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EMBASSY OF INDIA - BAHRAIN

REPORT ON

COFFEE INDUSTRY IN BAHRAIN

राजदूत
Ambassador

सत्यमेव जयते

भारत का राजदूतावास, बहरीन
Embassy of India, Bahrain

MESSAGE

I am happy to introduce the market study on **"Coffee Sector in Bahrain"** for the benefit of Indian and Bahraini business communities in this sector.

2. The coffee sector in the Kingdom of Bahrain has witnessed significant growth over the past decades. The total import market for coffee and related products in Bahrain exceeded $30 million annually in 2023 and 2024. It is on a strong growth trajectory, overall growth of approximately 49.3% between 2020 and 2025, demonstrating robust and sustained consumer demand. India currently holds a modest position, ranking 15th among coffee exporters to Bahrain.

3. The report is a pioneering piece of work and has brought to the fore all the aspects related to Coffee products in the Kingdom of Bahrain, namely present scenario of the local market, trade environment, major importers, opportunities & challenges. The detailed analysis of coffee sector in Bahrain makes this a ready reckoner for those interested in this business especially Indian exporters to understand Bahraini market.

4. The comprehensive research work undertaken is commendable and I extend my compliments to the Embassy's Commercial Wing team and team of M/s Ark Advisory, Bahrain for their collective efforts in bringing out this report at this opportune time.

(Vinod K. Jacob)
Ambassador of India to the Kingdom of Bahrain
5 May 2026

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DISCLAIMER

This Report on the Coffee Industry in the Kingdom of Bahrain, commissioned by the Indian embassy has been prepared by Ark Advisory using a combination of publicly available data, information from the Bahrain Open Data Portal, other reliable sources, and insights from primary research. This report is based on data available from January 1, 2020, to December 31, 2025.

The report presents the results of questionnaires and interviews with a wide range of stakeholders in the coffee value chain, including exporters, importers, wholesalers, and retailers from India and Bahrain. Furthermore, consultations with key industry players and business owners in Bahrain provided practical insights into current market opportunities, dynamics, and challenges. These insights were carefully compiled to enhance the report's depth and contextual relevance.

Due to confidentiality considerations, the identities of individuals and private entities consulted during the research process have not been revealed. However, all information collected was used responsibly and in accordance with established research practices.

It is important to note that Ark Advisory or Embassy of India, Bahrain is not liable for any direct, indirect, incidental, or consequential damage that may arise from the use of this report, including, but not limited to, any decisions, investments, or strategies implemented based on its content. Results may vary due to various external and circumstantial factors. Therefore, users are advised to rely on their own judgment, independently verify key data points, and seek professional advice where appropriate.

While efforts have been made to ensure the accuracy and relevance of the information presented, we do not guarantee that all content is entirely error-free or up to date. Readers are encouraged to verify any specific details and consult other sources before making decisions based on this report.

We appreciate you're understanding and trust that this report will serve as a valuable resource in exploring the Bahraini coffee market.

A. EXECUTIVE SUMMARY

This document provides a comprehensive analysis of the coffee sector in the Kingdom of Bahrain. It summarizes key findings regarding import dynamics, assesses India's current competitive position, and identifies strategic opportunities for exporters. The analysis reveals a lucrative, yet complex market characterized by rapid growth, evolving consumer preferences, and a robust regulatory framework. The Bahraini coffee market is defined by several core characteristics:

- **Significant Market Growth and Value:** The total import market for coffee and related products exceeded $30 million annually in 2023 and 2024. It is on a strong growth trajectory, overall growth of approximately 49.3% between 2020 and 2025, demonstrating robust and sustained consumer demand.

- **A Cultural and Commercial Shift:** While traditional Arabic coffee (*gahwa*) remains integral to Bahrain's heritage, the modern market has undergone a dynamic evolution. This shift is driven by the explosive growth of a specialty café culture and a sophisticated HORECA (Hotel, Restaurant, Catering) sector, which prioritizes premium and single-origin coffee.

- **Dominant and Emerging Import Categories:** The market is dominated by two primary segments: "Raw Roasted/Unroasted Coffee" and "Extracts or Instant Coffee," which together constitute the bulk of import value. A noteworthy trend is the recent emergence of a "Beverages of tea and coffee" category, indicating growing demand for ready-to-drink (RTD) products.

- **Concentrated Supplier Landscape:** A small number of countries lead the market. The top five suppliers are the United Arab Emirates, which serves as a critical regional trade and re-export hub; Switzerland, a primary source of raw coffee; China, which dominates the supply of coffee-related hardware like makers and thermoses; Brazil, a key and rapidly growing supplier of both raw beans and instant coffee; and Italy, a key partner for raw and roasted coffee.

WITH CONTEXT OF INDIAN COFFEE _ IN BAHRAIN

India currently holds a modest position, ranking 15th among coffee exporters to Bahrain. However, this figure does not fully reflect the country's strong potential in the market. India has several competitive advantages, including its status as a major global exporter of instant coffee, a wide variety of high-quality Arabica and Robusta beans, and distinct regional flavor profiles. This potential is further demonstrated by India's strong performance in related products, as it ranks as the third-largest supplier of thermos bottles to Bahrain.

Specific areas where Indian Coffee can stand-out are as follows:

i. *Focus on establishing the market for Indian coffee forms such as single origin coffee beans and instant coffee*
ii. *Increasing market presence for Indian coffee by showcasing the Indian brands in Trade shows and exhibitions in Bahrain (refer section L.3 – Recommendation and Suggestion of this document)*
iii. *Introduce ready-to-drink (RTD) Indian coffee products, to help people get familiarize to the taste of Indian coffee*
iv. *Launch of Indian coffee flavor-based products (for e.g., Indian coffee-based chocolates and protein drinks)*

However, it is to be noted that the main challenge for exporters entering or expanding in the Bahraini coffee market is not tariffs on raw coffee beans, *but a series of stringent non-tariff barriers*. The raw coffee beans benefit from a 0% customs duty and the instant coffee face a 5% duty[1]. However, this comes along complex documentation requirements, mandatory adherence to Gulf Standards Organization (GSO) protocols, and inflexible product labeling regulations, including a strict "no sticker" policy for expiry dates that is rigorously enforced at the port of entry.

In a nutshell, Bahrain represents a high-value market where opportunity is directly linked to an exporter's ability to navigate this demanding regulatory landscape.

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[1] *Ministry of interior*. (n.d.). https://www.bahraincustoms.gov.bh/en/hscode-browse-list

B. INTRODUCTION

Coffee's documented history traces back to the Ethiopian highlands, where its energizing properties were first discovered. By the 15th century, coffee cultivation and consumption had established itself firmly in the Arabian Peninsula, where Yemen became the world's first commercial coffee exporter. The region's coffeehouses were more than places to drink they became centers of commerce, conversation, and culture that defined Middle Eastern social life.

This Arabian coffee tradition spread globally, eventually reaching India's shores during the 17th century. Today, India stands as the world's 6th largest coffee producer, cultivating beans across the Western Ghats mountain ranges of Karnataka, Kerala, and Tamil Nadu. These regions offer ideal conditions, elevations between 1,000-1,500 meters, consistent monsoon rainfall, and a unique shade grown cultivation method where coffee plants flourish beneath canopies of native trees. This approach creates distinctive flavor profiles while supporting biodiversity, a hallmark of Indian coffee production.

As Bahrain's coffee market evolves, with increasing demand for specialty varieties, sustainable sourcing, and diverse product offerings. Indian exporters are positioned to meet these needs with their unique **single origin beans**, processing innovations like Monsooned Malabar, and expanding production capacity.

This report examines the opportunity for Indian coffee in Bahrain's market, analyzing trade dynamics, consumer preferences, competitive positioning, and practical pathways for market entry.

C. BAHRAIN COFFEE MARKET OVERVIEW

The Kingdom of Bahrain is considered one of the most attractive countries for business in the Middle East. With its numerous free trade agreements (particularly within the GCC framework), advanced infrastructure and strong financial institutions, Bahrain is strategically positioned to offer traders and investors access to both regional re-export markets and a high value domestic consumer base.

The coffee industry in Bahrain has a long history, with Arabic coffee (Gahwa) serving as a longstanding symbol of hospitality and tradition. In recent years, however, the market has undergone significant transformation, driven by rapid growth in the specialty café scene and the expanding high-end HORECA (Hotel, Restaurant, and Catering) sector. This evolution has elevated Bahrain’s total coffee import value to over $30 million annually in 2023 - 2025, reflecting strong consumer demand and remarkable resilience despite global economic challenges.

The Bahraini government actively promotes trade by implementing initiatives that streamline import processes and attract investment in non-oil sectors. The coffee industry has significantly benefited from this supportive environment. Demand continues to rise across a wide range of coffee products from high-quality raw, roasted, and unroasted coffee, with imports valued at approximately $16.0 million in 2025, to instant and extract coffee, beverages of Tea and other related coffee items, which reached around $17.0 million in the same year. This reflects a well-diversified market that meets both large-scale commercial demand and the growing preference for premium and specialty coffee products.

The coffee sector in Bahrain is well positioned for continued growth, driven by growing consumer interest in specialty coffee, sustainable sourcing, and home brewing equipment. Opportunities exist for expansion into high-value segments, such as custom blends, ethically certified single-origin coffee, and the rapidly growing ready-to-drink (RTD) coffee market.

D. IMPORT OF COFFEE IN BAHRAIN

This report provides a detailed analysis of Bahrain's coffee import data from 2020 to 2025, highlighting the country's growing demand for coffee in the global market. As local consumption patterns evolve and demand grows, understanding the dynamics of this import dependency becomes critical for assessing market stability and identifying key trade relationships. This analysis will examine the overall growth of the import market, break down the key product categories driving this expansion, identify the primary source countries for coffee products and explore the importation of related hardware. The findings present a comprehensive overview of Bahrain's economic demand on a global supply chain to meet its national coffee needs.

Bahrain's imports not limited to consumable coffee products, it extends across the entire consumption ecosystem, encompassing the hardware necessary for brewing and serving. This reliance on imported equipment further deepens the nation's integration into global supply chains for its coffee culture.

This report, focuses on four major coffee sections, identified by the Harmonized System of Nomenclature (HSN) codes under which coffee products are primarily classified, for the purposes of this analysis, we have grouped imports into the following representative categories, based directly on data from the Bahrain Open Data Portal:

Product Categories for Detailed Analysis:
- Raw Roasted/Unroasted Coffee - 901
- Extracts or Instant Coffee - 2101
- Beverages of tea and coffee - 22
- Other items related to coffee -63079060, 85167100, 85167910, 96170010

The analysis of aggregated import data provides a comprehensive strategic overview of coffee market developments, revealing dominant product categories and key global suppliers. This holistic perspective is essential for understanding fundamental market trends before conducting more detailed, category-specific analyses. The coffee and related products import market is estimated to experience sustained upward growth from 2020 to 2025.

The total value of imports grew steadily year over year, showing a significant increase over the six-year period. The table below summarizes the total import values across all major coffee related categories from 2020 to 2025.

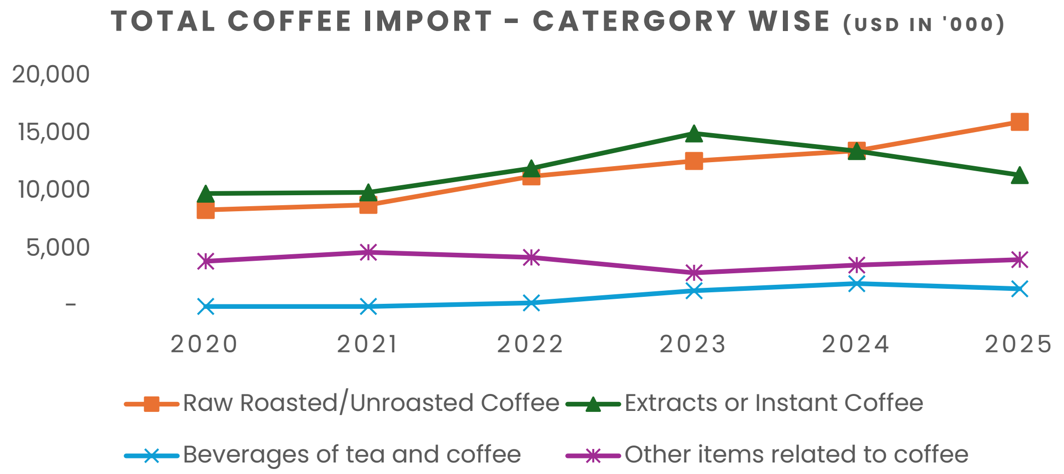
TOTAL COFFEE IMPORT - CATERGORY WISE (USD IN '000)

PRODUCT CATEGORIES	2020	2021	2022	2023	2024	2025
RAW ROASTED/UNROASTED COFFEE	8,383	8,830	11,308	12,641	13,514	16,016
EXTRACTS OR INSTANT COFFEE	9,805	9,905	11,988	15,019	13,492	11,401
BEVERAGES OF TEA AND COFFEE	-	-	317	1,368	1,992	1,532
OTHER ITEMS RELATED TO COFFEE	3,921	4,702	4,271	2,921	3,597	4,078
TOTALS	**22,108**	**23,437**	**27,884**	**31,949**	**32,594**	**33,027**

Source: www.data.gov.bh

- The growth of $10.9 mn between 2020 and 2025 reflects strong market expansion. This increase is derived by comparing total imports of $22.1 mn in 2020 with $33 mn in 2025. The $10.9 mn rise represents an overall growth of approximately 49.3% over the six-year period, indicating significant expansion in Bahrain's coffee import market.

- The market is composed of four primary product categories, with two segments amouting for the vast majority of import value.
  - Raw Roasted/Unroasted Coffee" and "Extracts or Instant Coffee" remain the two main categories, representing the majority of Bahrain's coffee imports.
  - A significant increase in the "Beverages of Tea and Coffee" category, which had no recorded imports in 2020 and 2021 but has since gained strong growth in the market.



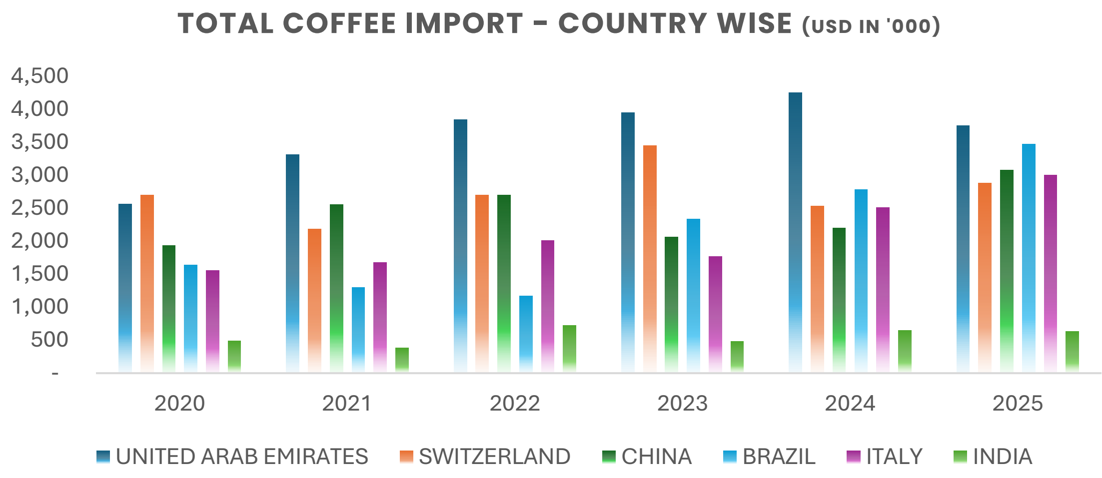
Bahrain imports coffee from several countries around the world. Looking at the import values from 2020 to 2025 shows the main suppliers, how their exports have changed over time and the share of top importing country in Bahrain's coffee market.

TOTAL COFFEE IMPORT - COUNTRY WISE (USD IN '000)

RANK	COUNTRY	2020	2021	2022	2023	2024	2025	TOTAL
1	UNITED ARAB EMIRATES	2,565	3,316	3,843	3,946	4,255	3,749	**21,674**
2	SWITZERLAND	2,703	2,182	2,697	3,449	2,536	2,883	**16,449**
3	CHINA	1,935	2,556	2,697	2,064	2,199	3,081	**14,534**
4	BRAZIL	1,637	1,296	1,167	2,336	2,784	3,470	**12,690**
5	ITALY	1,558	1,675	2,010	1,771	2,507	3,005	**12,527**
15	INDIA	488	381	725	484	650	632	**3,360**

Source: www.data.gov.bh

The table above is analyzed in detail below to clarify country-specific coffee import patterns.



United Arab Emirates (UAE)

- UAE is the leading source of coffee-related imports into Bahrain, serving as a major regional trade hub.
- Many international coffee brands use UAE as a launchpad to enter the GCC market and scale across the region.
- The GCC coffee market is estimated at approximately $6.84 billion.
- Although the UAE does not produce coffee domestically, it appears as the largest importer in Bahrain's trade data due to its role as a logistics and distribution center.
- Key hubs like Jebel Ali Port and free trade zones facilitate storage, repackaging, and re-export of coffee to Bahrain, Saudi Arabia, Oman, Kuwait, and other neighboring countries.
- The UAE imports a wide variety of coffee types, including Brazilian, Ethiopian, and Colombian beans, to supply both domestic consumption and regional markets.[2]
- High import figures attributed to the UAE in Bahrain's trade data reflect its re-export and distribution role, rather than just local consumption.

Brazil

- Brazil's import value into Bahrain has grown rapidly, more than doubling from 2022 to 2024, indicating a potential shift in sourcing strategy or rising demand for specific bean types.
- Brazil is widely preferred by coffee importers due to its reliable and consistent supply at competitive prices.
- As the world's largest coffee producer, Brazil offers large export volumes with stable quality, helping importers reduce supply risks and maintain product consistency.
- Advanced farming techniques, mechanized harvesting, and modern processing methods contribute to efficiency and pricing advantages.
- Brazilian coffee is known for low acidity, smooth body, and chocolate and nut-like flavors, making it ideal as a base for espresso and blended coffee products.
- These flavor profiles are popular with consumers for their smoothness, balanced taste, and minimal bitterness.
- Supported by well-developed export infrastructure and logistics networks, Brazil remains a key benchmark in the global coffee market and a preferred origin for both importers and consumers.

Switzerland

- Switzerland's coffee imports focus on roasting, repackaging, and branding for both domestic and international markets.
- Major Swiss brands include Nespresso, Nescafé, Nespresso Professional, and Starbucks-branded coffee produced by Nestlé under a global licensing agreement.
- In 2018, Nestlé secured a perpetual license to market Starbucks-branded coffee and tea in grocery stores and retail channels outside Starbucks cafés through a $7.1 billion deal.
- The partnership enables Nestlé to produce and sell Starbucks whole beans, ground coffee, instant coffee, and capsules (for Nespresso and Dolce Gusto machines).
- Switzerland dominates the branded and packaged coffee segment, emphasizing value addition, marketing, and global distribution.

China

- China plays a major role in the coffee-related hardware sector, rather than in coffee bean production for exports.
- It dominates the production of thermos bottles, coffee makers, and coffee filter bags, supplying both domestic and regional markets.
- China's contribution complements the coffee trade by providing essential equipment for brewing, storage, and preparation.

Italy

- Italy dominates the raw and unroasted coffee sector, with a strong emphasis on roasting, branding, and repackaging, similar to Switzerland.
- Renowned Italian brands include Lavazza and Illy, specializing in coffee roasting, brand development, and multi-format offerings such as whole beans, ground coffee, capsules/pods, and professional coffee for cafés, hotels, offices, and airlines.
- Aviation sector usage: Emirates[3] and Gulf Air are noted for serving Lavazza coffee.
- Hospitality and institutional preference: Hotels across Bahrain[4] commonly use Illy and Lavazza, while major universities feature Swiss brand Nespresso.
- Italy's strength lies in combining coffee expertise with brand experience, machines, and professional services, making it a key partner in Bahrain's coffee ecosystem.
- Coffee brand partnerships are common in Bahrain, particularly with Italian brands such as Lavazza and Illy, with notable collaborations.[5]

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[3] UAE: Emirates; Coffee
[4] Coffee Culture | Le Méridien Hotels & Resorts
[5] Al Salam Bank - Lavaza Coffee

E. CATEGORY WISE IMPORT OF COFFEE

The coffee market is classified into four main categories: raw roasted/unroasted coffee beans, instant and extract-based coffee products, ready-made tea and coffee beverages, and other coffee-related items such as filters, machines, and accessories.

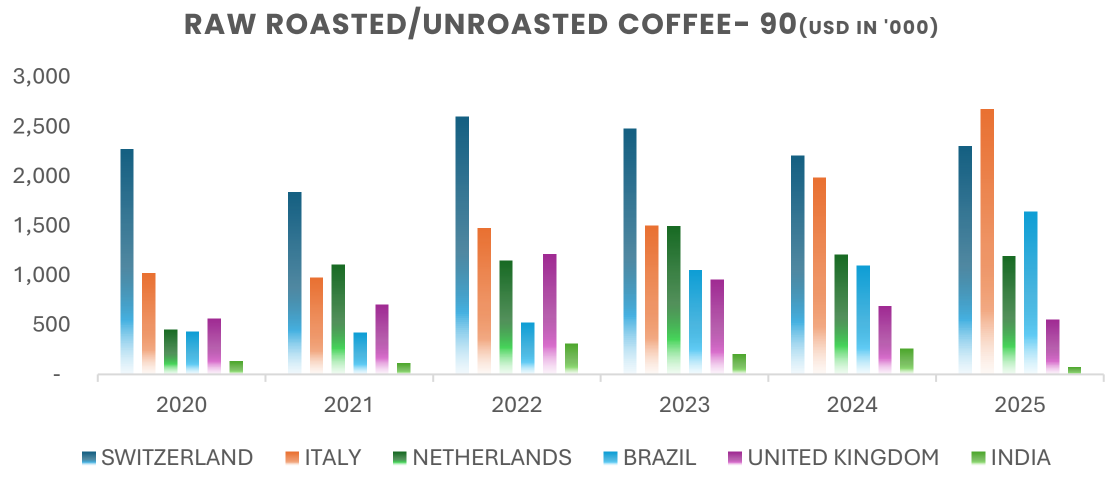
E.1. RAW ROASTED/UNROASTED COFFEE- 90

RAW ROASTED/ UNROASTED COFFEE -90 (USD IN '000)

RANK	COUNTRY	2020	2021	2022	2023	2024	2025	TOTAL
1	SWITZERLAND	2,272	1,840	2,600	2,477	2,208	2,304	**13,701**
2	ITALY	1,022	976	1,475	1,500	1,982	2,676	**9,632**
3	NETHERLANDS	453	1,107	1,146	1,493	1,207	1,191	**6,597**
4	BRAZIL	430	418	523	1,050	1,097	1,639	**5,157**
5	UNITED KINGDOM	561	704	1,213	956	686	552	**4,671**
14	INDIA	130	112	310	205	257	74	**1,087**

Source: www.data.gov.bh

This section provides a detailed view of the main import categories identified in the market overview. The analysis examines the individual growth trends and identifies the leading supplier countries for each specific product segment, offering deeper insight into the competitive landscape.



- The import value for "Raw Roasted/Unroasted Coffee" shows a strong and consistent growth pattern. The category's value began at $8.3mn in 2020 and it reach $16mn by 2025, nearly doubling over the period. Four of the top five suppliers for this category Switzerland, Italy, Netherlands, and United Kingdom are European nations, with Brazil being the sole non-European supplier in this leading group.
- India ranks 14th in this category, with a cumulative import value of $ 1.1 mn over the period.

- India produces unique coffees that command premium prices globally. Monsooned Malabar, a single-origin coffee with a processing technique found nowhere else, has already established international recognition. However, significant untapped opportunities exist in underserved segments where India's presence remains minimal particularly in decaffeinated varieties, organic certifications, and custom blends. While competitors have successfully marketed Indian single origins, these specialty niches offer Indian exporters strong potential for differentiation and market entry.

- Middle Eastern markets demonstrate consistently high demand for Arabica coffee blends; a preference deeply rooted in Arabian coffee traditions. Bahrain offers a strategic market opportunity that mirrors these regional consumption trends, positioning it as an ideal target for Indian Arabica exports.[6]

E.2. EXTRACTS OR INSTANT COFFEE -21

This section examines Bahrain's imports of extracts or instant coffee, which include processed coffee products such as instant and ready-to-drink coffee. These products are widely imported into Bahrain to meet growing consumer and business demand. Due to their ease of use and longer shelf life compared to roasted coffee, they are widely used in homes, offices, and the food service sector.

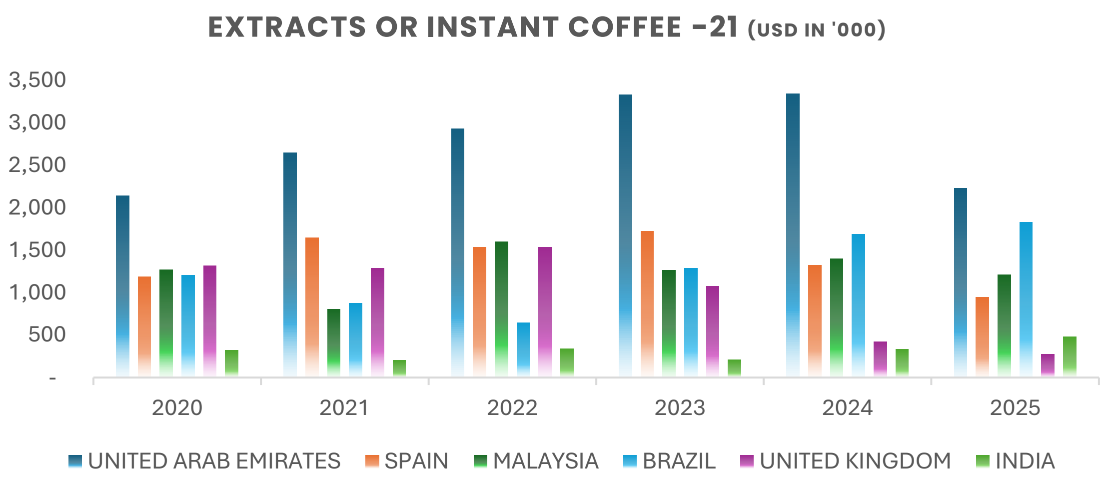
Extracts or Instant Coffee -21 (USD in '000)

RANK	COUNTRY	2020	2021	2022	2023	2024	2025	TOTAL
1	UNITED ARAB EMIRATES	2,141	2,647	2,931	3,331	3,344	2,229	**16,624**
2	SPAIN	1,185	1,644	1,532	1,725	1,320	946	**8,351**
3	MALAYSIA	1,266	806	1,599	1,263	1,400	1,210	**7,544**
4	BRAZIL	1,207	877	644	1,286	1,687	1,831	**7,532**
5	UNITED KINGDOM	1,314	1,285	1,532	1,077	423	275	**5,906**
27	INDIA	321	202	340	211	333	479	**1,886**

Source: www.data.gov.bh

The "Extracts or Instant Coffee" category experienced significant growth after 2020. Starting at $9.8mn in 2020, it peaked at $15mn in 2023 before declining. The category is $11.4mn in 2025, a notable decrease from both its 2023 peak and its 2024 level of $13.5mn. The supplier base for this category is geographically diverse.

- Extracts or Instant Coffee are the convenient market; instant coffee products are primarily supplied by the United Arab Emirates and Spain. The UAE's leadership in this category is a direct reflection of its logistical strength and role as a regional re-export hub for finished consumer goods, as opposed to being a primary producer of raw materials.



[6] https://www.ibef.org/exports/coffee-industry-in-india

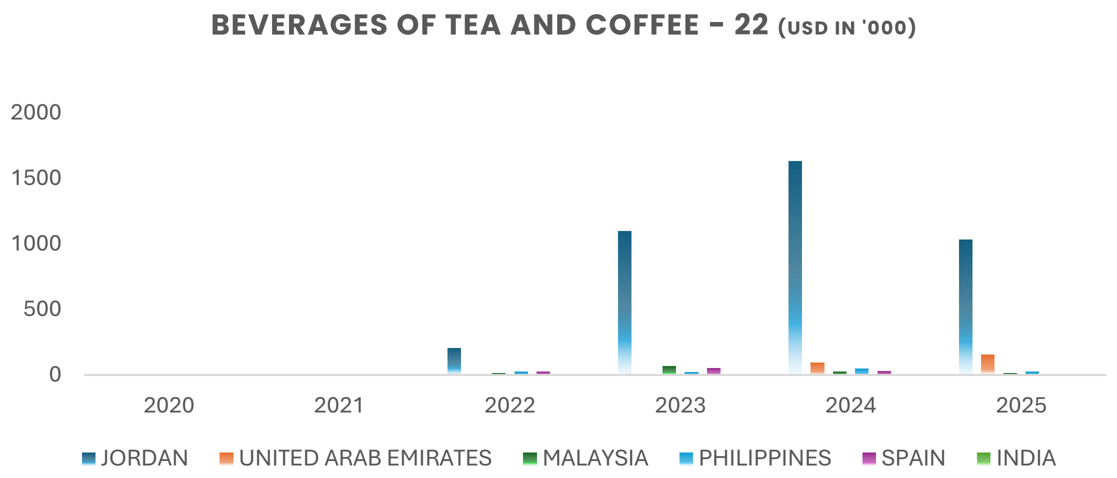
E.3. BEVERAGES OF TEA AND COFFEE – 22

The "Beverages of Tea and Coffee" segment is a new and emerging market category. It recorded zero import value in 2020 and 2021 before appearing in 2022 and growing to $1.4mn by 2025. This rapid development indicates a new area of market demand.

BEVERAGES OF TEA AND COFFEE – 22 (USD IN '000)

RANK	COUNTRY	2020	2021	2022	2023	2024	2025	TOTAL
1	JORDAN	-	-	206	1,097	1,632	1,031	**3,966**
2	UNITED ARAB EMIRATES	-	-	-	-	92	156	**248**
3	MALAYSIA	-	-	12	68	26	12	**118**
4	PHILIPPINES	-	-	23	21	48	23	**115**
5	SPAIN	-	-	26	52	29	-	**107**
27	INDIA	-	-	-	-	0.09	-	**0**

Source: www.data.gov.bh



- Beverages of Tea and Coffee represent a new and growing category of ready-to-drink beverages, it is almost exclusively supplied by a single partner. Jordan holds a commanding position as the near-exclusive supplier, demonstrating a highly concentrated supply chain for this specific product line.
- India's contribution to this emerging category is minimal, ranking 27th with a cumulative value of just $0.09.
- Having analyzed the primary coffee product imports, the focus now shifts to the goods that support coffee preparation and consumption.

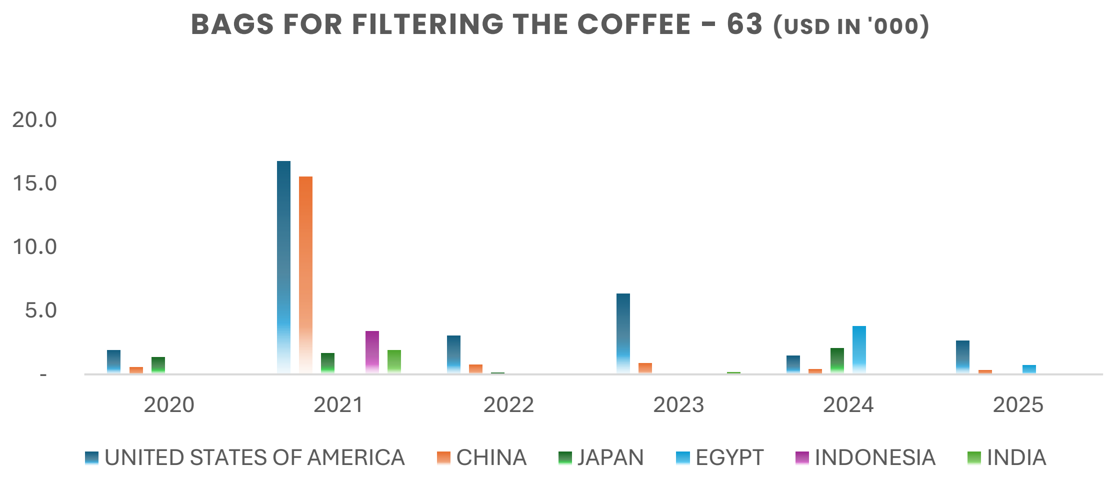
E.4. BAGS FOR FILTERING THE COFFEE – 63

This category includes all types of bags and filter materials used for preparing coffee, such as paper or cloth coffee filters. While representing a smaller segment of Bahrain's coffee imports, these products are essential for both household and commercial coffee preparation. The data highlights the main exporting countries, annual import values, and trends from 2020 to 2025, providing insight into the sources and market dynamics of coffee filter bags in Bahrain.

BAGS FOR FILTERING THE COFFEE – 63 (USD IN '000)

RANK	COUNTRY	2020	2021	2022	2023	2024	2025	TOTAL
1	UNITED STATES OF AMERICA	1.9	16.8	3.1	6.3	1.5	2.6	32
2	CHINA	0.5	15.5	0.8	0.9	0.4	0.3	18
3	JAPAN	1.4	1.7	0.1	-	2.0	-	5
4	EGYPT	-	-	-	-	3.8	0.7	4
5	INDONESIA	-	3.4	-	-	-	-	3
8	INDIA	-	1.9	-	0.2	-	-	2

Source: www.data.gov.bh



- This analyzes the import data for coffee-related equipment and accessories. These items, including coffee makers and thermos bottles, are classified under the "OTHER ITEMS RELATED TO COFFEE" category in the overall summary. Examining these sub-categories provides insight into the market for consumer and commercial coffee hardware.

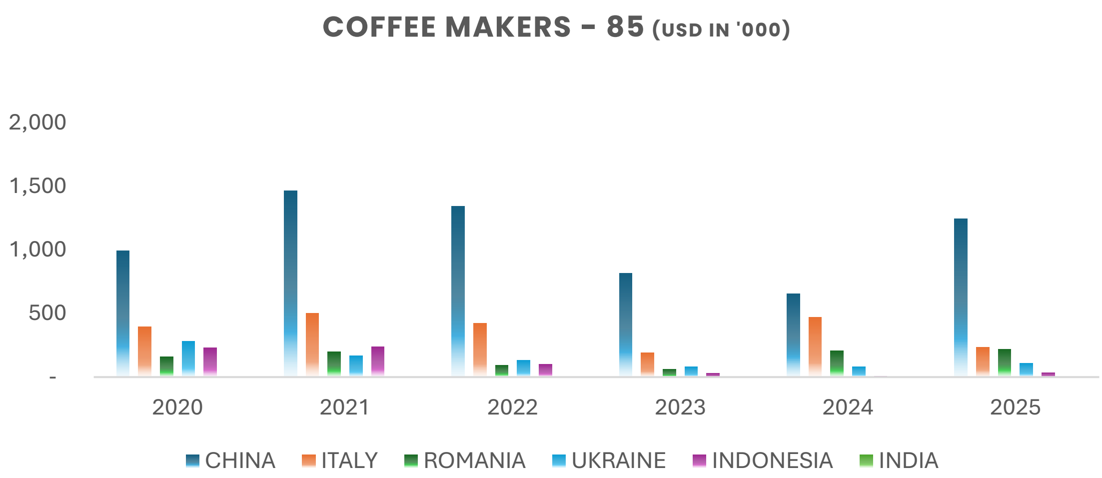
E.5. COFFEE MAKERS – 85

This category includes all types of coffee making equipment, such as drip machines, espresso makers, and other household or commercial coffee machines. Bahrain imports these products from a range of countries, with varying annual volumes, reflecting the demand for both domestic and commercial coffee preparation.

COFFEE MAKERS – 85 (USD IN '000)

RANK	COUNTRY	2020	2021	2022	2023	2024	2025	TOTAL
1	CHINA	996	1,468	1,344	817	658	1,248	6,531
2	ITALY	394	504	423	192	471	234	2,218
3	ROMANIA	161	201	94	64	209	221	950
4	UKRAINE	280	168	132	83	82	109	855
5	INDONESIA	230	238	101	30	7	36	641
30	INDIA	1	0.1	1	3	0.4	4	10

Source: www.data.gov.bh



- The import market for coffee makers is supplied by a small group of countries. The top five suppliers account for a significant portion of the total import value in this sub-category.
- Based on the import data, China holds a dominant position as the primary supplier in the coffee maker segment. India ranks 30th with a cumulative value of $10K over the period.

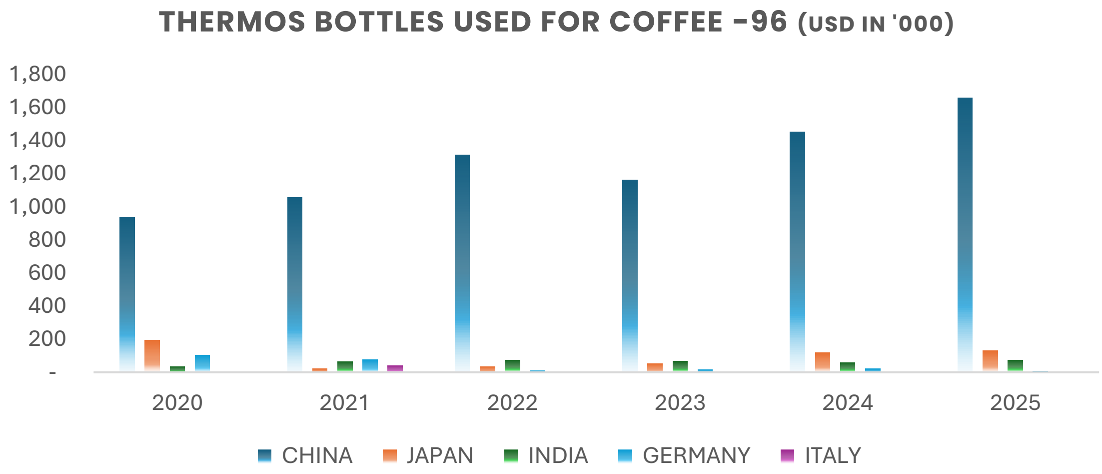
E.6. THERMOS BOTTLES USED FOR COFFEE -96

This category includes insulated thermoses and coffee storage and serving flasks. Bahrain imports these products from a variety of countries to meet both household and commercial needs.

THERMOS BOTTLES USED FOR COFFEE -96 (USD IN '000)

RANK	COUNTRY	2020	2021	2022	2023	2024	2025	TOTAL
1	CHINA	935	1,058	1,315	1,162	1,453	1,659	**7,582**
2	JAPAN	195	22	35	53	119	130	**553**
3	INDIA	35	65	74	66	59	75	**375**
4	GERMANY	103	77	9	16	21	7	**234**
5	ITALY	3	41	2	1	1	-	**49**

Source: www.data.gov.bh



- The market for thermos bottles used for coffee shows a distinct supplier hierarchy, with one country leading by a substantial margin.
- In a notable contrast to its position in other categories, India is the 3rd ranked supplier in this specific sub-category, indicating a competitive strength in this product segment.

F. CONSUMER PREFERENCES AND INDUSTRY TRENDS

Bahrain's coffee market is undergoing a major transformation, moving from traditional consumption patterns toward premiumization and specialization. Driven by an educated population, rising disposable incomes, and strong tourism and hospitality growth, the kingdom's coffee industry now reflects global specialty coffee trends while maintaining local cultural preferences. These evolving consumer preferences are shaping demand, product variety, and distribution strategies creating new opportunities for exporters, particularly from India.

1. **Rise of Specialty Coffee Culture (HORECA and Café Dynamics)**
   Over the past five years, Bahrain has witnessed a rapid expansion of specialty coffee shops, especially in Manama and Muharraq. Cafés are no longer just beverage outlets but social and lifestyle destinations that emphasize:
   - Artisan brewing methods (pour-over, siphon, and cold brew)
   - Modern, aesthetic store designs with Instagram-driven appeal
   - Seasonal menus and single-origin offerings
   - Cafés, along with other services and attractions such as art-based workshops, designed to complement their surroundings, whether parks, beaches, hotels, resorts, or iconic locations like Amwaj and Bahrain Bay.

   This experience-driven consumption is fueled by Bahrain's young, cosmopolitan, and tech-savvy consumers who seek authenticity and quality.

   For exporters especially Indian coffee producers this trend requires **consistent, traceable, and high-quality beans** suitable for precise brewing. Specialty roasters prefer beans that offer **distinctive flavor notes and predictable roasting behavior**, which positions **Indian Arabica and Monsooned Malabar** varieties as strong candidates.

2. **Retail vs. Home Brewing Demand**
   While cafés dominate visibility, the household segment remains the largest consumer base for coffee in Bahrain.
   1. Home brewing is growing, supported by the popularity of espresso machines, drip brewers, and capsule systems.
   2. Distributors such as Future Foods and Home Electronics are promoting equipment like illy Francis machines, enhancing access to café-quality coffee at home.

3. **Flavor Profiles and Variety Preferences**
   Bahraini consumers, influenced by global coffee culture, are increasingly experimenting with single origins and distinct flavor notes. Popular varieties include:
   1. Yemen Mocha: Bold, spicy, and traditional
   2. Ethiopian Sidamo and Guji: Floral, fruity, and complex
   3. Kenya AA: Bright acidity and citrus tones
   4. Sumatra Mandheling: Deep, chocolate-toned, and full-bodied

   Arabica beans dominate Bahrain's imports due to their smoothness and complexity, but high-quality Robusta also retains strong demand for espresso blends popularized by Italian and local café chains.

4. **Ethical and Sustainability Trends**
   Bahraini consumers are showing a growing preference for ethically sourced, organic, and fair-trade coffee. The Bahraini government introduced 2023 regulations encouraging sustainable sourcing and ethical retail practices.
   India's coffee industry is naturally aligned with this demand:
   1. Over 70% of Indian coffee is shade-grown, often intercropped with spices such as cardamom and pepper, promoting biodiversity.
   2. This environmentally responsible cultivation gives Indian exporters an authentic sustainability narrative.

F.1. FACTORS INFLUENCING CONSUMER BEHAVIOR

1. Cultural and Social Influencers

- Traditional Qahwa Consumption: Arabic coffee (Qahwa) is central to Bahraini culture, symbolizing hospitality, respect, and community. Consumption occurs mainly at home, official gatherings, and traditional events.
- Rituals and Hospitality: Serving multiple cups of Qahwa is culturally expected; the act of preparation and presentation influences consumer perception and acceptance.
- Social Validation: Purchase decisions are influenced by family, peer recommendations, and alignment with Middle Eastern cultural values. Brands supporting local initiatives gain higher traction.
- Religious and Seasonal Factors: Consumption peaks during Ramadan and Eid, with Qahwa consumption tied to communal and family practices. Seasonal changes, particularly summer heat, drive indoor café visits.

2. Demographic Influences

- Age: Consumers aged 18–34 represent approximately 85% of coffee enthusiasts, driving demand for specialty, experiential, and trend-driven coffee.
- Income:
  1. High-income consumers prioritize premium products and experiential café visits.
  2. Lower-income consumers favor functional consumption (instant coffee, high-caffeine blends) due to affordability.
- Expatriates: The expatriate population introduces international coffee trends and drives demand for convenience-oriented products and RTD formats.

3. Psychographic and Behavioral Drivers

- Consumers seeking alertness, delayed fatigue, or high caffeine content prefer instant coffee, RTD products, and highly caffeinated blends.
- Social interaction, ambiance, and status drive café-based purchases, particularly among young, affluent consumers.
- Interest in preparation, quality control, and home brewing motivates purchases of premium beans, brewing equipment, and specialty packaged products.
- Consumers demand high-quality Arabica beans, sensory differentiation, provenance information, and sustainable sourcing.
- Café ambiance, service quality, and social engagement are critical, maintaining a 48% share of the dine-in foodservice segment.

4. Digital and Technological Influences

- Digital Engagement: High internet penetration and tech-savvy youth support e-commerce sales, online subscriptions, and app-based loyalty programs.
- Experiential Marketing: Social media drives demand for Instagrammable cafés and innovative concepts, including art-inspired and thematic coffee experiences.
- At-Home Brewing: Rapid growth in home brewing emphasizes premium product purchases and direct engagement with coffee preparation techniques.

5. Convenience and Distribution Channels

- **Ready-to-Drink (RTD) Products**: Rapid urban lifestyles and expatriate influence drive RTD coffee growth.
- Home Consumption: Growth of high-involvement at-home brewing increases demand for premium packaged products and coffee equipment.
- Out-of-Home (OOH) Locations: Urban centers such as Manama and Muharraq concentrate demand for cafés and specialty coffee shops due to urbanization and foot traffic patterns.

G. DISTRIBUTION CHANNELS FOR COFFEE PRODUCTS IN BAHRAIN

The coffee market in Bahrain utilizes several structured channels to ensure both retail and commercial consumers have access to a wide variety of coffee products. The channels can be categorized as follows:

G.1. Direct Importers and Wholesalers

- Notable wholesalers include Almoayyed Trading Company, Al Safwa Trading, and Bahrain Coffee Traders.
- They supply bulk quantities of coffee to supermarkets, cafés, hotels, restaurants, and specialty roasters.
- Products range from green beans, roasted Arabica, Robusta, and instant coffee.

G.2. Supermarkets and Hypermarkets

Refer next section for details (Section H)

G.3. Cafés and Specialty Coffee Shops:

Popular cafés and chains play a dual role as retail and experience outlets, including:

- Starbucks, Costa Coffee, Tim Hortons, serve espresso-based beverages and sell packaged beans.
- Local specialty cafés such as CAFÉ BAHRAIN and The Coffee Club, import premium Arabica and single-origin beans for brewing in house and for sale.
- This channel emphasizes high-quality beans, specialty blends, and customer experience, catering to coffee enthusiasts and expatriates.

G.4. Hotels, Restaurants, and Catering Services

- Large hotels (e.g., Four Seasons, Gulf Hotel, Ritz-Carlton) and restaurants purchase coffee through bulk distributors.
- Focus is on high-volume espresso blends, premium Arabica beans, and instant coffee for F&B operations.

G.5. E-commerce and Online Retail

- Online platforms such as Lulu Hypermarket, Talabat and Noon have emerged as growing channels.
- They offer imported beans, instant coffee, and specialty products that may not be available in physical stores.
- This channel is increasingly popular among younger consumers and expatriates seeking convenience and premium coffee varieties.

G.6. Re-export via Regional Hubs

- Some coffee imported into Bahrain passes through the UAE, which acts as a regional logistics hub.
- This is particularly common for bulk Brazilian coffee, specialty beans, and instant coffee, which are then distributed to Bahraini importers and wholesalers.

The distribution of coffee products in the Kingdom of Bahrain operates through a highly structured, multi-channel system that efficiently serves both mass market consumers and the growing specialty coffee segment. The market is shaped by Bahrain's liberal trade environment, advanced logistics infrastructure, and rapidly evolving coffee culture.

H. MAJOR SUPERMARKETS IN BAHRAIN IMPORTING COFFEE PRODUCTS

The Kingdom of Bahrain's packaged coffee market particularly the premium and specialty segments and is driven by evolving consumer tastes and a growing café culture. Within this market, the capability of retail supermarkets to import, distribute, and merchandise coffee products plays a decisive role.

H.1. Supermarket Chains High Volume Importers

Lulu Hypermarket (Lulu Group International):

- Operates a global sourcing and distribution architecture via Y International Logistics, enabling high-volume importation of coffee products into Bahrain and across the GCC.
- The dominant retail platform for volume-imported coffee, covering a wide range of international brands and serving cost sensitive mass market consumers.
- Example brands: Lavazza, Melitta, Tchibo, Folgers, Kopiko, Alicafe.
- For brands targeting mass market penetration, LuLu offers scale, coverage, and an efficient logistics framework.

HyperMax (Majid Al Futtaim Retail):

- Employs centralized GCC procurement, combining private-label imports with branded goods supplied via local trading partners.
- A major gateway for both branded and private-label coffee, including convenience formats such as Ready to Drink (RTD) products requiring cold-chain logistics.
- Example brands: Najjar, Maatouk, Starbucks RTD.
- International coffee brands can access standardized procurement channels or explore private-label partnerships to secure shelf placement.

H.2. Supermarket Chains Premium and Mid-Market Importers

Alosra Supermarket:

- Premium-curation approach via distributor-led sourcing with a focus on specialty and artisan coffee brands.
- The key high-end retail outlet for imported specialty coffee, targeting the affluent and expatriate consumer segments.
- Example brands: Illy, Lavazza Espresso Ground.
- For premium or niche coffee brands seeking brand equity, exclusive distribution, and niche retail access, Alosra serves as an ideal gateway.

MegaMart:

- Mid-market import strategy offers competitive pricing to value-oriented consumers.
- Provides an accessible entry point for volume and imported coffee brands in the mid-tier of the market.
- Example brands: Tchibo, Klassno, Ali café, Bru.
- Brands targeting broad retail distribution with moderate pricing may consider MegaMart to attain shelf presence and volume in Bahrain's mid-market.

Midway & Almuntazah Supermarkets:

- Regional and local sourcing networks focusing on cost-effective importation.
- Mid-level supermarkets serve local neighborhoods with accessible international and regional coffee brands.
- Localized accessibility and flexibility in brand selection for Bahrain's general retail market.
- Supporting Distribution Channels Key B2B Import Agents.

Future Foods:

- Serves premium coffee brands (e.g., Illy) through exclusive distribution, covering specialty retail and hospitality channels.

I. POTENTIAL MARKETS FOR INDIAN COFFEE EXPORTERS IN BAHRAIN

Bahrain's coffee market is developing, supported by:

- An expanding café and specialty coffee culture.
- A diverse population and growing interest in origin-based coffee products.
- Evolving consumer behaviors in beverage consumption.

The potential markets for Indian coffee exporters, includes:

1. **Coffee Outlets/Roasters**
    - Roasters and cafés in Bahrain are sourcing from multiple origins.
    - Demand is growing for specialty and single origin coffee beans. Indian exporters can engage by offering region specific varieties and building direct or distributor partnerships.

2. **Retail & Supermarket Chains**
    - Major retailers such as Lulu Hypermarket, Al Jazeera Supermarket, Mega Mart and HyperMax provide a strong platform for roasted, ground, and instant coffee brands. These outlets offer products in various pack sizes and grinding options, catering to different roast levels and consumer preferences.

3. **HORECA (Hotels, Restaurants & Catering)**
    - Coffee capsules, ready to brew solutions and formats compatible with commercial equipment.
    - Bulk roasted beans and commercial instant blends suitable for cafés, hotels and catering.
    - Indian exporters can target this channel via local service providers, importers and distributors specializing in HORECA.

4. **Online & E-Commerce Platforms**
    - The growth of online grocery platforms, such as Talabat Mart, and Keeta upcoming have opened new distribution channels for specialty and premium coffee products. The Growth opportunities include:
        - Flavored, organic, ready to drink (RTD) coffee formats.
        - Subscription models, limited editions and storytelling around origin and craftsmanship.
        - Exporters can leverage targeted digital marketing and engage younger, convenience-oriented consumers.

5. **Product Categories**
    - Roasted beans, ground coffee, instant coffee in varied pack sizes.
    - Premium or specialty brands emphasizing origin, freshness and quality.
    - Exporters can explore collaboration with local retailers and importers for launch formats, tailored packaging, or private-label options.

6. **Ethnic & Expatriate Communities**
    - There is a sizeable expatriate population from South Asia in Bahrain, representing a known consumer segment for Indian origin products.

I.1. COFFEE PRODUCTS WHERE INDIA HAS ADVANTAGE

India holds a strong competitive position in many coffee product categories due to its diverse growing regions, cost efficiency, and advanced processing capabilities. The main areas of advantage include:

1. **Raw Roasted and Unroasted Coffee Beans:**
   - India produces Arabica and Robusta coffee beans, known for their rich aroma and balanced flavor.
   - Major coffee growing regions such as Coorg, Chikmagalur, and Wayanad are globally recognized for high quality production.
   - Competitive pricing, reliable supply, and sustainable farming practices enhance India's export position.

2. **Instant Coffee and Coffee Extracts:**
   - India is one of the world's largest exporters of instant coffee.
   - Modern processing facilities (such as those at Tata Coffee and CCL Products) ensure high product quality.
   - Indian instant coffee offers a wide range of blends that meet the needs of the Bahraini market in terms of ease of use and price.

3. **Flavored and Specialty Coffee:**
   - Growing exports of organic and single-origin coffee exports are attracting Bahrain's premium coffee sector.
   - Focus on sustainability and ethical sourcing enhances the image of Indian brands in global markets.
   - India offers unique regional flavors that distinguish Indian coffee from its competitors.

4. **Ready-to-Drink Coffee Beverages:**
   - Indian manufacturers are innovating in ready-to-drink cold coffee and coffee-milk blends.
   - These products cater to Bahrain’s younger consumers and the fast-growing modern retail and café culture.
   - Strong packaging and affordability make them attractive for export.

5. **Coffee Equipment and Accessories:**
   - India also produces filters, coffee machines, cups, and thermoses at competitive prices.
   - These products complement coffee exports and support the hospitality and café sectors in Bahrain.

J. TRADE CHALLENGES & STRATEGIES

Trade barriers between India and Bahrain in the coffee sector are relatively limited in terms of tariffs, since Bahrain applies the GCC Common External Tariff (CET) of 5% on most coffee products. However, the real constraints for exporters arise from non-tariff measures, procedural delays, and regulatory compliance costs. These trade barriers can be grouped into tariff barriers and non-tariff barriers as follows:

J.1. TARIFF BARRIERS

1. **Uniform Tariff Rate:**
   Bahrain, as part of the GCC Customs Union, imposes a 5% customs duty on most imported coffee products.

2. **Limited Variation by HS Code:**
   Although Bahrain applies low or zero tariffs on most coffee products, variations in HS code classification particularly between green coffee, roasted coffee, decaffeinated coffee, and processed or flavored coffee products can create compliance challenges for importers. Coffee products that are further processed or combined with additives, such as instant coffee mixes, may fall under different tariff lines, potentially affecting duty treatment, VAT application, and documentation requirements and time required to process the same. This classification complexity can lead to higher administrative costs and delays in customs clearance, representing a minor but relevant trade challenge.

   While the overall tariff rate is low, the classification of coffee (green, roasted, decaffeinated, or extracts) can slightly affect the applicable duty, especially if combined with flavoring or processing (e.g., instant mixes).

3. **No Preferential Tariff for Non-FTA Partners**
   Countries without a free trade agreement (FTA) with Bahrain, such as India, do not benefit from tariff exemptions. In contrast, exporters from the U.S. or Singapore under FTAs may enter duty-free, creating a competitive disadvantage for Indian exporters.

J.2. NON-TARIFF BARRIERS

Bahrain offers a high value, fast-growing market for Indian coffee exporters due to rising specialty coffee consumption. While Bahrain maintains a 0% customs duty on raw coffee beans, the key barriers to market access stem from regulatory, procedural, and compliance-based factors.

J.2.1. Strengthening Fiscal and Trade Compliance

- Leverage the Zero-Tariff Regime
  Indian exporters should fully utilize Bahrain's zero-tariff policy under HS Code 0901 by ensuring correct product classification at all stages of export documentation.

- Ensure VAT and Excise Tax Compliance
  Coffee beans (green, roasted, and decaffeinated) are zero-rated for VAT. Exporters must maintain this classification by avoiding the inclusion of additives that could reclassify products under processed food categories.

  For ready-to-drink (RTD) or sweetened beverages, exporters must conduct a tax classification review to prevent the products from being categorized as "soft drinks," which are subject to a 50% excise tax.

J.2.2. Enhancing Pre-Import Readiness and Licensing

- Obtain Mandatory Food Import Permits
  Before shipment, importers or local partners must secure the MOH Food Import Permit to ensure that coffee products are legally authorized for entry into Bahrain.

- Compliance with Gulf Standardization Organization (GSO) Standards
  Exporters should ensure products adhere to BH GSO 2197:2024 for roasted coffee and related standards covering packaging, labeling, and shelf life (GSO 150 series).

- Adopt International Certification Systems
  - Certifications such as ISO 22000 or HACCP enhance trust in product safety and quality, reducing inspection frequency and improving clearance efficiency.
  - Optimizing Documentation and Customs Clearance

- Implementing a Documentation Audit System
  Establish internal verification protocols to ensure all required documents, Certificate of Origin (COO), Health Certificate, Commercial Invoice, Packing List, and Bill of Lading, are accurate and properly attested by the relevant authorities, including the Arab Consulate when required.

- Digital Integration
  Adoption of digital systems compatible with Bahrain's eCAS customs platform will streamline customs declarations and minimize delays caused by manual errors or missing data.

- Standardized Templates and Pre-Validation
  Use standardized export documentation templates containing pre-validated HS codes and product descriptions to avoid inconsistencies that could trigger administrative rejections.

J.2.3. Ensuring Labeling and Packaging Conformity

- Arabic Labeling Compliance
  All product labels must include Arabic alongside English, with both versions providing identical information. Exporters should integrate bilingual labeling directly into packaging design rather than relying on stickers.

- Accurate Product Information
  Labels must include the product name, ingredient list, net weight, production and expiry dates, storage instructions, and the country of origin. These must adhere to GSO 150 and GSO 2500 standards.

- Compliant Packaging Materials
  Packaging materials must comply with GSO 1863/2013 to prevent contamination and ensure product safety. Exporters should use high-quality, food-safe materials suited for Bahrain's climatic conditions. Strengthening Supply Chain and Logistics Management

- Cold Chain Infrastructure
  For roasted or ready-to-drink coffee products, maintain proper temperature-controlled logistics to preserve product quality under Bahrain's high-temperature conditions.

- Local Market Partnerships
  Collaborating with local distributors and logistics partners enables better navigation of local regulations, faster customs clearance, and direct access to retail and HORECA channels (Hotels, Restaurants, Cafes).

- Contingency Planning for Inspection Delays
  Establish internal protocols for rapid response to customs detention or laboratory testing outcomes, including procedures for appeal, re-export, or authorized destruction under Bahraini law.

J.2.4. Building Long Term Regulatory and Market Capacity

- Regular Regulatory Monitoring
  Continuously monitor updates from the Ministry of Health (MOH), Bahrain Customs, and GSO to stay informed about new standards, labeling laws, or procedural changes.

- Capacity Building and Training
  Indian exporters should invest in training staff and local partners in Bahraini import documentation, labeling standards, and SPS/TBT compliance requirements to minimize errors.

- Institutional Collaboration
  Collaboration between Indian trade bodies such as the Coffee Board of India, FIEO (Federation of Indian Export Organizations), and Bahraini regulatory authorities can foster smoother bilateral trade, technical assistance, and market intelligence sharing.

K. RECOMMENDATIONS AND SUGGESTIONS – THE WAY FORWARD

K.1. THE WAY FORWARD

The Kingdom of Bahrain presents a compelling and valuable opportunity for coffee exporters, characterized by strong market growth and a consumer base that is rapidly moving towards premium and specialty products. However, it is also a highly regulated environment where market access is contingent on more than just product quality. Success is determined by a strategic focus on evolving consumer preferences, a deep understanding of the competitive landscape, and, most importantly, strict adherence to the country's stringent import regulations. For Indian exporters, further development requires a multifaceted strategy centered on compliance, brand building, and targeted marketing to specific markets.

K.1.1. Building a Premium Brand Identity

To gain a significant market share, India must strategically evolve its position from a bulk commodity supplier to a **distinguished origin brand**. The opportunity lies in marketing coffee under the "India" banner through unique and compelling narratives. Highlighting geographical indications (PGIs) such as Coorg and Arako Valley Arabica coffees can create a distinctive identity that resonates with discerning Bahraini consumers. Furthermore, promoting India's extensive shade-grown coffee production delivers an authentic sustainability message that appeals to Bahrain's growing number of environmentally conscious buyers and aligns with the country's national goals under Vision 2030. This focus on traceability, origin, and ethical sourcing will significantly contribute to building a sustainable brand image.

K.1.2. Strategic Market Penetration

Adopting a multi-channel approach is crucial to effectively tapping into Bahrain’s diverse market segments. Partnerships with established local importers and distributors are essential to overcoming regulatory hurdles and securing access to key distribution channels. Strategically, the focus should be on sourcing products from the hotel, restaurant, and café (HORECA) sector in bulk, securing retail space in major supermarket chains such as Lulu Hypermarket, and collaborating with the growing number of local specialty coffee roasters. Simultaneously, leveraging the rapid growth of e-commerce and direct selling platforms is vital to reaching tech-savvy young consumers and strengthening the brand’s digital presence.

K.2. DETAILTED ACTIONABLE RECOMMENDATIONS

K.2.1. A Regional Indian-Origin Café Concept

The Indian coffee market can strongly thrive by launching a café brand in Bahrain that exclusively showcases Indian-origin beans and beverages, highlighting the country’s rich coffee heritage, regional diversity, and unique processing methods — from high-altitude Arabica grown in Chikmagalur and Araku Valley to the distinctive Monsoon Malabar from the western coast, alongside premium Robusta from Coorg and Wayanad; positioning a café around these diverse regions and the balanced qualities of Indian Arabica and the strength and depth of Indian Robusta would create a differentiated, authentic concept that appeals to Gulf preferences while celebrating India’s biodiversity, shade-grown cultivation, and specialty coffee potential.

K.2.2. Bahrain Tender Board[7]

The Bahrain Tender Board's procurement initiative for Gulf Air presents a strategic opportunity for Indian coffee exporters to supply premium, competitively priced coffee for in-flight service across both Falcon Gold and Economy Class. With Gulf Air seeking consistent, high-quality products that meet its standards for taste, presentation, and cost-effectiveness, Indian exporters can leverage their diverse coffee varieties, strong production capabilities, and established reputation in global markets to position themselves as reliable partners. This tender offers a valuable entry point for expanding India's presence in the Gulf's aviation hospitality supply chain. Please stay updated with the latest posts on the website regarding openings scheduled for 2026

K.2.3. Franchising Opportunities

The Indian coffee market can benefit from expanding through franchising and international partnerships, following the example of established brands like Araku Coffee, which has a presence in France and multiple branches in India. Other emerging specialty café brands, including Blue Tokai Coffee Roasters, Subko, Maverick & Farmer, and Nandan Coffee, demonstrate strong potential for growth. By leveraging consistent sourcing, storytelling, and experiential café formats, these brands can scale in Bahrain, strengthen the visibility of Indian-origin coffee

K.2.4. Indian Coffee: Story, Experience, and Innovation

Indian coffee brands have a strong opportunity to stand out by sharing the story behind each origin, the heritage of Indian coffee, and the creation of a unique brand, offering more than just a cup. Innovative experiences such as **coffee tasting kits**, **samples**, and **augmented reality interactions** can engage the upcoming generation, highlighting the diversity, strength, and quality of Indian Arabica and Robusta. This approach creates an exciting, premium, and immersive experience that celebrates Indian coffee while appealing to young, curious, and experience-driven consumers. Some of the unique Indian coffee experiences that can be actioned upon are as below:

a. Indian Qahwa - Indian qahwa, made with specialty Indian Arabica and Robusta beans, aligns perfectly with GCC coffee culture by offering smooth, aromatic, and low acidity beverages. Leveraging the unique strengths of Indian-origin coffee from Chikmagalur and Monsoon Malabar to Araku Valley and Coorg, this concept provides a distinctive, authentic, and culturally relevant experience that can stand out in Bahrain and the wider Gulf market.

b. Indian Coffee: Premium Gifts for Ramadan & Eid - Indian coffee experiences can be further elevated with limited-edition luxury gift boxes during Ramadan and Eid, celebrating the authenticity of Indian-origin beans. These curated offerings, combined with storytelling, tasting kits, and immersive experiences, provide a premium, culturally relevant way to showcase the diversity, strength, and heritage of Indian Arabica and Robusta to the upcoming generation of consumers.

c. Limited-Edition Indian Coffee Packages - Offering subscription and package models with uniquely blended Indian-origin mixes, featuring a Bahraini-inspired twist, along with brewing tips, recipes, and souvenirs, creates an immersive experience for consumers. These limited-edition collections can be tied to curated events like F1 or Bahrain National Day, making the coffee both a premium product and a memorable cultural experience.

d. Indian Coffee in Fine-Dining Restaurants - Approach Indian fine-dining restaurants in Bahrain, such as Rasoi, Lanterns, Asha's (Avenues), Rivaj at Sofitel, Kailash Parbat etc., to showcase Indian-origin coffee blends, highlighting their unique flavors, heritage, and premium quality to complement the dining experience.

K.2.5. Collaboration with influencers and Cafes

Partner with influencers, food bloggers, and upcoming cafés or coffee-focused spaces to promote Indian-origin coffee, share stories, and create engaging experiences that highlight its quality, heritage, and unique flavors

Leverage UAE logistics networks

Using the UAE as a regional distribution hub can improve supply efficiency and facilitate smoother access to the Bahraini market.

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[7] Bahrain Tender Board

K.3. TRADE SHOWS AND EXHIBITIONS

In order to establish Indian Coffee as brand, it is important for people to get familiarized to the Indian Coffee taste and feel. For the same purpose, the Bahrain surging trade shows and exhibitions in are the perfect place to start with.

- Bahrain's growing coffee culture and vibrant food industry present promising opportunities for exporters, particularly those from India, to promote their products and establish a strong presence in the Gulf market. Through various trade fairs, festivals, and exhibitions, exporters can connect with buyers, showcase their offerings, and explore new business partnerships within Bahrain's dynamic hospitality and retail sectors. Some of the followings are listed below;
- Indian coffee and food exporters can participate in:
  - Bahrain Food Festival
  - Arabia Exhibition: featuring food and beverage segments
  - Autumn Fair and 'Wen W Bkm Carnival', along with other national events attracting diverse audiences
  - India–Bahrain Trade Promotion by the Bahrain Chamber of Commerce: Recent event was held on 22 September 2025
  - Global Food Show 2025 at Exhibition World Bahrain, organized by MOIC Bahrain: Recent event was held on 18–19 November 2025

Select events are highlighted below, accompanied by participant feedback that may provide valuable insights for Indian exporters.

K.3.1. Bahrain Events – Suitable Platforms for displaying of Indian Coffee

Event Name	Dates	Venue	Key Highlights	Indian Coffee Opportunity	Feedback / Observations
Bahrain Coffee & Chocolate Expo	14–17 January 2026	Exhibition Venue, Bahrain	• Annual expo for specialty coffee, premium chocolate & artisanal confectionery • Exhibitors from GCC & international markets. Live demos, tasting sessions, barista showcases, workshops • B2B networking, distributor matchmaking & partnership opportunities.	• Platform for Indian coffee exporters to showcase specialty blends and artisanal products • B2B matchmaking ideal for distributor tie-ups • Workshops present an opening to promote Indian brewing traditions and region-specific profiles	• No specific exhibitor feedback captured • Upcoming event — early registration and participation recommended for Indian exporters.

Bahrain Coffee Festival	9–13 December 2025	Exhibition World Bahrain	• Kingdom's first large-scale specialty coffee event. Hybrid B2B & B2C format. • Organised by DXB LIVE with BTEA, BCCI & Exhibition World Bahrain • Featured brewing equipment, coffee machines, beans, cultural elements including Mini Coffee Museum & Arabic coffee demos	• No Indian coffee beans were showcased — a visible gap and significant opportunity • Indian exporters can bundle coffee beans with brewing equipment as integrated café solutions. Strong potential for filter coffee and Monsoon Malabar positioning.	• Black Slider Café: Indian green coffee beans offer great taste when blended; lack standalone consumer base • Barista Solutions: Best beans sourced from India & Indonesia; challenge is branding & market reach, not quality • Dominant origins on display: Ethiopia, Colombia, Yemen, Brazil
Muharraq Nights	1–30 December 2025	Muharraq, Bahrain	• Month-long cultural celebration featuring heritage shows, traditional performances, artisan food stalls & crafts • High footfall from locals & tourists. Trending cafés & pop-up shops promoted via Bahrain's popular 'Local Bahrain' Instagram channel	• No Indian coffee brands or beverages were present despite high and diverse footfall — a clear untapped opportunity • Pop-up or experiential Indian coffee tasting stalls could generate strong consumer engagement	• Application forms for Bahrain cultural events available on the Bahrain Authority for Culture and Antiquities website • High social media visibility via Local Bahrain channel — ideal for brand awareness campaigns
Hawa Al Manama (Manama Nights)	31 Dec 2025 – 17 Jan 2026	Manama, Bahrain	• Multi-experience event celebrating Manama's evolution — food stalls, clothing, souvenirs, art installations, photo booths & interactive games • One of Bahrain's most anticipated winter calendar events. Strong blend of modern and traditional themes.	• Food and beverage stalls at the event present an opportunity for Indian coffee brands to offer experiential tasting, RTD beverages or branded café setups • Consumer-facing events like this are ideal for market entry and brand positioning	• Participation link available • Large crowds with immersive multi-space experience — suitable for premium experiential marketing activations.
Formula 1 Gulf Air Bahrain Grand Prix	March – April (every year)	Bahrain International Circuit, Sakhir	• High-profile international sporting & lifestyle event attracting local, regional & international visitors. • Significant global media coverage and premium audience demographics.	• Unique opportunity to showcase Indian-origin coffee blends, ready-to-drink (RTD) beverages, and iced/cold brew formats suited to the warm April season • Premium audience profile aligns with specialty and artisanal coffee positioning	• One of Bahrain's highest-visibility events • Ideal for brand launches, sampling campaigns, and partnerships with F&B vendors operating within the circuit hospitality zone.

Images from Bahrain coffee and chocolate Expo (January 14th -17th, 2026); above

Images from the Coffee Event (December 9-13, 2025); above

Images from the Muharraq Nights (December 01 - 30, 2025); above

Images from the Hawa Al Manama (December 31, 2025 – January 17, 2026); above

Images from the Formula 1 Gulf Air Bahrain Grand Prix (April 2025); above

K.4. KEY CONSIDERATIONS

- November to January marks a peak season in Bahrain, with high footfall at events such as Muharraq Nights, Hawa Al Manama, wen bekam carnival, autumn fair, coffee exhibition, Jewelry Arabia, coffee and chocolate exhibition followed by the Formula 1 season in April, offering continuous opportunities to engage large audiences.
- No Indian coffee brands, beans, or beverages were showcased at these events, highlighting a clear gap.
- Opportunity to introduce specialty Indian origin coffee, ready to drink beverages, or experiential tasting setups.
- Seasonal events provide exposure to diverse and engaged audiences, enhancing brand visibility.
- Position Indian coffee as a premium, culturally relevant, and experiential product in the Bahraini market.

Aligning India's production strengths with Bahrain's evolving market trends presents a clear and attractive growth opportunity, despite significant regulatory and procedural challenges. The growing demand for high-quality, traceable, and sustainably sourced coffee represents a crucial market shift.

India's diverse portfolio of shade-grown, geographically varied coffees is ideally suited to meet this demand, offering the authentic origin stories and distinctive flavor profiles that Bahraini consumers seek today. A proactive, quality-focused, and fully compliant export strategy will not only overcome existing obstacles but also enable India to establish a strong and valuable presence in the Bahraini coffee market.

Annexures to the Report:

Annexure A - Trade Standards & Survey Results

Annexure B – Major Importers List in Bahrain & Strategy for Indian Exporters

ANNEXURE A - TRADE STANDARDS & SURVEY RESULTS

OVERVIEW

This section synthesizes survey data to build a detailed profile of the coffee consumers in Bahrain. The analysis covers key demographics, consumption habits, expenditure, and the core motivations that drive their coffee purchasing decisions, providing a foundational understanding of the local consumer landscape.

The surveyed coffee consumers in Bahrain are predominantly working professionals across a wide spectrum of age groups, primarily from 18 to 54 years old. This group spans diverse income ranges, from households earning less than 500 BHD per month to those exceeding 2,500 BHD. This demographic spread indicates that coffee is an integral part of daily life for a broad cross section of the Kingdom's economically active population. The prevalence of working professionals aligns directly with the identified consumption patterns, where coffee is frequently consumed at work as a key part of the daily routine and for an energy boost. Based on the questionnaire the summary of key observations are as below:

1. **Receptive but Underserved Market:** Bahraini consumers are highly interested in trying Indian coffee, yet general awareness and trial rates are low. This represents a significant opportunity gap for brands that can effectively build presence and familiarity.

2. **Taste and Value as Primary Drivers:** Purchase decisions are overwhelmingly dictated by two factors: "Taste and aroma" and "Price / value for money." Any marketing strategy must deliver on these core consumer expectations.

3. **Multi-Channel Opportunity:** A successful brand must be present where consumers shop and socialize. The data strongly supports a dual focus on major retail supermarkets for at-home consumption and cafés for experiential trial and brand building.

4. **Trial is Key to Adoption:** The largest barrier to entry is the current lack of familiarity. Overcoming this requires a proactive marketing strategy centered on sampling, generating positive reviews, and ensuring high visibility in-store and in cafés.

Actionable Recommendations

1. **Enhance Marketing of Unique Coffee Beans**
   Highlight the distinctive qualities of the coffee beans through targeted marketing campaigns, brand promotion initiatives, and informative articles that raise awareness and strengthen brand positioning.

2. **Develop an Importer Guideline for Bahrain**
   Create a clear and comprehensive guideline for importers in Bahrain to streamline processes, support compliance, and facilitate smoother trade operations.

3. **Distribute Branded Gifts to Key Stakeholders**
   Prepare small, thoughtful branded gifts to be shared with influential stakeholders, helping to build stronger relationships and increase brand visibility.

4. **Participate in Industry Events**
   Engage in major events such as the Bahrain Coffee Expo and similar trade fairs to showcase products, network with industry players, and increase market exposure.

5. **Organize Networking Meetups**
   Host meetups or gatherings that bring together suppliers, business owners, and industry professionals in Bahrain to encourage collaboration and strengthen market connections.

A.1 DETAILED BAHRAIN TRADE STANDARDS & SURVEY RESULTS

A.1.1 BAHRAIN GOVERNMENT POLICIES AND REGULATIONS INFLUENCING COFFEE IMPORTS IN BAHRAIN

The Kingdom of Bahrain implements a multi-agency regulatory system that governs the importation, distribution, and sale of food products, including coffee. The regulatory framework aligns with Gulf Cooperation Council (GCC) standards under the Common External Tariff (CET), ensuring food safety, quality assurance, and consumer protection.

- While Bahrain maintains a liberal tariff policy with 0% customs duty on core coffee products (HS 0901) such as unroasted and roasted beans, the country enforces stringent technical and health regulations. These policies aim to safeguard public health, standardize trade practices, and uphold product integrity, but they also create non-tariff barriers that importers must carefully navigate.

- **Key Government Authorities and Their Roles**
  The coffee import lifecycle is regulated by several Bahraini government bodies, each responsible for specific aspects of compliance and approval:

REGULATORY AUTHORITY	PRIMARY ROLE	KEY RESPONSIBILITY IN COFFEE IMPORTS
Ministry Of Industry, Commerce and Tourism (MOICT)	Oversees business licensing, trade facilitation, and labeling regulations	Issues Commercial Registration (CR) and ensures imported goods meet labeling and quality requirements
Ministry Of Health (MOH)	Ensures food safety and public health protection	Grants import permits and health certificates, verify food safety and labeling compliance
Bahrain Customs Affairs	Administers customs clearance and risk management	Verifies documentation, applies duty rates, and enforces inspection protocols
Bahrain Standards and Metrology Directorate (BSMD)	Develops and enforces product standards	Ensures compliance with GCC and national standards such as GSO 150/93 on labeling and shelf life
National Health Regulatory Authority (NHRA)	Regulates special or functional food products	Approves highly caffeinated or health-related coffee products, requiring GMP and laboratory certification

A.1.2 STANDARD PROCEDURE FOLLOWED BY BAHRAIN FOR IMPORTING COFFEE SECTOR

The importation of coffee into the Kingdom of Bahrain operates under a dual-clearance system, requiring approval from both Bahrain Customs Affairs (BCA) and the Ministry of Health (MOH) Food Control Department. Although coffee imports benefit from a 0% customs duty rate, importers must meet strict public health, labeling, and documentation standards before market entry is granted.

Pre-Import Regulatory Requirements

1. **Commercial Registration (CR) and Licensing**
   - Importers must obtain a valid Commercial Registration (CR) through the Sijilat portal under the Ministry of Industry, Commerce and Tourism (MOICT).
   - The CR must authorize food import activities.
   - Membership in the Bahrain Chamber of Commerce and Industry (BCCI) is often required for issuing certain trade documents such as Certificates of Origin.
   - Importers are recommended to engage a licensed customs broker to handle digital submissions and inspection coordination.

2. **HS Code Classification**
   - All coffee imports fall under HS Chapter 09 (Coffee, Tea, Maté, and Spices).
   - Major HS codes include:
     - 90- Raw Roasted/Unroasted Coffee
     - 21- Extracts or Instant Coffee
     - 22- Beverages of tea and coffee
     - 63, 85, 96 - Other items related to coffee

   Most primary coffee products in Bahrain, such as green (unroasted) and roasted coffee beans, are generally exempt from customs duty (0%). These products are also subject to VAT; however, as part of Bahrain's "basic food items" list, many coffee products may qualify for 0% VAT instead of the standard 10%. It is important to note that value-added coffee products, such as instant coffee or flavored extracts, may be subject to different duty and tax rates.[1]

3. **Mandatory Documentation Package**
   - Before shipment, importers must prepare a complete set of commercial, transport, origin, and health documents.
   - These documents are submitted electronically through the eCAS (Customs Automated Clearance System).

DOCUMENT	REQUIRED BY	PURPOSE
Customs Declaration Form	BCA	Initiates clearance process
Commercial Invoice (3 Original)	BCA	Used for valuation and verification
Packing List (2 Copies)	BCA	Lists weights, packaging details, and HS codes
Bill Of Lading / Airway Bill	BCA	Proof of shipment
Certificate Of Origin (Coo)	BCA	Confirms origin, may provide tariff benefits
Manufacturer's Certificate	MOH/BCA	Declares product free from cyclamates
Health Certificate	MOH	Certifies food safety and hygiene
Phytosanitary Certificate	MOH	Required for green (unroasted) coffee beans

[1] *Ministry of interior*. (n.d.). https://www.bahraincustoms.gov.bh/en/hscode-browse-list

4. Product and Labeling Compliance (GSO Standards)

Technical Standards

- Coffee imports must comply with Gulf Standards Organization (GSO) regulations:
  - GSO ISO 9116:2024 – Green Coffee
  - GSO 2197 – Roasted Coffee
- Producers must implement HACCP-based food safety systems.

  b. Packaging and Labeling Rules

Labels must include

- Product name
- Ingredient list
- Nutritional values (energy, fat, carbohydrates, protein, etc.)
- Country of origin
- Production and expiry dates

A.1.3 STANDARDS FOR TRADE

The regulatory environment governing the importation and marketing of coffee within the Gulf Cooperation Council (GCC) region particularly in Bahrain is defined by a harmonized system of technical, sanitary, and labeling standards under the authority of the Gulf Standards Organization (GSO) and implemented locally by the Bahrain Standards and Metrology Directorate (BSMD) and the Ministry of Health's Food Control Directorate. These standards ensure product quality, consumer protection, and fair-trade practices while functioning as a major non-tariff barrier for exporters.

1. **Gulf Standards Organization (GSO) Framework**
   - The GCC operates a unified standards system through the GSO, which issues and updates region-wide technical regulations applicable to food commodities, including coffee.
   - Bahrain routinely adopts these standards as national regulations under the authority of the Ministry of Industry and Commerce (MOIC) and BSMD.
   - Compliance with GSO standards is mandatory for market access; non-compliant goods are refused entry at customs or subjected to relabeling, re-testing, or destruction.

2. **Sanitary and Phytosanitary (SPS) Standards**
   - SPS controls focus on protecting human health and ensuring product safety.
   - Health Certification: Each shipment must be accompanied by an original health certificate issued by the competent authority in the country of origin.
   - Additive Restriction: A manufacturer's certificate confirming that coffee products do not contain prohibited substances (e.g., cyclamates) is mandatory.
   - Shelf Life & Storage: Coffee imports must comply with GCC shelf-life regulations under GSO 150-1, though Bahrain may issue national modifications through ministerial orders to address market needs.
   - Special Foods Licensing: Coffee classified as a "special food" or "nutritional supplement" requires additional NHRA licensing, GMP certification, and laboratory composition analysis.

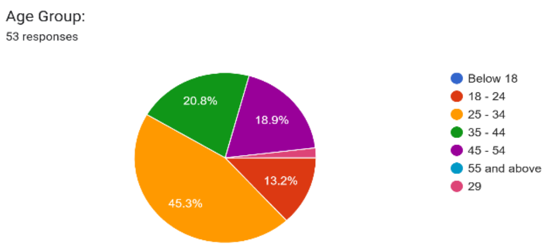
A.2 SURVEY RESULTS

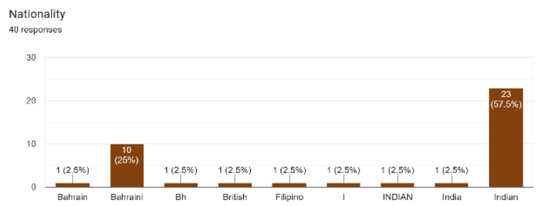
DETAILED RESULTS OF THE QUESTIONNAIRE ON INDIAN COFFEE MARKET IN BAHRAIN

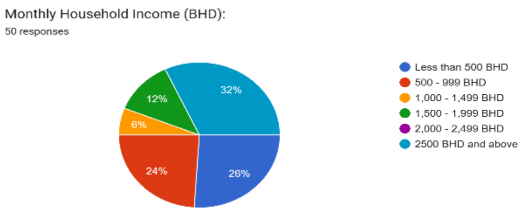
This section synthesizes survey data to build a detailed profile of the coffee consumers in Bahrain. The analysis covers key demographics, consumption habits, expenditure, and the core motivations that drive their coffee purchasing decisions, providing a foundational understanding of the local consumer landscape.

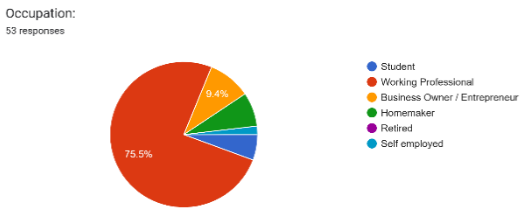
A.2.1 Demographic Overview

The surveyed coffee consumers in Bahrain are predominantly working professionals across a wide spectrum of age groups, primarily from 18 to 54 years old. This group spans diverse income ranges, from households earning less than 500 BHD per month to those exceeding 2,500 BHD. This demographic spread indicates that coffee is an integral part of daily life for a broad cross section of the Kingdom's economically active population. The prevalence of working professionals aligns directly with the identified consumption patterns, where coffee is frequently consumed at work as a key part of the daily routine and for an energy boost.



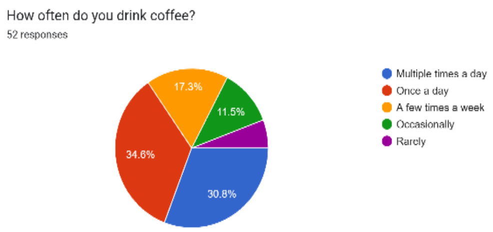






A.2.2 Consumption Patterns and Expenditure

An analysis of daily habits reveals a clear picture of how, where, and why consumers in Bahrain engage with coffee.

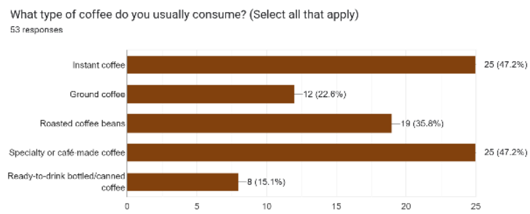


A.2.3 Frequency of Consumption:

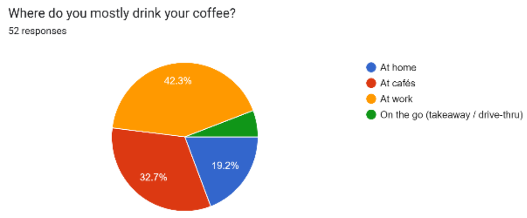
Coffee consumption is a regular ritual for most respondents. While some identify as "occasional" drinkers, most consume coffee "a few times a week," "once a day," or even "multiple times a day," underscoring its role as a consistent part of their routine.

A.2.4 Preferred Coffee Types:

Consumers enjoy a variety of coffee formats. "Instant coffee" remains a popular choice for its convenience, while "Specialty or café-made coffee" is equally prevalent, pointing to a dual appreciation for both accessibility and premium experiences. Roasted beans, ground coffee, and ready-to-drink formats are also commonly consumed.

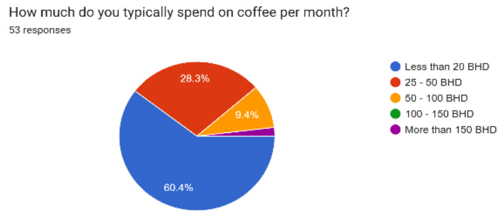


A.2.5 Primary Consumption Locations:



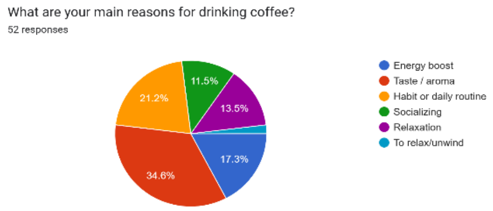
Coffee drinking occurs across multiple settings. The most frequently cited locations are "At work," "At cafés," and "At home." This demonstrates that consumers integrate coffee into their professional, social, and personal lives, requiring brands to be present across different channels.

A.2.6 Monthly Expenditure:



Spending on coffee is generally modest. Most respondents report spending "Less than 20 BHD" per month. However, distinct segments exist that are spent between "25 - 50 BHD" and "50 - 100 BHD," indicating an opportunity to cater to consumers willing to pay a premium for quality or frequency.

A.2.7 Primary Motivations:

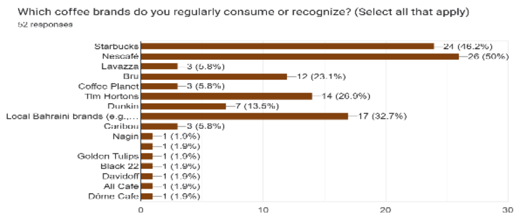


The reasons for drinking coffee are multifaceted. The most dominant motivation is the appreciation for its "Taste / aroma." Other key drivers include "Habit or daily routine," the need for an "Energy boost," and the social aspect of coffee, particularly "Socializing" at cafés.

A.2.8 Current Market Landscape and Brand Preferences

To identify opportunities for new entrants, it is essential to first analyze the existing competitive landscape. This section examines the brands that currently hold significant mindshare among Bahraini consumers and explores prevailing perceptions of coffee origins, which together define the market that new brands must navigate.

A.2.9 Dominant Brand Recognition



The Bahraini coffee market is characterized by a mix of powerful global giants and a vibrant local scene. Consumer recognition is split between these two categories.

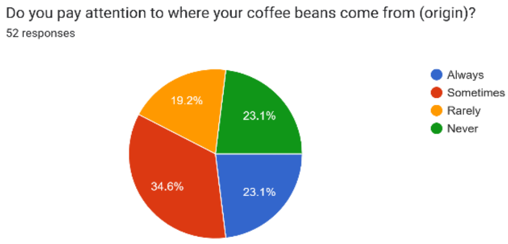
A.2.10 Leading International Brands:

Global chains and CPG brands have a formidable presence. Starbucks and Nescafé are the most frequently recognized names, followed by other major players like Tim Hortons and Dunkin. Brands such as Lavazza, Caribou, and Bru also hold recognition.

A.2.11 Prominent Local and Regional Players:

There is a strong and growing appreciation for local specialty coffee. Respondents consistently mentioned "Local Bahraini brands" such as Flat White, Dose, and Joud, indicating a loyal following for homegrown cafés that offer unique experiences and high-quality coffee.

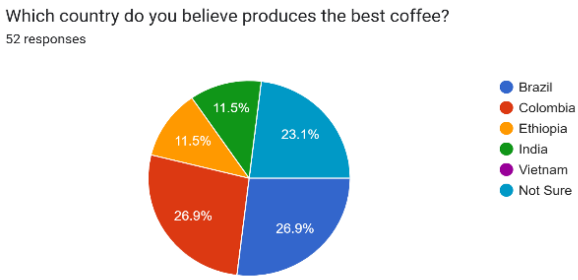
This duality shows a market that is mature enough to support large international franchises while also being dynamic enough to foster a thriving independent coffee culture.



A.2.12 Consumer Perceptions of Coffee Origin

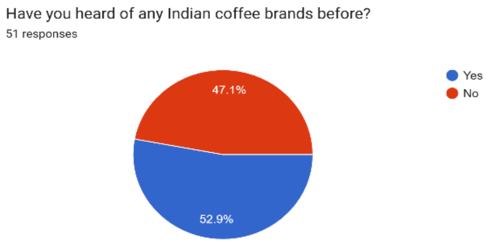
Consumer attention to the origin of coffee beans is mixed. Responses range from "Always" paying attention to "Never," suggesting that while a segment of connoisseur's values provenance, a larger portion of the market is less focused on this detail.

When asked which country produces the best coffee, consumers most frequently cited established coffee producing nations like Brazil, Colombia, and Ethiopia. Notably, India was also mentioned by several respondents as a country they believe produces the best coffee.



A.2.13 Indian Coffee: Awareness, Perceptions, and Experience

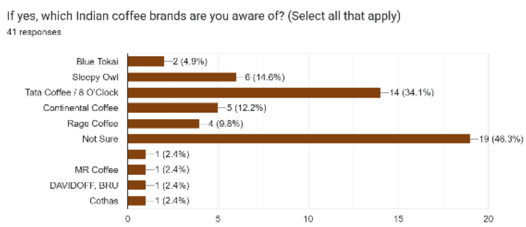
This section forms the core of the analysis, delving into the current standing of Indian coffee among Bahraini consumers. It examines awareness levels, direct experience, and prevailing perceptions, which are critical for identifying market gaps and strategic opportunities for Indian brands.

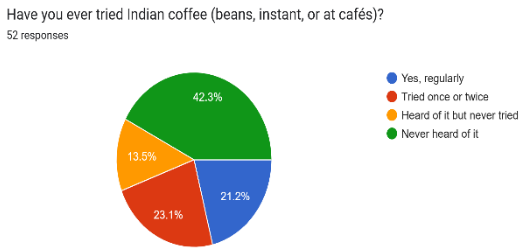


A.2.14 Brand Awareness and Consumer Trial

While awareness is not universal, a clear majority of respondents indicated they had heard of Indian coffee brands before, signaling a baseline level of market presence. Among those aware, the most cited brands included Tata Coffee, Bru, Sleepy Owl, and Rage Coffee. However, this general awareness is fragmented and does not yet translate to a strong, unified brand image for Indian coffee as a category.

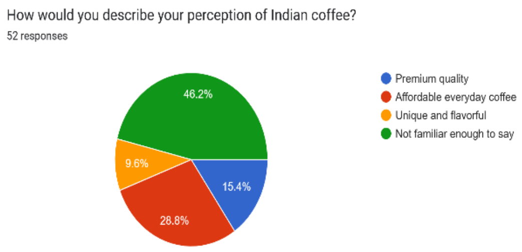
Despite this awareness, direct consumer trial remains limited. Fewer than half of the respondents who are aware of Indian coffee have tried it, with most having only "Tried once or twice." This reveals a critical conversion problem: awareness is not translating into experience. The primary challenge for new entrants is not just to be known, but to be tried.





A.2.15 Prevailing Perceptions of Indian Coffee

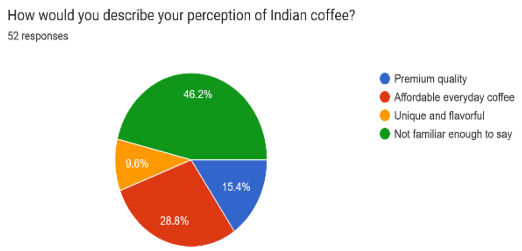
Perceptions of Indian coffee among those who have an opinion are varied, but a significant portion of consumers lack the familiarity to form one.



• Positive Perceptions:

A segment of consumers associates Indian coffee with high quality, using descriptions like "Premium quality" and "Unique and flavorful." This suggests that positive initial experiences can create a strong quality-focused reputation.

• Value-Oriented Perceptions:



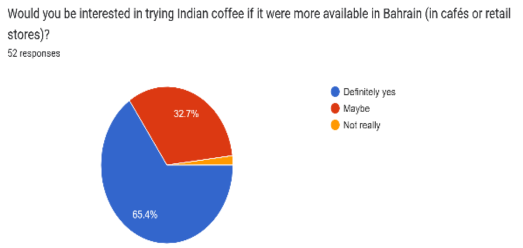
Another common perception is that Indian coffee is an "Affordable everyday coffee." This view positions Indian brands as accessible and value-driven, which aligns with the importance consumers place on price.

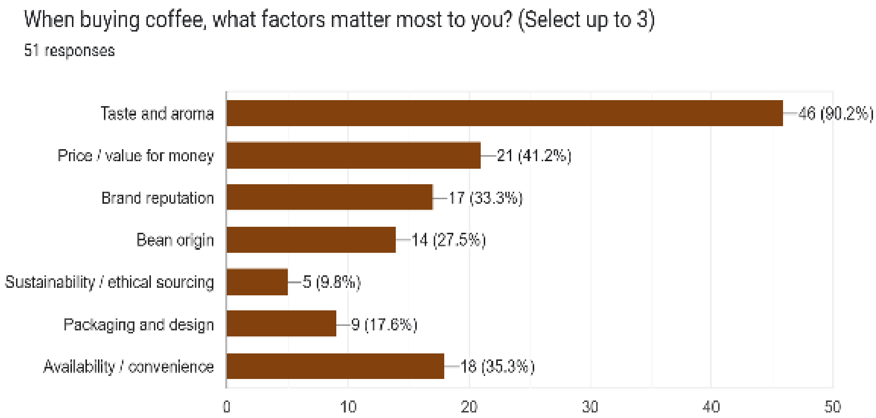
• Overwhelming Lack of Specific Knowledge:

Crucially, the single most common response by a wide margin was "Not familiar enough to say." This information vacuum is the primary challenge facing new entrants, but it also represents the greatest opportunity: the chance to define the narrative and shape consumer perception from a relatively blank slate.

A.2.16 Consumer Interest

There is a strong latent demand for Indian coffee in Bahrain. When asked, "Would you be interested in trying Indian coffee if it were more available?", an overwhelming majority of respondents answered, "Definitely yes" or "Maybe." This positive response signals a high level of curiosity and an open-minded consumer base that is receptive to trying new products, provided they are accessible.



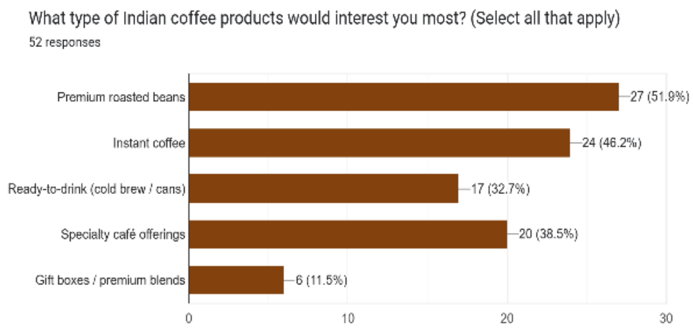


A.2.17 Preferred Product Formats and Distribution Channels

To capitalize on this interest, brands must align their offerings and placement with clear consumer preferences.

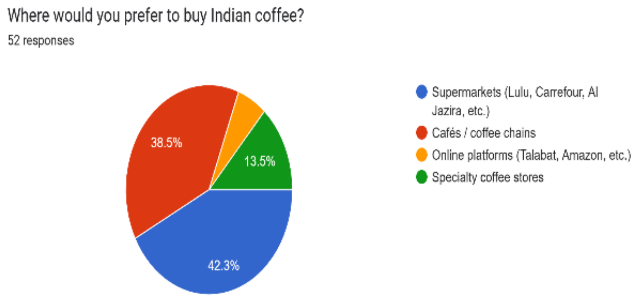
• Most Desired Product Formats:

Consumers expressed the strongest interest in Premium roasted beans and Specialty café offerings, indicating a desire for high-quality experiences. There is also significant demand for convenient formats, including Instant coffee and Ready-to-drink (cold brew / cans).



• Key Purchase Channels:

The preferred purchasing locations are overwhelmingly mainstream. Supermarkets (Lulu, Carrefour, etc.) and Cafés / coffee chains were the most frequently selected channels. This indicates a successful strategy must have a strong presence both high-volume retail and experiential food service environments. A smaller but dedicated segment also prefers Specialty coffee stores and Online platforms.



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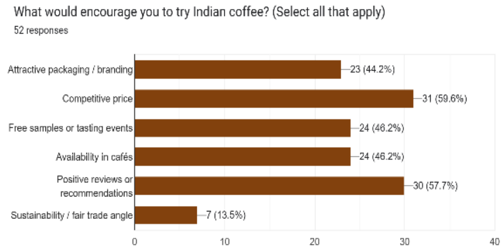
A.2.18 Key Levers for Driving Trial and Adoption

Consumers identified several key motivators that would encourage them to try a new Indian coffee brand. A successful promotional strategy should incorporate these levers:

• Price and Value:

A "Competitive price" was one of the most frequently cited factors, aligning with the broader consumer focus on value for money.



• Sampling and Reviews:

Consumers want to mitigate the risk of trying something new. "Free samples or tasting events" and "Positive reviews or recommendations" are powerful tools for building trust and encouraging initial purchase.

• Marketing and Availability:

Strong shelf presence through "Attractive packaging / branding" and simple "Availability in cafés" can effectively drive trial by capturing consumer attention at the point of decision.

• Ethical Considerations:

For a specific consumer segment, a "Sustainability / fair trade angle" can be a compelling differentiator and a reason to choose one brand over another.

A.2.19 Summary of Key Findings

1. **Receptive but Underserved Market:** Bahraini consumers are highly interested in trying Indian coffee, yet general awareness and trial rates are low. This represents a significant opportunity gap for brands that can effectively build presence and familiarity.

2. **Taste and Value as Primary Drivers:** Purchase decisions are overwhelmingly dictated by two factors: "Taste and aroma" and "Price / value for money." Any marketing strategy must deliver on these core consumer expectations.

3. **Multi-Channel Opportunity:** A successful brand must be present where consumers shop and socialize. The data strongly supports a dual focus on major retail supermarkets for at-home consumption and cafés for experiential trial and brand building.

4. **Trial is Key to Adoption:** The largest barrier to entry is the current lack of familiarity. Overcoming this requires a proactive marketing strategy centered on sampling, generating positive reviews, and ensuring high visibility in-store and in cafés.

What improvements would you like to see in Bahrain's coffee market?
20 responses

- Economical
- Better understanding
- Offering different type of coffees, from different origin
- More Competive pricing and variety
- Coffee with health benfits
- More variety and better delivery app coverage
- Amount reduce will like bahrain brand

- Interested to open chains of coffee shops
- New ideas with more creativity
- Well I don't find any improvement that has to be done in the Bahrain's coffee market but as you have been talking about the 'Indian coffee' it would be a great idea to add this brand in Bahrain's coffee market!
- More coffee shops of the types like cafe coffee day
- Exploring different ways to elevate coffee beyond a regular beverage nd also experimenting with creative blends and drink versions.

What improvements would you like to see in Bahrain's coffee market?
20 responses

- Good decor
- Taste according to indian pallete
- I'd like to see more local coffee brands, better quality, and new ideas in Bahrain's coffee market.
- More coffee types
- i would suggest to bring more Indian coffee brands to Bahrain.
- Bahrain's coffee market could improve by focusing on quality, education, sustainability, and local identity — turning it from a growing market into a truly distinctive coffee culture.
- Better Competetive Prices.

The responses received from wholesalers were insufficient in number to allow for meaningful analysis, therefore, this component has not been included in the report.

ANNEXURE B - MAJOR IMPORTERS LIST IN BAHRAIN & STRATEGIES FOR INDIAN EXPORTERS

B.1 MAJOR IMPORTERS LIST IN BAHRAIN

S. NO.	ENTITY NAME	PHONE NO.	EMAIL ID	WEBSITE/ SOCIAL MEDIA	ADDRESS	CONTACT PERSON	REMARKS
1	80+ Specialty Coffee Roastery	+973 38058080	b2b@80pluscoffeebh.com; mohd@80pluscoffeebh.com	https://80pluscoffeebh.com	Shop 95T, Road 1101, Block 711, Tubli, Bahrain	Mohammed (Operating Manager)	**Interested**. Follow up via email
2	Altura Enterprises W.L.L	+973 38243027 +973 17715021+973 32381651	-	https://alturaenterprise.com	Building 90A, Road 18, Block 318, Al Hoora, Bahrain	Ms. Camille (Procurement Incharge - International Department);	**Interested**. Ms. Camille agreed - contact only via direct call or WhatsApp message. Ms. Camille: +973 32381651
3	BILNA GENERAL TRADING IMPORT EXPORT WLL	+973 33722305 +973 66666224	buyusra@gmail.com ; bilnaeximbahrain@gmail.com		122 Block 321 Street 358 Manama, Al Asimah Bahrain	Sebastian Muttappalliyil Devassia and Abbas Ali Husain Kadhem	**Interested**
4	Lilicha Cafe	+973 7799 9060	lilichacafe@gmail.com	https://lilichacafe.com/	Lilicha Cafe, 1315, Riffa, Bahrain		**Text on whatsapp**
5	Etc Cafe	+973 1734 0028		https://www.instagram.com/etcetera.bh	etc Cafe, Government Ave, Manama, Bahrain		Interested and stated that if the product is good, they will start using our product
6	Brewed Café	+973 3367 5662	devika@lumosdigital.biz	https://www.instagram.com/brewed.cafe/?hl=en	1605, 16th floor, Lumos Digital, YBA Kanoo tower - Diplomatic Area, Bahrain	Devika: Business Development	Interested: reachout on email

B.2 STRATEGY FOR INDIAN EXPORTERS TO INCREASE THE EXPORT OF COFFEE TO BAHRAIN

Bahrain offers a high value, fast-growing market for Indian coffee exporters due to rising specialty coffee consumption. While Bahrain maintains a 0% customs duty on raw coffee beans, the key barriers to market access stem from regulatory, procedural, and compliance-based factors.

B.3 Strengthening Trade and Market Access

- **Leverage Bilateral Trade Agreements**
  Actively engage in GCC-India trade discussions and future bilateral agreements to reduce or eliminate existing tariffs on coffee and value-added products. Building on successful models such as the India–UK FTA, exporters should advocate for duty-free access for Indian coffee to Bahrain and other GCC states.

- **Utilize Preferential Tariffs under FTAs**
  Maximize the benefits of ongoing and future Free Trade Agreements (FTAs) to ensure simplified customs procedures and mutual recognition of standards, which will enhance ease of entry into Bahrain's market.

- **Promote Value Added Coffee Exports**
  Focus on exporting instant coffee, roasted, and packaged retail coffee rather than raw beans. Value-added products attract higher margins, face lower tariff sensitivity, and cater to Bahrain's growing demand for premium coffee.

1. **Ensure Compliance with Technical and Quality Standards**
   - **Adopt Global Quality Systems**
     Implement Good Agricultural Practices (GAP) and Hazard Analysis Critical Control Point (HACCP) systems to meet Bahrain's Gulf Standards Organization (GSO) requirements for food safety and labeling.

   - [2]**Enhance Post-Harvest Quality Control:**
     Maintain moisture content below 12.5% through improved drying and storage infrastructure. Invest in cement drying yards, pulping units, and ventilated warehouses to preserve coffee quality during transport.

   - **Meeting Sanitary and Phytosanitary (SPS) Requirements:**
     Ensure full documentation for health and quality certificates. Adopt preventive controls for contaminants such as Ochratoxin A (OTA) and pesticide residues to comply with Bahrain's import regulations.

2. **Leverage Technology and Digital Traceability**
   - **Implement Blockchain-Based Traceability**
     Utilize the Coffee Board of India's blockchain system (e.g., Origin) and the India Coffee App to provide transparent, tamper-proof traceability from farm to export. These builds trust with Bahraini buyers and support premium market positioning through verified authenticity.

   - **Digitalized Documentation and Trade Processes**
     Use India's Single Window Interface for Facilitating Trade (SWIFT) and Common Digital Platform for Certificate of Origin to speed up customs clearance, reduce paperwork, and minimize delays at ports.

[2] (n.d.). International Coffee Organization |. https://www.ico.org/documents/iccres420e.pdf

3. **Improve Logistics and Supply Chain Efficiency**
   - **Use National Logistics Policy (NLP) and PM GatiShakti Initiatives**
     These programs enhance port connectivity, reduce clearance time, and lower logistics costs directly improving the competitiveness of Indian coffee in Bahrain.

   - **Invest in Export Infrastructure**
     Advocate for specialized temperature-controlled cargo facilities and testing laboratories near major coffee ports (e.g., Cochin, Mangalore) to maintain product integrity and meet Bahrain's import standards.

4. **Promote Geographical Indications (GIs):**
   - Highlight and market India's GI-certified coffees such as Coorg Arabica, Araku Valley Arabica, and Baba Budangiri coffee, Arabica, emphasizing their unique origin, flavor, and shade-grown characteristics to appeal to Bahrain's specialty coffee market.

   - **Market "India Brand" Coffee**
     Export under the government supported "India Brand" initiative, focusing on retail ready, value-added coffee. Utilize government incentives (e.g., ₹3/kg for branded exports) to enhance competitiveness.

   - **Participating in Regional Trade Events**
     Engage in Bahrain based food and beverage expos, trade fairs, and barista competitions to increase brand visibility and establish long-term partnerships with Bahraini importers, distributors, and café chains.

5. **Promote Sustainability and Ethical Sourcing**
   - **Highlight Shade Grown and Eco-Friendly Cultivation**
     Market India's coffee as environmentally sustainable, grown under natural forest canopies a unique feature appealing to Bahrain's growing eco-conscious consumer base.

   - **Align with Global Sustainability Standards:**
     Adopt Fair-Trade, Organic, and Carbon neutral certifications, supported by traceability systems, to meet Bahrain's increasing preference for ethically sourced products.

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