



REVITALISATION PROGRAMME TOWARDS LIVING WAGE

Malawi Tea 2020

Revitalisation programme towards living wage

Progress Report 2015-2016

Prepared by: Steering Committee
Date: October 2016





The signing of the Malawi Tea 2020 MoU in June 2015 and the launch of the tea industry revitalisation Roadmap in September 2015 signaled the beginning of a new and ambitious programme aimed at delivering a thriving and sustainable tea industry where workers earn a living wage and smallholder farmers a living income.

Executive Summary

The multi-stakeholder nature of the programme demonstrates the commitment of all supply chain actors (producers, tea buying and packing companies, traders and retailers), civil society, government and unions to work together to ensure a profitable future for Malawian tea growers and improved livelihoods for workers and their families. This type of collaboration is a first for the tea industry anywhere in the world.

In the last year, under the overall guidance of the Steering Committee, stakeholders have worked to deliver the activities and KPIs outlined in the Roadmap. Significant progress has been made in areas such as improved worker nutrition, a very first Collective Bargaining Agreement between TAML and the Plantations Union, and we have seen an increase in Farmer Field Schools.

The provision of competitive finance for estate companies is at an advanced stage and several producers have taken advantage of grant funding for projects aligned to the overall Roadmap. Studies into sustainable procurement practices, industry risk management and improved HR policies have been undertaken and capacity building of union representatives, estate management and small farmers has been continuous during the year.



Despite the good progress with many activities, the Steering Committee recognises that momentum has to increase in other areas. An updated living wage benchmark has to be agreed by all stakeholders, the living income study needs to be completed, and strengthened TAML HR policies, particularly for women workers and housing, need urgent implementation.

The experience in the last year has also provided useful lessons on how stakeholders can work together and the Steering Committee is looking at ways to further improve collaboration and programme governance. It is also important that more engagement is achieved with all partners that have signed the MoU. This will enable more active participation of the whole value chain.

The first Annual Progress Meeting in October 2016 in Blantyre will give an opportunity for all MoU signatories and stakeholders to critically review the progress to date and agree any changes to the Roadmap in terms of overall strategy, speed and priorities for 2016/17. The Steering Committee looks forward to your full participation.

Finally, let me take this opportunity to thank the members of the Steering Committee for their commitment, hard work and patience and commend all partners who have contributed to the significant achievements made so far.



Signed by Richard Fairburn,

Chairman Steering Committee Malawi Tea 2020,
October 2016



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Chapter 1. Introduction

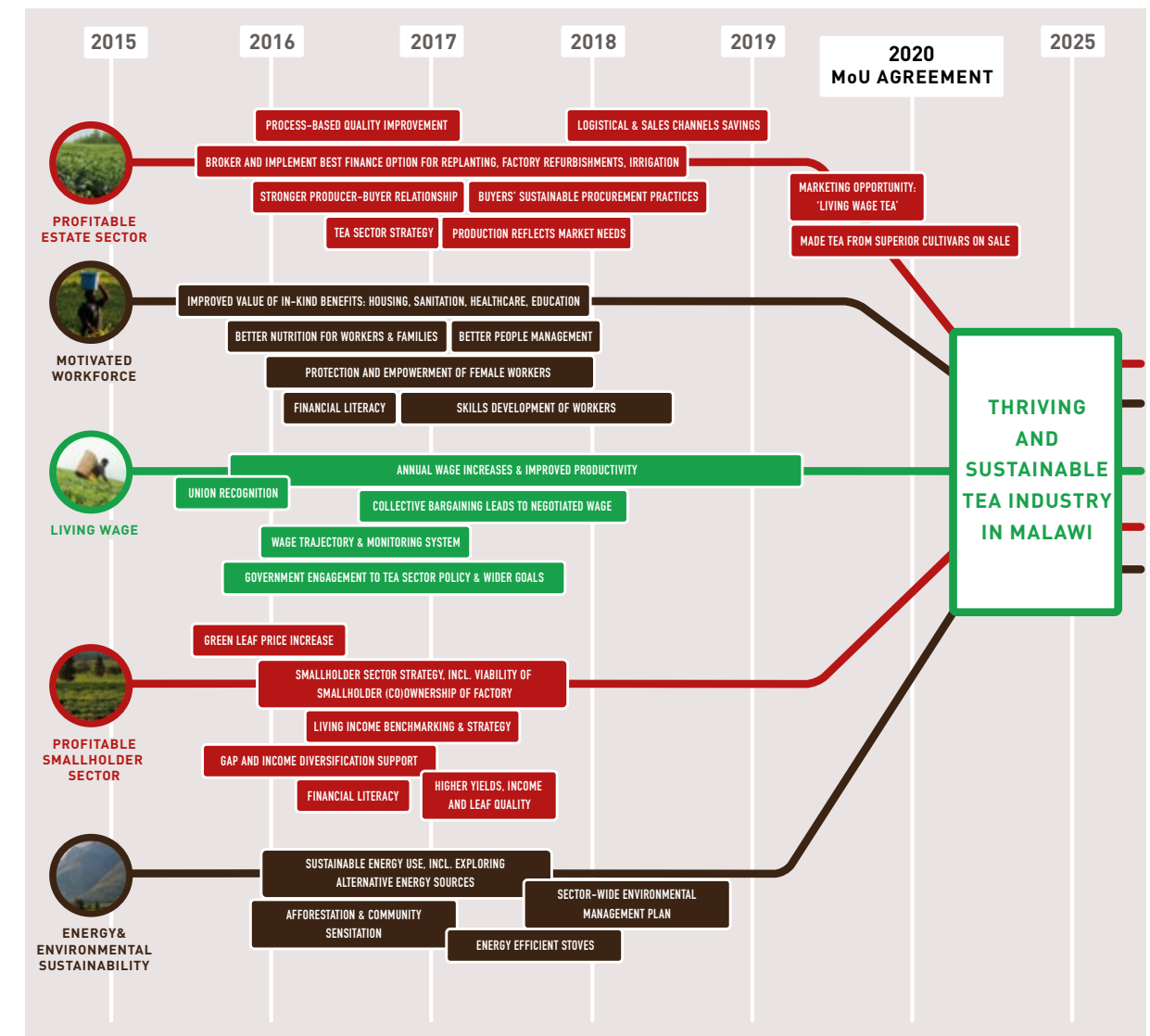
The Malawi 2020 Tea programme aims to improve the competitiveness of the Malawian Tea sector where workers earn a living wage and smallholders are thriving.

The programme is supported by companies all along the tea value chain. Tea producers are part of the programme through the Tea Association of Malawi (TAML). The main buyers of Malawi tea are involved; tea traders, packers as well as retailers. Also involved are the main certification schemes, civil society actors and trade unions in the sector. The partnership is endorsed by the government of Malawi.

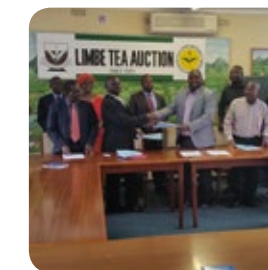
Key stakeholders met in September 2015 to create a plan for the delivery of a revitalised tea industry. They explored key strategies and formulated key components for an action plan which culminated in the development of the Roadmap (visual 1) that provides further guidance on how to achieve the agreed targets.

The expected outcomes are i) profitable estate-sector, ii) motivated workforce with better opportunities for women empowerment, iii) workers earning a living wage, iv) profitable smallholder sector, and v) an energy efficient and environmentally sustainable industry.

This Progress report assesses the implementation of the planned activities to provide an overview of activities undertaken under each pillar of the Roadmap during the last year and the immediate plans for the future. At the Annual Progress meeting in October 2016 plans will be scrutinised on their merit to ensure that the most effective strategies are adopted.



visual 1: Roadmap Malawi Tea 2020



Chapter 2. Key Performance Indicators



Roadmap pillar	Activities		KPIs	Status September 2016
Pillar 1 Profitable estate sector	Scoping of revitalisation programme requirements, including finance options and outreach to financiers and donors		Size of the credit enhancement (de-risking) fund (€)	€1 million
			Investments unlocked in Malawian tea industry (€)	In progress
	Improving sustainable procurement practices and buyer-producer relationship		# Sustainable procurement practices agreed and implemented by all buyers	In progress
			# Of producers report improved business practices with buyers	In progress
Pillar 2 A motivated workforce with better opportunities for women empowerment	Implementation of nutrition programme		# of workers that received fortified meals	18.800
			# of people who have received training on sexual harassment and equal opportunities	In pipeline
	Implementation of TAML policy on sexual harassment and discrimination		# of supervisors and managers who have received the training	In pipeline
Pillar 3 Living wage for workers	Capacity building of PAWUM and TAML to improve the wage setting process, leading to CBA		The gap between real wage and living wage is closing	Current cash wage: \$1.65 Living wage target including value of in kind benefits: \$3.20
			Signing of a CBA between TAML and PAWUM	CBA was signed in July 2016
	Development of a living wage monitoring process and wage trajectory		Establishment of wages committee	Wages committee established
			Methodology for living wage monitoring developed	In progress
Pillar 4 Profitable smallholder sector	Capitalise on new TAML smallholder green leaf pricing model to improve quality; undertake smallholder mapping exercise and create smallholder database; establish smallholder strategy		# of smallholders graduating from farmer field schools	2,115
			# of farmer-managed tea nurseries newly established and # of seedlings produced	13 nurseries, with 156,000 plants
			# of smallholders participating in Village Savings and Loans groups	2,075
			# of lead farmers involved in delivering training	58
	Living income study		Living income benchmark established	In progress
			Farmers' current and living incomes have been established	In progress
Pillar 5 Energy & environmental sustainability	Capacity building of estates on environmental management practices		Learning visit to Kenyan factories	Learning visit took place
			Dialogue platform established for estates and other stakeholders to discuss programme activities	TAML Subcommittee on Environment established



Chapter 3. Pillar 1: A profitable estate-sector

The overall aim of pillar 1 is to develop strategies that enable estates to invest in their production systems to give them access to more lucrative markets and higher yields. Under this pillar, trading relationships are also analysed to assess how buyers respond to the commitment made by the producers.

Innovative Finance

The innovative finance work stream focuses on developing strategies to provide the tea industry in Malawi with more affordable financing to fund their investment plans for quality and yield improvements which would enable the industry to become more profitable and afford higher wages. IDH has established a fund to reduce risk thus making it possible for financing institutions to offer more affordable credit lines. The de-risking fund currently stands at 1 million euro, and discussions with a number of financial institutions are underway. Several producers have shown appetite for this opportunity while others have indicated that they will finance revitalisation activities themselves. IDH and the financial institutions are now following up with the interested producers, looking in detail at their business plans and the opportunities to link these with the goals of the Malawi Tea 2020 programme.

Another key strategy is to work directly with individual estates to set up longer term contracts with identified key buyers. Such contracts with guaranteed volumes can then be used to guarantee loans.

Grant Financing

In order to accelerate the implementation of some of the Roadmap activities, IDH is also engaging directly with estates in a co-financing arrangement with IDH providing 40% of required resources. Projects identified are in line with the Malawi Tea 2020 pillars. To date IDH has directly partnered with five estates in Malawi, to accelerate progress in projects that are in line with the provisions in the MoU.



These activities include:

- Irrigations feasibility studies
- Access to portable water for communities
- Promotion of smallholder tea brands
- Staff training on human resource systems and energy management
- smallholder productivity
- Nutrition enhancement and awareness for families, as an expansion to the estate nutrition activity
- Creating business opportunities for spouses to grow vegetables
- Seedling provision for reforestation, tea replanting and greenfield development

Supply chain procurement practices

The overall impact of the Malawi Tea 2020 programme will only be meaningful and sustainable if market returns are worth the investments made. In order to assess how the market is responding to the commitments made under the MoU, Oxfam engaged with all buyer signatories on sustainable procurement practices. This work is based on a paper presented to the Steering Committee and all buyers outlining examples of best practices from Oxfam's work worldwide. This was aimed to assess if new strategies had been adopted in the trading of Malawi tea that considered the commitments made by the producers. The work directly engaged buyers on how their procurement practices have changed since the signing of the MoU. Though the results demonstrated that a number of buyers had adopted longer term contracts, others had engaged with producers in determining quality requirements, the majority had not yet made any measurable changes. Some of the key findings include the following:

- Out of the seven sustainable procurement practices, only two are being applied by almost all of the companies to various depth, such as a) information sharing and b) an annual / 18 months off-take buyer forecasting.
- Various other practices (joint new product development; technology exchange; cost-based purchasing) are common for about half of the companies.



- Some practices (such as risk fund, diversification, and smallholder producer ownership) are for the majority of signatories seen as interesting/ worth-to-do but don't fall into the responsibility of the tea buying/marketing business or are impractical to implement.
- Most companies are already maintaining direct relationship with producers, even in case of no direct purchases / trade.
- Common practice for most companies is either via their in-country offices or annual visits.
- Part of a long-term relationship approach for some companies with selected producers go further by involving both commercial and CSR teams. However, all companies limit this exclusively to tea business related information sharing, not beyond.

There is need for continuous assessment to ensure that the commitments made by MoU signatories are adhered to. Oxfam is now engaging with all buyers on a specific proposal to introduce more sustainable procurement practices to be adopted and implemented, especially around the topics of longer buyer forecasting, how to investigate a sustainable cost of production that includes a living wage and a producer scorecard system. Progress will be reviewed periodically and will be part of the overall Monitoring & Evaluation framework.



Pillar 2 aims to create a healthier, motivated, and productive workforce with greater opportunities for women: improving the quality of estate housing in line with the provisions of voluntary standards, and workers receiving more nutritious meals. Also, HR management will be improved and better opportunities for women are created.

Nutrition

The midday meal that estates provide for employees was recognised as a key opportunity to improve the health of workers. Through the fortification of these meals with vital minerals and vitamins, nutritional quality is significantly enhanced and the general health of the workers should improve. Such a project has also been used as a trigger for awareness on nutrition in general.

In partnership with GAIN, TAML members are now providing meals with fortified flour. In order to fortify the maize, estates are adding "dossifiers" to their mills, which enables premixes of micronutrients to be added to the maize meal. Whilst the majority of the members have upgraded their systems with dossifiers, others are purchasing already fortified maize meal. To date a total of 18,800 workers are receiving fortified meals, with an additional six dossifiers also purchased which will cater for another 12,000 workers. It is expected that by the end of October 2016 all estates will provide fortified meals.

The fortification of the midday meal, compliant with the Malawian fortification standard, contributes significantly to the daily intake of vitamins and minerals, in particular iron, zinc, vitamin A and folate. Micronutrient deficiencies are a very significant nutrition issue in Malawi. Insufficient dietary intake of micronutrients is one of the causes of micronutrient deficiencies, reducing resistance to malaria, diarrhoea, worm infections etc.



**Chapter 4.
Pillar 2:
Motivated work-
force with beter
opportunities
for women
empowerment**

In order to provide a more balanced diet and to motivate workers with some variety, an extra portion of green-leaf vegetables is provided by the estates on Mondays. The estates are sourcing the vegetables from their own gardens and/or local markets within the areas of operation. Other estates are creating business opportunities for women to engage in growing vegetables on the estate. The vegetable project is now available to all workers.

Opportunities for women

TAML is being supported by World University Service of Canada (WUSC), an NGO implementing programmes to support capacity building of institutions through placement of volunteers to review and improve gender policies across the industry by providing better guidance. This work is based on the baseline study undertaken by TESCO and WUSC to identify areas that need improvement. Currently WUSC has consulted key stakeholders to develop frameworks for developing a curriculum and areas that need to be considered in implementation.

The role of managers, male supervisors and systems that support implementation of gender policies and effectiveness of any reporting systems are some of the key points considered in the curriculum development. The next steps will build on this foundation and finalise the TAML gender policy and training programme.

This programme is part of a comprehensive HR policy improvement that TAML has embarked on to ensure that strategies to improve staff welfare are backed up with sound policies. The TAML Industrial Relations Committee (IRC) is now in the process of adopting recommendations provided by WUSC, including input from other stakeholders that will strengthen the HR policies. The stakeholders are mainly drawn from the membership of the steering committee and other relevant experts as well as Malawi government representation through the Ministry of Labour.

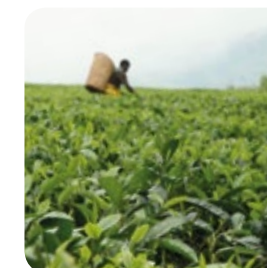


Skills development for workers

Skills shortages are a threat to the future competitiveness of the Malawian tea industry. Not only are certain skills hard to come by, this issue is only set to become more pressing in the event of increased mechanisation and automation which will require a workforce with a new set of technical skills. In addition, other pressures such as climate change, fuel wood shortages, and increased costs of production are forcing producers to find efficiency savings in many different ways, which again, will require new skills and expertise. Skills will therefore need to grow not only at worker but also at management level. In order to know the extent of the skills shortages in the Malawian tea estate sector, a consultant was contracted in July by the Ethical Tea Partnership to undertake a study. This study is expected to address the following key questions:

- What are the skills shortages / knowledge areas in the Malawian tea industry and why do these gaps exist?
- Which learning and skills development projects should be created and/or strengthened, and how can sufficient uptake by both men and women be ensured?
- How can the learning and skills development projects be funded, in the short and longer term?

The results of the study will form the basis for a future skills development project; which will be discussed with the key stakeholders beforehand.



Chapter 5. Pillar 3: Living wage

At the core of this revitalisation programme for the Malawi tea industry is the expectation that the tea industry will deliver a living wage for workers. The third pillar aims for an improved wage-setting process with greater worker representation, and to change the wage-setting process, so worker and employers' organisations will engage in a meaningful process of collective bargaining.

Union recognition

The TAML has previously been responsible for annually setting wages in consultation with the government of Malawi. Under the Malawi Tea 2020 programme there is recognition that a negotiated wage encourages worker voices to be considered and also provides an opportunity for workers to be recognised as one of the core stakeholders within the industry. It was noted earlier that union capacity to negotiate wages was however compromised due to the fact that unions in Malawi were forbidden until 1994 and as such there was limited capacity to effectively engage with employers.

The Malawi Tea 2020 programme has been focussing on building the capacity of union representatives to enable them to engage effectively with employers. Fairtrade through the International Union of Food workers (IUF) provided the training to support the unions, and Oxfam provided backstopping support and coordination. A key result from this work stream has been the development, negotiation and signing of a Recognition Agreement between TAML and the Plantations Union in May 2016.

It was also recognised that managers in the Malawian tea industry were not properly equipped to understand the implications of a Recognition Agreement and how to engage with the unions. To overcome this, training was provided by an independent labour consultant with support from IDH. A total of 243 managers are now trained from all estates.

Following the signing of the Recognition Agreement, the union representatives together with TAML representatives, undertook a joint exercise to verify the number of union members and to verify that they had fulfilled the 15% threshold required for recognition and negotiation. The results revealed that the union achieved a 15.1% membership at industry level and therefore TAML was obliged to negotiate. After a process of negotiating wages and other conditions, the trade union (PAWU) and TAML signed the first ever tea industry Collective Bargaining Agreement (CBA) on the 23rd of July 2016.

In the CBA agreement, the cash wages for the A1-A3 grades were adjusted by 24% and for B1-B5 grades by 18%. The lowest paid employees will now be getting a daily minimum wage of MK1178 (US\$1.65 at the prevailing exchange rate on 1st August 2016). Comparatively, the government prescribed daily minimum wage is still only MK688 (US\$0.96).

The new CBA became effective from the 1st of August 2016 and will run for two years, however the parties have agreed to meet in July 2017 to assess if the economic situation will warrant further wage adjustments. There is also a provision for further review of the wages under extraordinary economic circumstances. TAML also underwent a process of training 193 managers on the provisions of the CBA to ensure uniform and consistent application of the CBA provisions.

The union capacity building is on-going to ensure that worker issues are presented to management and addressed effectively.

The Recognition and Collective Bargaining Agreements are important first milestones. To achieve even more impact overall trade union- employer relationships will be further strengthened via a continuous social dialogue between the parties.

Living wage assessment

To deliver on the expectation that the tea industry will deliver a living wage for workers through the programme's activities, a methodology was introduced to assess the real impact that a wage can have on the sustainability of livelihoods of workers. This process of assessing the living wage is led by Richard and Martha Anker, who are well recognised as authorities in the determination of a "living wage". Their engagement and input is managed through the wages committee which is a technical committee providing an independent opinion on what a living wage for the tea industry in Malawi ought to be.

The wages committee is now working to recalculate a living wage for Malawian tea workers, building on the calculations done prior to the signing of the MoU and including a valuation of in kind benefits. They will also provide an assessment on how the wages paid by TAML compares with the living wage calculation. The most recent calculation shows that the current cash wage which is pegged at 1.65 USD will need to increase significantly, even when the value of in kind benefits is added, in order to reach the living wage target of 3.20 USD.



Chapter 6. Pillar 4: Profitable smallholder sector



The activities under pillar 4 aim for a thriving smallholder sector where farmers earn a living income. Activities include building the knowledge of smallholders through Farmer Fields Schools which cover topics such as tea growing, business management, income diversification, food security, health and well-being, and climate change adaptation and mitigation.

Smallholder sector improvements

Some 11% of all Malawi Made Tea is produced from green leaf sourced from smallholders. Although green leaf prices paid by Malawian factories are amongst the best in the region, smallholders' income is still sub-optimal mainly due to productivity challenges. ETP, with support from IDH and a large international tea buyer introduced the Farmer Field School concept to build farmers' knowledge and skills. The model engages farmers over a 1-year period through demonstrations, classes and learning exercises aimed at optimal tea management and improved quality of life more broadly. Over the past year, ETP has coordinated 66 Farmer Field Schools (FFS), led by a total of 38 outgrower managers and graduate farmers, and with a total number of 2,115 farmers taking part.

In parallel to this work stream a Village Savings and Loan initiative (VSL) was set up to encourage saving and entrepreneurship among farmers. A total of 83 groups are already active, benefiting more than 2,000 farmers.

Living income benchmarks

The entry of GIZ (the German Corporation for International Cooperation) into the MoU partnership has seen the advent of the living income benchmark calculation. The purpose of this exercise is to ensure that the MoU partnership understands key parameters that would enable a smallholder farmer be also economically sustainable. It reflects the requirement of a decent life of a tea smallholder household and will include parameters such as size of land holding, input costs and expected output in order to make tea a viable business for smallholders – currently work is underway to undertake this research. These calculations will also enable farmers to understand their costs of production which should in turn inform the tea industry for future green leaf price setting discussions.

The fifth pillar includes activities to achieve more sustainable energy use and an improved environment in tea growing areas.

Energy efficiency in field and factory activities

TAML undertook a learning visit in March 2016 to experience some of the advances made in efficient use of energy in the Kenyan tea Industry. The visit highlighted a number of areas that the tea industry in Malawi will focus on and promote. Key to this process is the collection of data relating to current energy usage within the production process from land preparation, planting, plucking, green leaf transport to processing and transport logistics to the port which will provide a baseline for any improvement strategy adopted by the industry. With support from ETP, an energy working group under the chairmanship of Eastern Produce, in partnership with Tea Research Foundation, is now working to collect data.

Environment sustainability in relation to estate workers and smallholders

The environmental sustainability work stream aims to develop strategies and interventions to promote efficient use of energy resources and the planting of trees for firewood and fruit production. The activity will focus on the feasibility of biomass production for use by smallholder farmers and factory/estate workers. This will also include the financial viability of tree nurseries and will make recommendations on suitable tree/fruit types that can be intercropped with tea.

A further study aims to understand the current use of fuel efficient cook stoves (including current coverage, types of stoves used, costs, longevity, challenges that have been faced), and will also make an overall assessment of the energy and water needs of estate workers and smallholder farmers and opportunities to address these needs. The findings of these studies will be used as the starting point in developing the environment and sustainability strategy for the Malawian tea sector.

In line with these objectives, some of the estates are using IDH grant funds to kick-start the tree planting exercise as a lack of fire wood has put tremendous pressure on the environment. Two estates will be growing seedlings for smallholders and the local community for supply of firewood. This will enable the beneficiaries to have access to wood for their own energy supplies and also sell the excess for additional income. It is estimated that over one million two hundred seedlings will be provided.

Chapter 7. Pillar 5: Energy and environmental sustainability



Chapter 8. Key studies undertaken to support the Malawi Tea 2020 Programme



The Vulnerability and Risk Assessment (VRA)

The Vulnerability and Risk Assessment was conducted between January and June 2016 to analyse and prioritise issues facing the tea industry and its primary stakeholders. The exercise which brought together a wide range of stakeholders (national government representatives, estates managers, union delegates and unskilled workers from within the tea industry) provided a safe space for dialogue and resulted in the development of joint approaches to address some of the challenges.

The VRA process highlighted a number of key findings and takeaways:

- The exercise validated the Roadmap to a large extent, which is reassuring. Conducting similar exercises in future could help flesh out further activities to add to the Roadmap.
- The macro level issues of 'population growth' and 'unresolved land issues' came up as highly relevant and as having considerable negative impacts on several social groups. Whilst these might seem to be beyond the Malawi Tea 2020 programme's scope, the Steering Committee should acknowledge these and develop a joint position on how the programme will engage with these – directly or indirectly.
- The 'soft' outcomes of the VRA – providing dialogue spaces for stakeholders, and particularly, bringing the marginalised groups into the decision making arena of the Malawi Tea 2020 programme are as important, if not more, than the resulting analysis. The VRA exercise should not be a one-off event, and it should be followed by a stakeholder engagement strategy that truly promotes the empowerment of marginalised groups within the industry and sets clear roles and responsibilities for Malawi Tea 2020 partners in achieving its goals.
- Similarly, the VRA exercise revealed the need to significantly increase efforts to establish a regular dialogue with government bodies, which has been insufficient so far. This interaction is important because the goals of the Malawi Tea 2020 programme will have repercussions beyond the tea industry (e.g. the impact of a living wage in the tea industry for other key crops, like tobacco or cotton), and also because reaching the goals within the tea industry require and/or would benefit from a collaborative approach with government (e.g. issues of basic service provision in estates and in communities outside).
- It was often argued during the VRA that the 'low' quality of Malawi's tea, considered lower than teas from key competitor

countries like Kenya, India or Sri Lanka, had a direct relation to the lower wages paid to workers in the Malawi tea industry. This correlation, however, has not been properly established. This claim would also imply that higher prices for Malawian tea would directly result in higher wages in the industry – for which there is also no evidence, or at least none has been presented. The truth behind low wages is likely to be more complex than this. The Malawi Tea 2020 programme should try to identify obstacles and leverage points to reach higher wages in the industry and require all its key stakeholders to focus on efforts to achieve the outcomes of the different work streams – hence the need for action and commitment of all sides.

Tangible impacts of the work streams will depend on the implementation of the Roadmap recommendations and will materialise over next years. To this effect, the Steering Committee signed off on the VRA report in September 2016 and agreed that there is a need to review how the recommendations will be incorporated into the working groups in each Roadmap pillar with particular focus on strengthening the activities in the Roadmap. If there is need to add new activities as a result of the VRA then this has to be a resolution at an Annual Progress Meeting. There is also recognition for need of a conduit on engagement with government on key issues that need government attention.

Supply Chain Survey

Sustainable supply chains require a shift in buyer-supplier relationships from being opportunistic and arm's length to strategic and collaborative. Collaborative buyer-supplier relationships involve trust, commitment, transparency and integrity, and are one of the fundamental enablers for the efficient and effective flow of information and allocation of resources within and between organisations. However, buyer-supplier relationships don't become collaborative by themselves. They require an investment of time, effort and – in certain circumstances – financial resources, from buyers and suppliers. Most importantly, they require a change in the attitudes and perceptions of buyers and sellers – the people at the interface of buyer-supplier relationships.

During the first half of 2016, Oxfam linked up with the Norwich Business School and the International Institute for Environment and Development (IIED) to conduct a Supply Chain Survey involving from smallholder tea farmers, tea estate workers and managers all the way to traders, tea brands and buyers to retailers. The main objectives include:



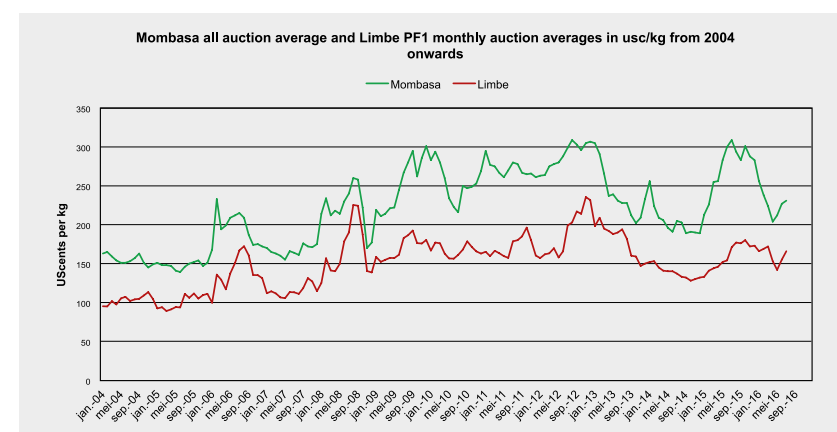


- Gain a better understanding between all actors in the Malawi tea supply chain about fairness and relationship strength
- Provide insights for action to be taken by relevant actors (buyers and tea estates) to address any concerns brought to light through the Supply Chain Trading Relationships Survey (e.g. through changing of contract and/or engagement terms)
- Lay the foundations for more sustainable trading relationships reported by all actors in the supply chain with greater trust. This will offer more stability to the Malawian Tea Industry. The measurement of relationship strength is based on the theory of organisational justice, the origins of which are in the context of employer-employee relationships but which has recently been applied in the context of inter-organisational relationships.

First findings will be shared at the Annual Progress Meeting 2016 and a full report will be shared end 2016. The data will serve as baseline to then track progress of improvement of trading relationships throughout the Programme period. The findings will link directly to the work stream of sustainable procurement practices, hence impact on their improvement.

Analysis of the tea price movement

A closer analysis of the tea price movement, using the Malawi Tea Auction figures for PF1, reveals that relative tea prices compared to Mombasa auction have improved in 2016. However, it should also be noted that 2015 was a very poor year when viewed against historical performance. Although an encouraging trend, this cannot be attributed to the Malawi Tea 2020 programme alone. Also important to note, is that average auction prices can only be used as a broad indicator since much of Malawi tea is sold through private contracts.



The Malawi Tea 2020 programme is coordinated by a steering committee that provides oversight on implementation of all Roadmap pillar activities and ensures that programme targets are pursued. IDH acts as an independent convener coordinating inputs from the various stakeholders and currently acts as Chair to the steering committee.

The work of the steering committee is informed by the evaluation committee which provides the monitoring and evaluation of projects and the wages committee which is responsible for independently assessing the living wage benchmark and the. IDH acts as secretary to the evaluation committee and the wages committee.

Once a year the Annual Progress Meeting (APM) is held, to track progress, discuss challenges, review strategy of the programme and adjust where necessary. The APM draws participants from all MoU signatories.

Chapter 9. Governance

Governance Malawi Tea 2020

FIELD LEVEL ACTIVITIES

Ongoing implementation of activities which aim to reach the overall Malawi Tea 2020 objective. One of the SC member organisations is leading the pillar activity as defined in the Roadmap.

ANNUAL PROGRESS MEETING IN MALAWI

Track progress and discuss challenges of the Roadmap activities.



Meeting frequency: Once a year



Members: All MOU partners and the government of Malawi

STEERING COMMITTEE

Ongoing coordination and steering of the programme. Decisions on funding are made by individual funding providers.



Meeting frequency: Quarterly



Members: TAML, GIZ, ETP, Oxfam and IDH

EVALUATION COMMITTEE

Oversees the monitoring and evaluation of the entire programme and its impact measurement



Meeting frequency: Twice a year



Members: UTZ, TAML, ETP, Oxfam, ETI, PAWU and IDH

WAGES COMMITTEE

Independent technical committee to inform the partnership on living wage and living income benchmarks and progress made.



Meeting frequency: Upon need. Will produce an annual report.



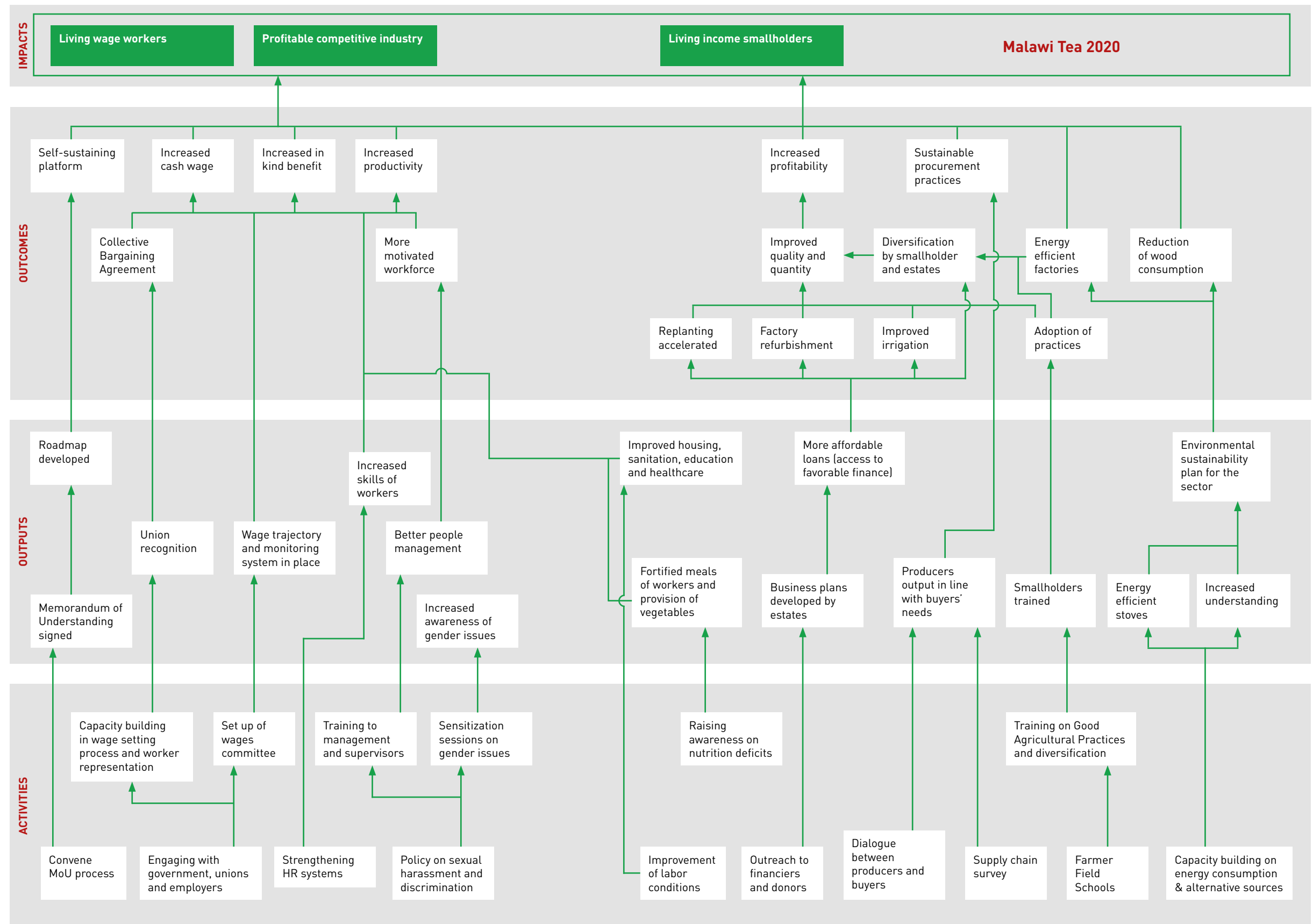
Members: Richard and Martha Anker and Wadonda as technical experts

Legend

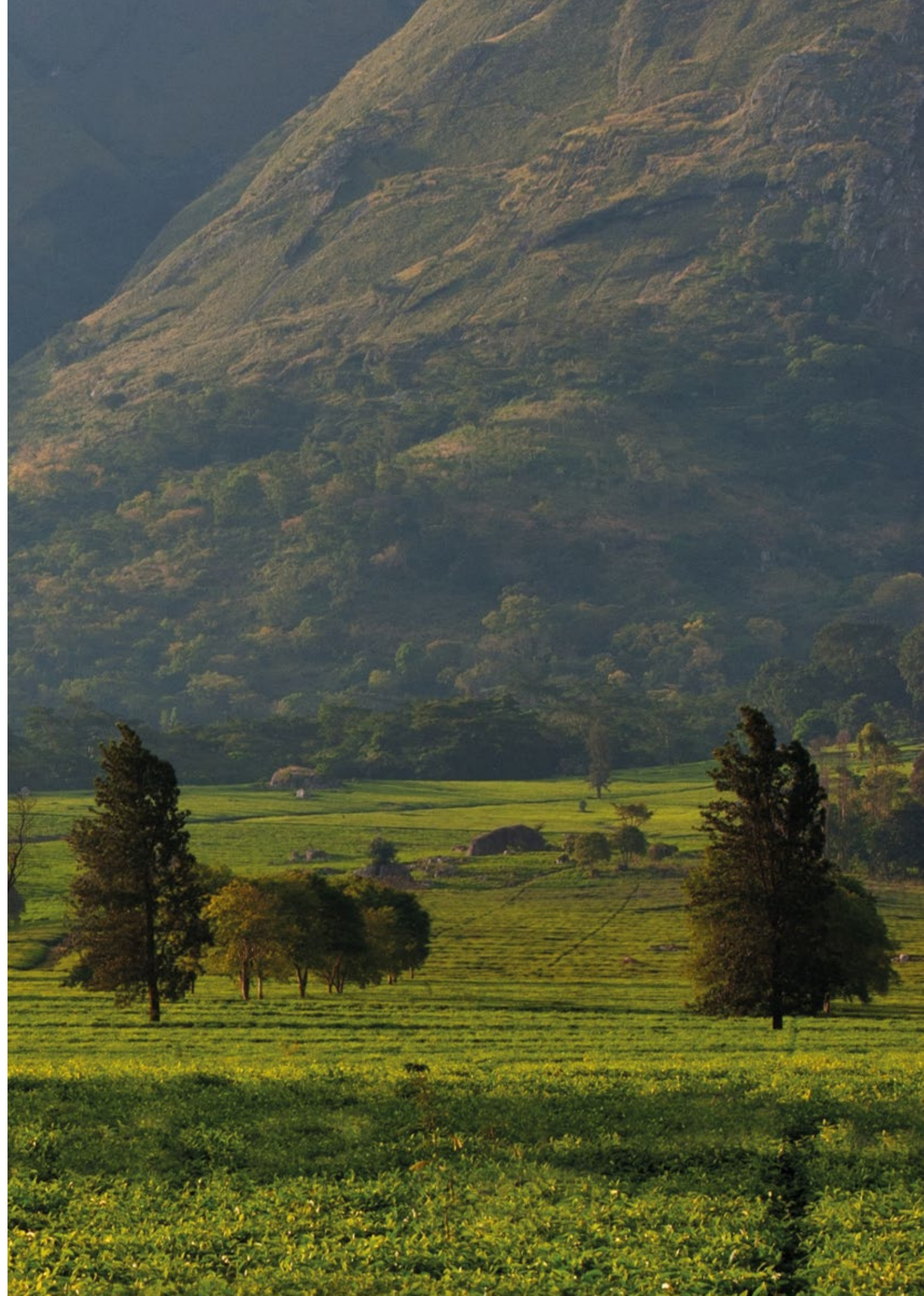
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Annex 1. Result Chain Malawi Tea 2020



Notes





REVITALISATION PROGRAMME TOWARDS LIVING WAGE

Malawi Tea 2020 **Revitalisation programme towards living wage**

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Project partners:

