



RESEARCH PAPER

Direction of trade of Indian arabica coffee

P. Sai Kumar* and N.T. Krishna Kishore

Institute of Agribusiness Management, S.V. Agricultural College, Acharya N.G. Ranga Agricultural University,
Tirupati (A.P.) India (Email: pallisaikumar499@gmail.com)

Abstract : Coffee (*Coffea*) is one of the most valuable commercial crops and the second most traded agricultural commodity on a global scale. Around 100.55 lakh MT of coffee will be consumed worldwide in 2019–20. South America, Asia, Africa, and Central America were identified as major coffee-growing regions, comprising of countries Brazil, Vietnam, Colombia, Indonesia, Honduras, Ethiopia, India, Uganda, Peru, and Mexico. While Brazil and Vietnam contribute 50 per cent of the world's coffee, India stands at 7th position in terms of production and exporting 2,61,374 GBE (Green Bean Equivalent - Quantity In MT) of coffee to the world, worth of Rs. 4131.82 crores during 2019-20 and contributes 2.5 per cent to the nation's primary sector export earnings. Markov Chain analysis helps to understand the export pattern of Indian arabica coffee. Italy, Belgium, Germany, U.S.A, Switzerland, United Kingdom, France, Australia, Russian Federation and some other countries are the major importers of Indian arabica coffee. The only consistent importer of Indian arabica coffee was Italy. Despite having many major importers, India was unable to maintain a consistent share of the global market. Because of increased competition, arabica coffee's export share has been declining. One of the major reasons for this decline was tough competition from Brazil, Vietnam, Colombia, Indonesia, Honduras, and Ethiopia. This shows that there is a need to frame policies in favor of increased coffee marketing to gain the competitive advantage in the global coffee market.

Key Words : Arabica coffee, Exports, Global coffee market, Destinations

View Point Article : Sai Kumar, P. and Krishna Kishore, N.T. (2023). Direction of trade of Indian arabica coffee. *Internat. J. agric. Sci.*, 19 (1) : 122-125, DOI:10.15740/HAS/IJAS/19.1/122-125. Copyright@2023: Hind Agri-Horticultural Society.

Article History : Received : 03.07.2022; Revised : 24.10.2022; Accepted : 25.11.2022