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Helping Africa's coffee, wine producers access Chinese consumers

A recent Africa-China export matchmaking session saw African coffee producers from Ethiopia, Kenya and Tanzania, and South African wineries exhibit their brands to over 50 pre-selected Chinese importers gathered at the Hunan International Conference and Exhibition Centre in Changsha, China.



Source: Pexels

The matchmaking event was organised by the Hunan Department of Commerce in conjunction with Standard Bank and the Industrial and Commercial Bank of China (ICBC), and was the second event of its kind held this year.

According to Philip Myburgh, head of trade at Standard Bank's Business and Commercial Client's division, these hybrid virtual-physical export promotion events "represent a signature capability in Standard Bank's broader Africa-China Trade Solution, linking African producers directly to the heart of China's booming domestic consumer market."

Since the July Africa-China coffee and wine matchmaking session formed part of the Hunan Cross-border E-commerce Trade Fair, "our African exporters were also exposed to other Chinese exhibitors seeking to augment and scale their ecommerce and digital trade platforms with a broader global consumer retail offering," added Myburgh.



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Booming coffee and wine consumption

As China's consumer behaviour shifts, coffee and wine consumption is booming, sustained by an increasingly discerning domestic market seeking quality and value from the world's best brands.

"Connecting coffee and wine producers from Africa directly with Chinese importers not only improves margins for Africa's exporters, but also allows them to develop independent and globally recognised brands.

"Most importantly, however, the blended virtual-physical nature of these matchmaking events allows African producers and exporters to deal directly with accredited Chinese importers from the convenience of their own offices, farms or homes without having to travel to China, arrange visas, find accommodation or run the risk of not finding quality off-takers," said Myburgh.

At the same time, the Chinese importers gathered at the Hunan International Conference and Exhibition Centre can view, touch and taste each African exporters' produce – presented to them live and in Chinese, by qualified coffee and wine experts.

Producers and importers are then assisted through 20-minute, translator-supported exchanges agreeing terms of trade and establishing the detail of transactions. During the July matchmaking sessions, African exporters potentially concluded export deals with up to 50 Chinese importers, "without any cost and without having to leave their premises in Africa," added Myburgh.



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Direct supply proposition

The direct relationships between African producers and Chinese importers, which Standard Bank and ICBC's hybrid virtual-physical matchmaking sessions enable, provides Chinese importers with access to a readily available supply of quality, signature African coffee brands and globally acclaimed South African wines.

"This direct supply proposition is positioning the Chinese coffee and wine industries to confidently meet the country's growing domestic demand for these increasingly aspirational products," said Myburgh.

The next event being hosted by Standard Bank and ICBC's Africa-China Trade Solution takes place in November 2022, when Standard Bank takes African agri-producers and their products to the 5th China International Import Expo (CIIE).

Held at China's National Exhibition and Convention Center in Shanghai, China, the CIIE is China's premier expression of its commitment to global trade, including its aim to achieve \$300bn in African imports over the next three years. In addition, President Xi Jinping recently pledged a further \$10bn in trade finance support for African exports.