supply stability.



ii. a) Documentation of supply-chain (cont.)

Roasters: *Transformation and Brand Development*

- **Market Size:** Canada's coffee market is valued at CAD \$38.1 billion (2024), and set to grow at a 6.1% CAGR through 2032.
- **Roasted Coffee Dominance:** Roasted segment is the largest revenue generator, with specialty craft roasters expanding steadily (e.g. 49th Parallel, Phil & Sebastian, Kicking Horse).
- **Differentiation Strategy:** Direct-trade sourcing; artisanal small-batch roasting; sustainability certifications (e.g. B-Corp, Fair Trade, organic).
- **Direct-to-Consumer:** Roasters increasingly bypass traditional distribution - subscriptions, online fulfillment (e.g. Transcend Coffee, Reunion Coffee).



ii. a) Documentation of supply-chain (cont.)

Distributors: Bulk Supply and Logistics

- **Audience:** Cafés, restaurants, offices, grocery chains requiring reliable bulk supply and consistent quality.
- **Model Examples:** A1 Cash & Carry (GTA), Equator (Ontario & beyond), Buy Coffee Canada (55+ years of roasting; 30+ varieties in stock).
- **Value Proposition:** Volume pricing; fresh delivery programs; supply chain stability; product curation (coffee and complementary products).
- **Margin Dynamics:** Wholesale pricing compression from specialty roasters entering B2B channel directly.



ii. a) Documentation of supply-chain (cont.)



**REUNION
COFFEE
ROASTERS**

PILOT COFFEE ROASTERS

E-Commerce: Specialty and Subscription Growth

- **Market Scale:** Coffee e-commerce predicted to have a CAGR of 9.8% through to 2032; subscription services and personalized offerings are reshaping consumer behaviour.
- **B2C Dominance:** Direct roaster-to-consumer platforms (Pilot Coffee, Reunion, Transcend) capturing retail margin; quick delivery creating competitive advantage.
- **Tech Integration:** AI-driven personalization, mobile apps, blockchain traceability addresses consumer transparency demands.
- **Competitive Pressure:** Marketplace fragmentation; rising logistics costs; platform commission price compression for roasters using online marketplaces or apps for coffee sales.

ii a) Documentation of supply-chain (cont.)

Food Service: Branded Chains and Specialty Niches

- **Specialist Coffee & Tea Shops***: CAD \$2.4 billion; subset of CAD \$6.3 billion coffee and snack shops industry; forecast CAD \$3.2 billion by 2027 (7.8% CAGR).
- **Market Context**: Specialist coffee shops are the best-performing category but represent only a portion of food-service; Quick Service Restaurants (e.g. Tim Hortons) dominate at 53% of the total food service market (over CAD \$150 billion).
- **Stream Split**: Chain specialist shops at CAD \$1.6 billion (66%); Independent specialist shops at CAD \$0.78 billion (34%); chains growing at 7.6% CAGR vs. independents at 5.5% CAGR (2017-2022).
- **Competitive Dynamics**: Tim Hortons (4,000+ locations) and Starbucks (1,400+) dominate through supply chain scale and technology; independents are gaining through experience differentiation and local positioning.



ii. b) Profile of major market players (manufacturers, wholesalers, retailers)

Manufacturers



The Three Market Leaders:

1. Kraft Heinz (17.9% market share, CAD \$453 million)

- *Brands:* Maxwell House (national leader) & Nabob (Western Canada leader).
- *Strategy:* Dual-brand approach targeting different segments; recent “Respect the Bean” campaign repositioning Nabob as quality-focused; pioneered single-serve pods in Canada.
- *Distribution:* Direct-to-Store Delivery (DSD) model for retail control.

2. Nestlé SA (12.3% market share, CAD \$312 million)

- *Brands:* Starbucks (licensed products), Nespresso (premium capsules), Nescafé (instant).
- *Strategy:* Premium positioning with direct-to-consumer channels (exclusive boutiques, e-commerce); global coffee powerhouse consolidating iconic brands.
- *Distribution:* Vertical integration with 450+ exclusive boutiques globally and strong e-commerce presence.



Good food, Good life

3. Keurig Dr Pepper (12.2% market share, CAD \$309 million)

- *Brands:* Van Houtte (primary), Timothy’s (premium), Brûlerie St. Denis/Mont-Royal.
- *Strategy:* Vertical integration combining retail and food-service; Van Houtte Coffee Services franchise model; large distribution infrastructure (recently opened 56,000 sq m distribution centre in Québec).
- *Distribution:* Dual retail and food-service channels with 30 Canadian branch offices.



ii. b) Profile of major market players (manufacturers, wholesalers, retailers)

Wholesalers

1. Buy Coffee Canada (55+ years experience)

- Roasts 30+ varieties; distributes nationwide to cafés, offices, grocers.
- *Strengths:* Volume pricing, fresh delivery, product curation (coffee and complements).
- *Coverage:* B2B focus amid specialty competition.

2. Equator Coffee (Ontario-based wholesaler/distributor)

- Supplies cafes, restaurants, grocery chains with bulk roasted beans.
- *Strengths:* Reliable logistics, consistent quality for food-service.
- *Expansion:* Serves any size client, bypassing roasters for direct supply.

3. Pilot Coffee Roasters (Specialty wholesale leader)

- Direct Trade sourcing; serves 50+ partners with consultation, equipment, and training.
- *Strengths:* Builds custom programs; high-quality specialty grades for premium cafés.
- *Scale:* around 100 employees; focuses on long-term client success.

Key Insights

- Wholesalers bridge roasters and end-users, emphasizing logistics and volume.
- *Trends:* Pressure from direct-to-consumer roasters; growth in sustainable/ethical bulk supply.
- Opportunity for Indian Producers: Partner with these for GI-tagged unroasted imports, targeting both domestic sales and value-added re-exports.

Buy Coffee Canada

EST. 1998

EQUATOR

COFFEE ROASTERS

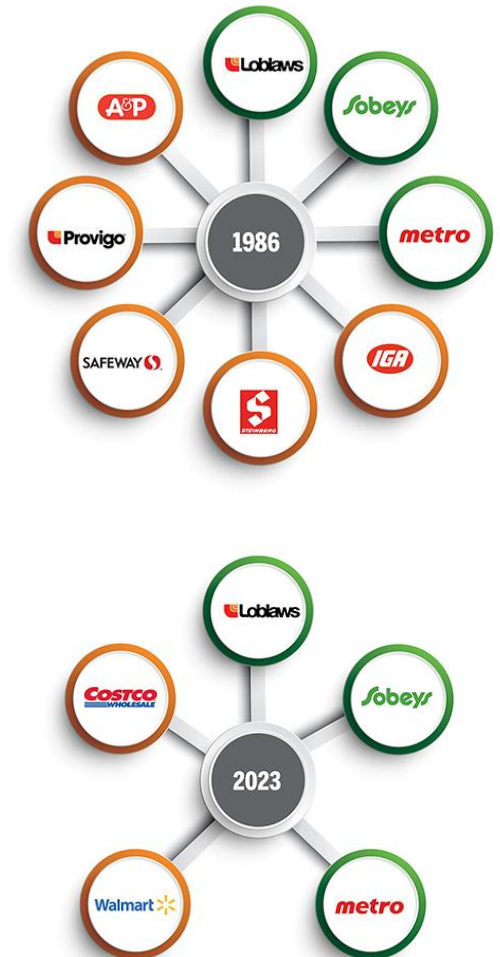


PILOT COFFEE
ROASTERS

ii. b) Profile of major market players (manufacturers, wholesalers, retailers)

Retailers

- Major Canadian coffee retailers include grocery chains and specialty coffee shops that dominate sales through private labels and branded products, in a market worth CAD \$2.5 billion (2024).
- Grocery retailers dominate packaged coffee sales at about 88.5% of retail, ahead of convenience stores (5.9%) and others.
- Canada has seen significant grocery consolidation the past few decades, with the “big five” corporate groupings representing upwards of 74% of the market, with independent retailers making up the remainder.
- Grocery Retailers:
 - **Empire Company Limited Sobeys Inc.** (Sobeys, IGA, etc.) emphasizes private labels and premium beans at higher prices.
 - **Loblaw Companies Limited** (Provigo, Loblaws, etc.) offers *President’s Choice* private label coffee and stocks a range of brands.
 - **Metro Inc., Walmart** and **Costco** are the remaining three of the “big five”.



ii. c) Value-added retail

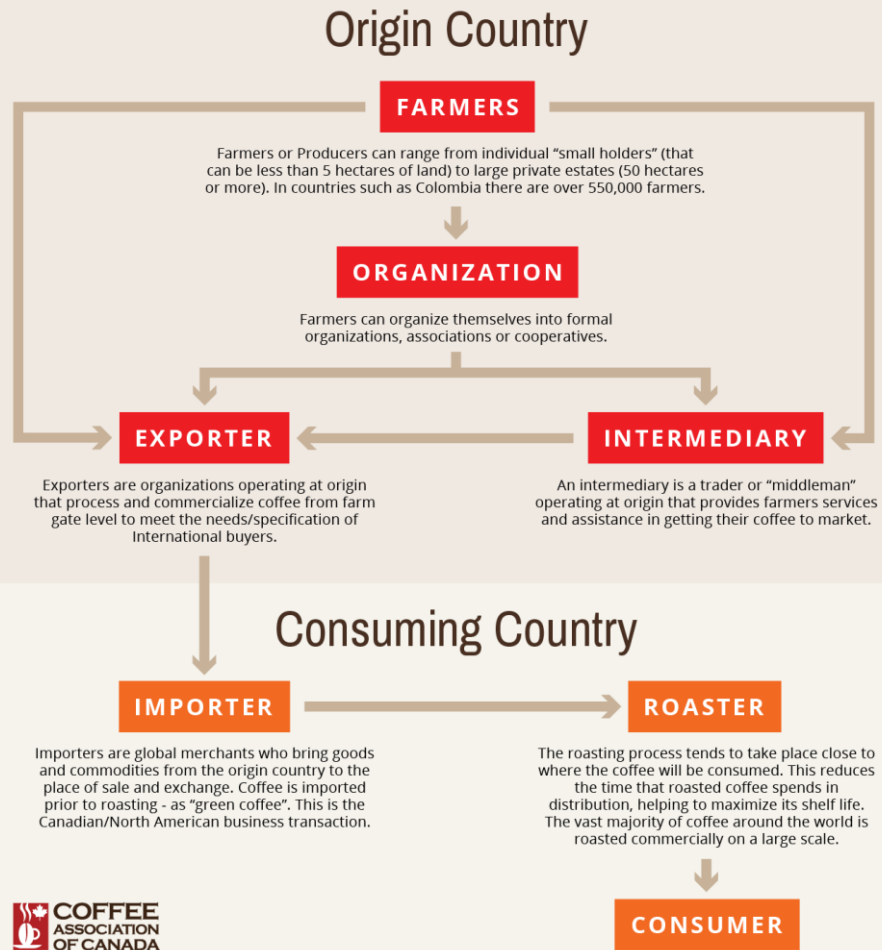
Segmentation of the market and analysis of e-commerce



The Roasters Pack

- Canada's value-added coffee retail, including premium/specialty and e-commerce, is surging due to consumer demand for convenience, personalization, and ethical sourcing.
- The Canadian coffee e-commerce segment is forecast to grow at a 9.8% CAGR through 2032, driven by rising online grocery usage and direct-to-consumer roaster channels.
- Value-added retail is shifting toward direct roaster-to-consumer models (ex., Pilot Coffee, Reunion, Transcend), which capture the retail margin via subscriptions and online fulfillment rather than traditional grocery.
- *Premium/Specialty*: Focuses on ethically sourced, organic/single-origin beans; growing via pods/capsules and ready-to-drink specialty drinks.
- *Subscription Services*: Rising as a key value-added stream, with flexible deliveries from roasters like Craft Coffee, Stillwater Coffee Club, The Roasters Pack, etc.; taps busy consumers seeking variety and freshness.

ii. d) Documentation of roasters in the supply chain (small, SME, big) and profile of major market players



- **Small Roasters**
 - Mostly local independents that typically focus on ethical direct trade, small-batch roasting; emphasize community ties.
 - Prioritize pesticide-free sourcing, unique flavours; supply local cafés with traceable beans.
- **SME Roasters**
 - *49th Parallel* (BC): Pioneers since 2004; direct trade from Honduras/Guatemala; consistent balanced roasts voted #1 in 2025; B Corp certified.*
 - *Kicking Horse* (BC): Fair Trade leader, pairs with GI branding; strong in organic/sustainable for specialty market.
 - *Balzac's* (Ontario): Small-batch Arabica from Ancaster roastery; 16 cafés and Costco retail; “Small Chain, Big Impact” award 2023.
 - *Phil & Sebastian* (Calgary): Craft focus, direct sourcing; expanding direct-to-consumer/subscriptions.
- **Big Roasters**
 - *Nestlé*: Roasts for Nespresso/Starbucks; vertical integration with global scale.

Sources: <https://coffeeassoc.com/supply-chain/>; <https://www.sarahfreia.com/blog/2025-top-10-best-canadian-coffee-roasters>; <https://www.bcorporation.net/en-us/>;

ii. e) Details of Mentioned Companies

Name	Company Address	Website
49 th Parallel	6741 Cariboo Rd Unit #112, Burnaby, BC V3N 4A3	https://49thcoffee.com/pages/contact
Phil & Sebastian	618 Confluence Way SE Calgary, AB T2G 0G1	https://philsebastian.com/pages/contact-us
Kicking Horse	491 Arrow Road Invermere BC, V0A 1K2	https://kickinghorsecoffee.ca/pages/contact-us
Transcend	12332 106 Avenue NW Edmonton, AB T5N 1S5	https://transcendcoffee.ca/pages/wholesale
Reunion Coffee Roasters	2421 Royal Windsor Drive, Oakville, ON L6J 7X6	https://reunioncoffeeroasters.com/pages/contact
A1 Cash & Carry	6400 Kennedy Road, Mississauga, Ontario, L5T 2Z5	https://www.a1cashandcarry.com/pages/contact-us
Equator Coffee	451 Ottawa Street Almonte, ON K0A 1A0	https://equator.ca/pages/contact-us
Buy Coffee Canada	3110 Marentette Ave. Windsor, Ontario N8X 4G2	https://buycoffeecanada.com/pages/contact
Pilot Coffee Roasters	50 Wagstaff Dr, Toronto, ON M4L 3W9	https://pilotcoffeeroasters.com/pages/contact
Balzac's	675 Tradewind Dr, Ancaster, Ontario, L9G 4V5	https://balzacs.com/pages/contact-us
Craft Coffee Canada	7550 River Rd, Unit 4, Delta, BC, V4G 1C8	https://craftcoffeecanada.com/pages/contact
Stillwater Coffee Club	Etobicoke-based	https://stillwatercoffee.ca/pages/contact
The Roasters Pack	2383 Colonel William Pkwy, Oakville, ON L6M 0J9	https://theroasterspack.com/pages/need-help-contact-us

iii. The Industry



iii. a) Assessment of future growth drivers and scenarios in the Canadian coffee industry

Coffee Consumption Trends: Traditional Coffee vs. Espresso

- Coffee is already a ubiquitous beverage across Canada, with 71% of Canadian having consumed coffee in the past day in 2024; of this, 45% drank “traditional coffee”, while 29% had an espresso-based beverage
- There are significant growth signs in the espresso-based beverage category: 2013 saw just 13% having had one in the past day
- This correlates strongly with age: in 2013, 32% of 18-24 year-olds had had an “traditional coffee” in the past day, vs. 30% having had an espresso-based beverage
- For 65-79 year-olds in the same year, the numbers were 69% and 10% respectively; this show that preference for espresso-based beverages tends to skew young, and that these young espresso drinkers keep their habit as they age
- We can say that this will likely continue to increase the relative size of the espresso-based beverage market; a large part of this market is driven by both specialty pods and consumption at coffee shops outside the home; drinkers of “traditional coffee” are much more likely to consume their coffee at home and less likely to used coffee pod or single-cup machines



iii. a) Assessment of future growth drivers and scenarios in the Canadian coffee industry

Overall Market

- From 2024's CAD \$38.1 billion, Canada's coffee market overall is expected to grow to CAD \$60.4 billion by 2032, with a CAGR of 6.1%.
- In 2024, the coffee industry was estimated to support around 160,000 jobs in Canada.
- Only 34% of Canadians are loyal to a specific brand of coffee, with price being a significant determining factor in an era of relatively high food inflation.
- Coffee prices increased 31% over 2025, compared with 5% for food overall, and 2.4% for all goods in services in the same period.
- However, this did not impact actual consumptions volumes over the same period, as Canadians consumed 215.4 million kg in 2024 vs. 217.8 million kg in 2025.
- Overall, Canadian demand for coffee is relatively inelastic, but brand choice and coffee type are highly flexible and changing, with particularly strong growth in espresso-based drinks, cold coffee, and ready-to-drink coffee beverages, and a balance between home and out-of-home (restaurants, cafés) consumption.

iii. b) Compilation and analysis of coffee industry events in Canada

Event	Date	Location	Focus
2026 Canadian National Barista Championship	2026 (TBC)	Various (TBC)	Barista skills, signature drinks
2026 Canadian National Brewers Cup	February 13th to 15th, 2026	Montréal, Québec	Brewing excellence, competitions
BCFT Suppliers Night	February 25th, 2026	Burnaby, BC	Foodtech suppliers (coffee incl.)
2026 Canadian Latte Art Championship	March 8th to 10th, 2026	Mississauga, Ontario	Latte art, presentations
Café Collectif Festival	May 1st to 3rd, 2026	Montréal, Québec	30+ Quebec roasters, cupping, conferences
SIAL Canada (coffee pavilion)	April 29th to May 1st, 2026	Montréal, Québec	Food and beverage trade show, exporters
Coffee Association of Canada (CAC) Annual Conference	November 12th, 2026	Markham, Ontario	B2B marketplace, policy, education

- Themes: Competitions (SCA nationals) drive skill-building and promote specialty market; CAC for importers/roasters on sourcing.
- Opportunities: Potential to organize Indian GI tastings at CAC and other events; 5-10 events per year attract both professionals and consumers.

2. Trade Policy and Certification

- i. GI Recognition Regulatory Framework
- ii. Canada-India Comprehensive Economic Partnership Agreement (CEPA) negotiations and Canadian FTA with GI provision examples
- iii. Fair-Trade Certification
- iv. Opportunities and market positioning for Indian coffee (GI and non-GI brands)

2. i) GI Recognition Regulatory Framework



2. i) GI Recognition Regulatory Framework



- The Coffee Board of India has secured Geographical Indication (GI) protection for distinct varieties, primarily across the southern states of Karnataka and Kerala, with one from Andhra Pradesh/Odisha.

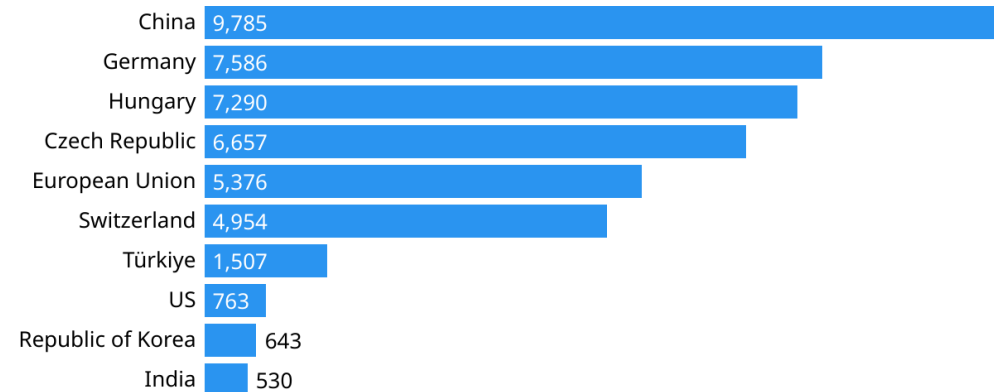
Coffee Variety	Registered	Region & State	Key Characteristics
Monsooned Malabar Arabica	2008	Malabar Coast (Karnataka & Kerala)	Aged by monsoon winds; earthy, low acidity, mellow taste.
Monsooned Malabar Robusta	2008	Malabar Coast (Karnataka & Kerala)	Similar monsoon aging process applied to Robusta beans.
Coorg Arabica	2019	Kodagu, Karnataka	Grown in the “Coffee Bowl of India”; blue-green beans, intense aroma, citric acidity.
Wayanaad Robusta	2019	Wayanad, Kerala	Grown in fertile, shade-rich hills; known for soft, neutral notes and full body.
Chikmagalur Arabica	2019	Chikmagalur, Karnataka	Grown on the Deccan Plateau; medium body, light acidity, flavor notes of cherry/citrus.
Bababudangiri Arabica	2019	Central Chikmagalur, Karnataka	Grown in the “birthplace” of Indian coffee; full body, chocolate notes, natural fermentation.
Araku Valley Arabica	2019	Visakhapatnam (Andhra) & Odisha	Organic, tribal-grown in the Eastern Ghats; light body, sharp acidity, grapefruit/citrus notes.

2. a) GI Recognition Regulatory Framework

Geographical Indication (GI)

- GIs protect products tied to their specific origin, ensuring unique qualities from local terroir like soil, climate, and traditions,
- In coffee, GIs (ex., Café de Colombia, Jamaican Blue Mountain, Hawaiian Kona, Ethiopian Yirgacheffe, and Vietnam's Son La Arabica.) certify beans from defined regions with distinct flavours that cannot be exactly replicated elsewhere, boosting value and farmer incomes.
- Benefits for coffee include protecting origin authenticity, boosting farmer premiums (up to 20-50% higher prices), enhancing market differentiation, and building consumer trust in quality.
- According to the World Intellectual Property Organization, there were an estimated 58,600 GIs protected worldwide in 2023 across 86 authorities (national and international).

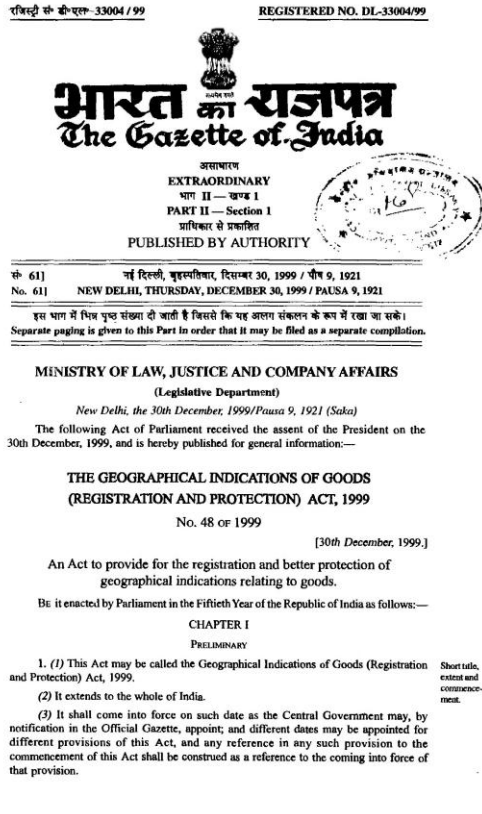
5.1. Geographical indications in force for selected national and regional authorities, 2023



Source: World Intellectual Property Indicators 2024



2. a) GI Recognition Regulatory Framework



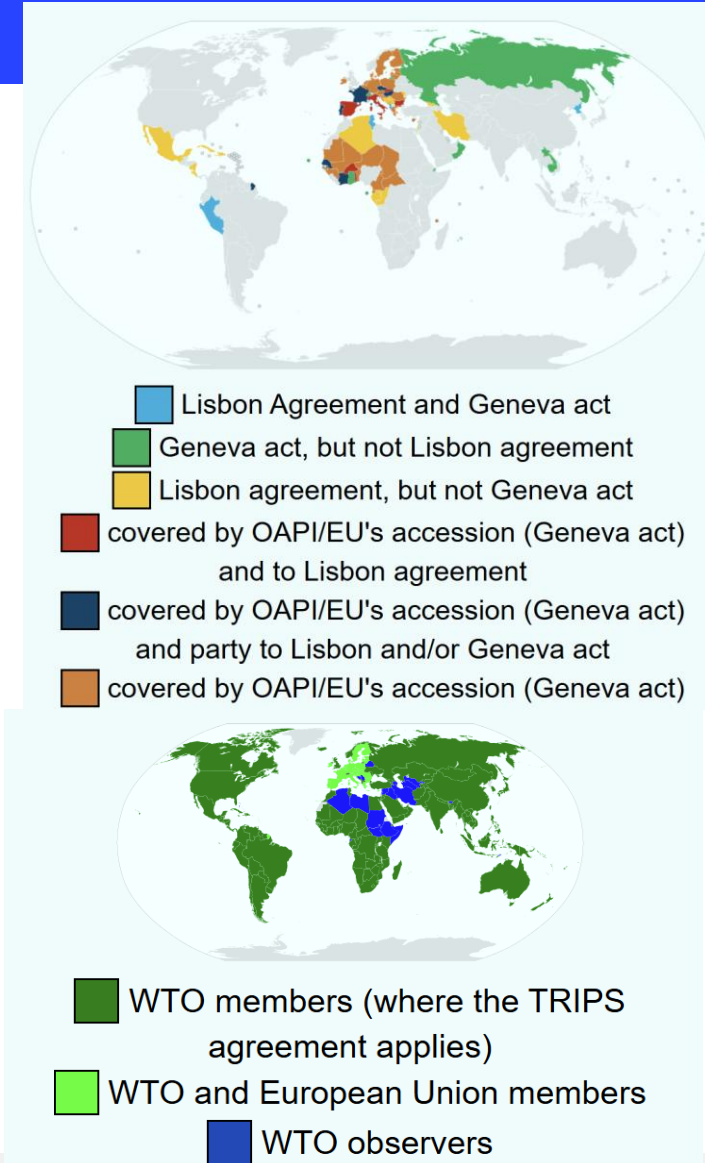
- GI certification begins nationally, with international protection extending from there via treaties or direct filings.
- National authorities (ex, IP offices, agriculture ministries) grant GI status after application review, proving origin link, quality/reputation, and control mechanisms like audits.
- For Indian coffee, the Indian Coffee Board applies under the [Geographical Indications of Goods \(Registration and Protection\) Act, 1999](#); the GI Registrar examines and issues “No Objection Certificates” (NOCs; 4-month period to receive opposition) and registration (10-year validity) for authorized users (i.e. the Coffee Board).
- Neither India nor Canada is currently not a member of the Lisbon Agreement (1958)*, nor its Stockholm revision (1967) and amendment under the Geneva Act (2015).

Sources: <https://introspectivemarketresearch.com/reports/canada-coffee-market/>; <https://www.grandviewresearch.com/horizon/outlook/coffee-market/Canada>; <https://www.6wresearch.com/industry-report/canada-coffee-market>; <https://www.wipo.int/web-publications/world-intellectual-property-indicators-2024-highlights/en/geographical-indications-highlights.html#:~:text=GIs%20in%20force%20relating%20to,reported%20protecting%20GIs%20for%20services>.

*Lisbon Agreement for the Protection of Appellations of Origin and their International Registration

2. a) GI Recognition Regulatory Framework

- In Canada's case, its membership in the Canada-United States-Mexico Agreement (CUSMA) precludes its accession to these agreements, as CUSMA explicitly prohibits accession.
- Unless there is a significant change in CUSMA, the chances of Canada acceding in the near future remains very low.
- India also has no current plans to join the Lisbon Agreement/Geneva Act, but unlike Canada, is not prohibited from doing so by its existing trade agreements.
- Indian's national GIs offer no automatic protection in Canada or most other countries outside of India; enforcement abroad requires WTO/TRIPS* complaints or certification trademarks.
- Indian coffees can gain visibility through GI tags aiding exports but can face counterfeiting risks without bi- or multi-lateral deals; efforts focus on trade agreements and promotion by the Coffee Board.



2. ii) Canada-India Comprehensive Economic Partnership Agreement (CEPA) negotiations and Canadian FTAs with GI provision examples



2. ii) Canada-India Comprehensive Economic Partnership Agreement (CEPA) negotiations and Canadian FTAs with GI provision examples



- A recent example of a bilateral deal is being negotiated in the context of India's recent FTA discussions with the EU, which were concluded in 2026.
- The 2026 EU-India FTA includes an intellectual property chapter that covers GIs in a general way (principles, enforcement, cooperation), alongside other IP rights.
- Further detailed mutual recognition and high-level protection of specific GIs is being handled (currently still under negotiation) through a stand-alone Geographical Indications Agreement negotiated in parallel with the FTA, although the exact GIs to be included have not yet been announced.
- The European Commission and India state that the separate EU-India GI Agreement, once concluded, will give enhanced, TRIPS-plus protection to listed GIs on both sides, supporting rural communities and traditional products.

2. ii) Canada-India Comprehensive Economic Partnership Agreement (CEPA) negotiations and Canadian FTAs with GI provision examples

- Despite CUSMA's restrictions on multilateral systems like the Geneva Act, Canada has several FTAs with GI recognition provisions, mainly through bilateral annexes listing protected GIs.
- Canada's other FTAs recognize TRIPS-level GI rules, with no specific GI annexes

Agreement	GI Details
CETA (EU, 2017)	Annex 20-A protects 143 EU GIs (ex., Asiago cheese, Prosciutto di Parma); Annex 20-B protects 2 Canadian GIs (Canadian whisky, Icewine). Amended Trademarks Act for enforcement.
CUKTCA (UK, 2021)	Rollover of CETA's GI provisions via Canada-UK Committee on Geographical Indications; protects same EU/UK GIs
CPTPP (2018)	General IP chapter requires GI protection per TRIPS; no exhaustive lists but facilitates GI filings. Members: Australia, Brunei, Chile, Japan, Malaysia, Mexico, NZ, Peru, Singapore, Vietnam

2. ii) Canada-India Comprehensive Economic Partnership Agreement (CEPA) negotiations and Canadian FTAs with GI provision examples

Analysis

- **No Automatic GI Protection:** Neither India nor Canada belongs to Lisbon Agreement/Geneva Act, so Indian coffee GIs lack automatic recognition in Canada.
- **Bilateral Model Available:** The Canada-European Union Comprehensive Economic and Trade Agreement (CETA) proves feasibility – Canadian and EU GIs are now protected via targeted annexes; this can serve as a blueprint for potential Canada-India Comprehensive Economic Partnership Agreement (CEPA) GI lists.
- **Recent Negotiations:** CEPA talks relaunched in November 2025; consultations during December 2025 and January 2026, with formal talks relaunched in Spring 2026. CEPA negotiations provide an ideal window for advocating for GI provision inclusion.
- **Strategic Opportunity:** Negotiating GI lists in CEPA as a means to boost Indian coffee exports, mirroring CETA’s “TRIPS-plus” reciprocity.



2. iii) Fair-Trade Certification



2. iii) Fair-Trade Certification

- Fairtrade is a global certification system promoting equitable trade, sustainable farming, and poverty alleviation for marginalized producers in developing countries.
- It has several principles that it uses to encourage progress to its goals:
 - **Fair Minimum Price:** Floor price covers sustainable production costs (ex., coffee beans), shielding farmers from market volatility; plus a “Premium” (extra payment) that gets invested in community projects like schools or infrastructure.
 - **Social Standards:** Bans child/forced labour, ensures safe working conditions, gender equity, and democratic cooperatives; empowers smallholders.
 - **Environmental Rules:** Promote soil conservation, reduced pesticides, and biodiversity - no GMOs.



2. iii) Fair-Trade Certification

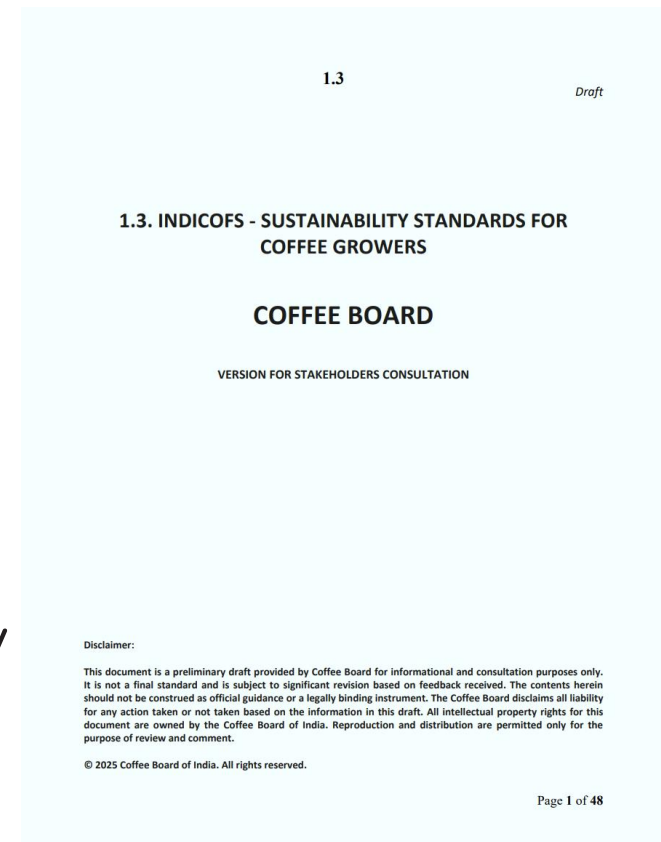
How It Works

- Independent certifier FLOCERT conducts audits across the supply chain (producers to brands) against Fairtrade International standards; Products carry the FAIRTRADE Mark only if compliant
- Over 2 million farmers/workers certified worldwide, with strong coffee uptake (e.g. 43,000+ in the Asia-Pacific, including India)
- In 2022 alone, over 16,000 tonnes of coffee were sold under Fairtrade terms, with Indonesia (50%), India (20%), Vietnam (8%), and Papua New Guinea (7%) leading sales.
- **Canadian Market Edge:** Fair-trade appeals to specialty roasters (ex. Kicking Horse); pairs with GI branding for premium positioning



2. c) Fair-Trade Certification: Indian Coffee

- As of 2025, about **85% of Indian coffee is uncertified**, due to the high cost of attaining accreditation.
- This is also true for other certifications such as USDA Organic and Rainforest Alliance, which hinders access to global markets.
- In late 2025, the Coffee Board of India started consultations with stakeholders to assess whether to introduce new national coffee standards and certification processes to create greater export potential for opportunities Indian coffee in international markets.
- In September 2025, it issued [INDICOFS](#), which is a new, draft sustainability certification scheme coffee production and supply chains, designed as a voluntary, three-tier standard aligned with international ESG and certification norms.
- If these are successfully implemented, they have the chance to greatly increase Indian coffee's visibility and prestige globally, including in Canada.





3. Regulatory Environment: Framework and Canadian Food Inspection Agency (CFIA) compliance for coffee imports

- i. Labelling
- ii. Food Safety
- iii. Sustainability Claims

3. i) Labelling

- All food imports to Canada, including coffee, must comply with the Canadian Food Inspection Agency (CFIA) labelling rules under the [Safe Food for Canadians Regulations](#) (SFCR; from the [Safe Food for Canadians Act](#), SFCA). Key requirements ensure bilingual (English/French) labels, accurate declarations, and consumer safety.
- Key requirements include:
 - **Bilingual Labels:** All mandatory info in English and French, clearly visible on principal display panel.
 - **Common Name:** Precise product identity (ex., “ground Arabica coffee”).
 - **Net Quantity:** Declared in metric units (ex., grams or kg).
 - **Dealer Name/Address:** Importer’s name and principal place of business.
 - **Country of Origin:** Required for imports; qualifiers needed for “Made in Canada” if using imported beans.
 - **List of Ingredients:** In descending order; allergens bolded/highlighted (rare for plain coffee).
 - **Nutrition Facts Table:** Mandatory since 2022 for prepackaged coffee, including serving size and % Daily Value.
 - **Date Marking:** Best-before date if shelf life under 90 days; storage instructions if needed.

3. i) Labelling (cont.)

- Front-of-package (FOP) nutrition warning symbols became mandatory in Canada on July 20, 2022, via amendments to the [Food and Drug Regulations](#).
- Full compliance and enforcement for prepackaged foods high in saturated **fat, sugars, or sodium** is required starting January 1, 2026, with a transition period allowing sales of non-compliant stock produced before that date.
- Plain coffee typically has negligible fat, sugar, and sodium levels, however coffee products with added sugar or oils may require an FOP label.



3. ii) Food Safety



Canadian Food
Inspection Agency

Agence canadienne
d'inspection des aliments

Canada

- Coffee importers in Canada, including for products like coffee, must comply with practical SFCA/SFCR requirements focused on licensing, traceability, and labelling to ensure safe interprovincial/import activities. These steps minimize risks like recalls while facilitating customs clearance.
- Key Importer Requirements:
 - Obtain an SFCR licence from CFIA before importing (free, online application; required for all traded foods including unroasted and roasted coffee).
 - Implement a preventive control plan (PCP) covering hazards (e.g., contaminants like mycotoxins in coffee), monitoring, corrective actions, and verification records.
 - Ensure traceability: Maintain records for one step forward (to buyer) and backward (supplier details) for two years; use lot codes for batches.
 - Verify admissibility via Automated Import Reference System (AIRS); declare via Canada Border Services Agency's (CBSA) CARM (CBSA Assessment and Revenue Management) portal.
 - Nutrition Facts Table mandatory for packaged coffee; monitor for emerging risks like pesticide residues via CFIA import checks.

3. iii) Sustainability Claims

- Coffee importers must substantiate sustainability claims (ex., “organic”, “fair trade”, “carbon neutral”) on labels or marketing to avoid greenwashing penalties under the Competition Act and CFIA guidelines.
- Key Regulations for Claims
 - **Competition Bureau Guide (2022/updated 2025):** Prohibits unsubstantiated environmental claims; requires “adequate and proper tests” (ex., ISO standards, life-cycle assessments) before use.
 - **CFIA Method-of-Production Rules:** Claims like “eco-friendly” must not mislead under SFCA/SFCR rules; “organic” needs certification ([CAN/CGSB-32.310/311](https://www.inspection.gc.ca/food-labels/labelling/industry/method-production-claims)).
 - **Bill C-59 (2025 amendments):** Mandates evidence-based performance claims on greenhouse gas reductions or biodiversity; private lawsuits possible for violations.



3. iii) Sustainability Claims



Practical Tips for Coffee Importers

- Document supply chain (e.g., fair trade audits, carbon footprint data) for 6-year retention; use third-party certifiers like Rainforest Alliance.
- Avoid vague terms like “green”; prefer specific, verifiable claims (ex., “Rainforest Alliance Certified™”).
- Monitor CFIA inspections and requirements; Canada’s [Competition Act](#) sets administrative monetary penalties for corporations for deceptive marketing provisions.



4. Recommendations

- i) Evaluation of opportunities for Indian coffee: actionable market entry and expansion options**
- ii) Assessment of future growth drivers and scenarios**
- iii) Other relevant information on market entry and expansion**

4. i) Evaluation of opportunities for Indian coffee: actionable market entry and expansion options

- 1. Prioritize** unroasted exports first to capitalize on Canada's status as a sophisticated roasting hub (including marketing and distribution networks), with imports having shown a 7.8% CAGR; Indian volumes doubled between 2015-2024 but remain under 1% of total share.
- 2. Target** SME specialty roasters like Kicking Horse (Fair Trade leader) and 49th Parallel (B Corp) for GI-tagged varieties, highlighting unique profiles of GI and non-GI types that will appeal to Canadian coffee consumers seeking new varieties.
- 3. Promote** Indian coffee to private label brands, supplying cost-effective GI-certified beans to large and small retailers amid current periods of high economic sensitivity.
- 4. Leverage** Fairtrade certification (20% of Fairtrade coffee sales globally are Indian) for wholesalers like Buy Coffee Canada and Equator, appealing to consumer tastes for ethically sourced coffee.
- 5. Push** for a GI annex with the relaunch of the India–Canada CEPA negotiations in 2026. There is potential to advocate for relevant inclusions going forward, or even a separate GI Agreement, emulating CETA protections and GI negotiations; this could help to elevate Indian coffee's share of the Canadian market via TRIPS-plus reciprocity.

4. i) Evaluation of opportunities for Indian coffee: actionable market entry and expansion options (cont.)

6. Market Indian coffee through its distinct regional varieties; as a geographically large country with multiple unique coffee-growing regions, Indian coffee has the potential to appeal to coffee connoisseurs on a sub-national, regional basis. This creates a unique distinguishing feature from other much smaller coffee-producing countries, which may not have the geographical breadth to be able to claim highly distinct regional varieties.

7. Cover all market segments, small, medium and large: Canada's coffee industry is highly diversified, with no one sector dominating. GI-branded specialty and premium coffee may fit more with private label and smaller roasters; others may fit better at larger retailers, including supermarkets and wholesalers. Canada's concentrated supermarket industry presents a disadvantage to suppliers in negotiating prices, although there has been recent political push to increase competition in the sector.

8. Explore direct-to-consumer e-commerce channels, including subscriptions: partnering with larger platforms (such as Amazon) or national roasters (Pilot Coffee) can be a quicker way to break into the market and establish consumer brand recognition without some of the difficulties of traditional retail channels such as supermarkets.

9. Conform marketing strategies with Canadian coffee market trends: don't simply market "Indian Coffee", but take the regional angle and market it as suitable for growing trends like cold brew (e.g. "GI-certified Monsooned Malabar Robusta Cold Brew"), highlighting its novelty and uniqueness, and using social media influencers and baristas for lifestyle positioning.

4. i) Evaluation of opportunities for Indian coffee: actionable market entry and expansion options (cont.)

10. Strengthen brand identity by promoting Indian coffee as premium, exotic, and of sustainable origin, leveraging GIs such as Monsooned Malabar, Coorg Arabica, and Bababudangiri, and a “Coffee India”-style campaign.

11. Diversify and innovate once brand recognition has grown, through value-added products (ready-to-drink, concentrates, roasted and ground retail packs), coffee-based cosmetics and foods, and organic/fair-trade certification to appeal to a wide variety of consumers.

12. Build public-private partnerships and policy support by simplifying export procedures, offering digital tools, and funding branding, packaging, and certification, especially for SMEs and cooperatives.

13. Enhance quality and sustainability via certifications (Rainforest Alliance, UTZ, Fair Trade, USDA Organic etc.), QR code and blockchain traceability, and training in Good Agricultural Practices and biodiversity protection.

14. Collaborate with large coffee chains in Canada (Starbucks, Tim Hortons, smaller roasters) through B2B sourcing, menu presence for Indian origins, and white-label* roasting partnerships.

4. ii) Assessment of future growth drivers and scenarios

- There is strong potential to push for a GI annex in CEPA negotiations that have been relaunched in 2026. This includes a separate GI Agreement structure, emulating CETA protections and GI negotiations; This could help to elevate Indian coffee's share of the Canadian market via "TRIPS-plus" reciprocity.
- Canada's coffee market is expected to grow from about CAD \$38 billion in 2024 to over \$60 billion by 2032, driven by rising consumption of espresso-based drinks, cold brew, and ready-to-drink formats.
- Demand is relatively inelastic: coffee prices jumped over 30% in 2025, yet total coffee volumes consumed continued to edge up, indicating scope for premium and GI-differentiated positioning if value is clearly communicated. This is promising for new market entrants as it shows there is strong resilience and room for growth.
- Structural trends favour specialty and ethical coffee. Growth in SME roasters, Fairtrade and organic segments, and subscription/e-commerce models create natural entry points for differentiated Indian origins.
- Trade dynamics support an unroasted-led strategy. Canada is consolidating its role as a roasting and value-addition hub, with unroasted imports rising faster than roasted and Indian green coffee already tracking this growth.
- **Scenario outlook:** In a "baseline" case, Indian coffee continues modest share gains via unroasted exports; in an "upside" scenario, successful CEPA negotiations and potential GI provisions plus targeted partnerships with roasters and retailers, and successful marketing, could significantly lift Indian origin visibility and roasted market share.

4. iii) Other relevant information on market entry and expansion

- Canadian demand is increasingly shaped by format and occasion (espresso drinks, ready-to-drink, pods, subscriptions) rather than geographic origin, meaning Indian suppliers must align product formats (capsules, ready-to-drink, concentrates, specialty roasted) with these growth niches to gain shelf and menu space.
- With only about a third of Canadians loyal to a single brand and high price sensitivity, India can position GI and specialty coffees as “premium but accessible”, combining strong value propositions with unique Indian narrative, e.g. being shade-grown, promoting biodiversity, and sustaining farmer welfare.
- Canada’s multi-track retail structure (a dominant grocery “big five” plus a fast-growing specialty/e-commerce segment) suggests a two-track strategy: (1) partner with major retailers for private-label/unroasted volume, while (2) using specialty roasters and subscriptions to build brand recognition for Indian GIs and micro-lot coffees.
- Rising climate and price volatility in key origin regions strengthens the case for India to market itself as a reliable supplier of shade-grown Arabica/Robusta, with an emphasis on resilience, diversified regions in different climatic zones, and long-term supply partnerships.
- The strong role of Canada as a roasting and re-export hub creates opportunities for co-branding and “roasted in Canada, grown in India” concepts, linking Indian GIs to Canadian specialty roasters and food-service chains targeting both domestic consumers, and both the U.S. and global export markets as Canada diversifies its exports away from the U.S.



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