



TEAM UP 2017

Going above and beyond



Foreword by ETP & IDH

TEAM UP is the world's number one tea and sustainability conference. Once a year, the whole of the tea supply chain (tea buying and retailing companies, traders, producers) gets together with organisations working on different aspects of the sustainability agenda (tea associations, specialist implementing agencies, NGOs, development partners, financial partners and certification organisations).

This year, at the first-ever TEAM UP Africa, with the theme *Going above and beyond*, we reflected on how African tea-producing nations are home to some of the tea industry's most innovative and ambitious sustainability programmes, which are helping to bring about crucial improvements to the lives of people that grow and produce tea.

Over 100 stakeholders gathered to discuss different perspectives and updates on key initiatives in the tea sector in Africa, the challenges faced by producers and buyers in the industry, and the way forward for the African tea industry.

In many countries, the tea sector has an important role to play in supporting the success of the United Nations Sustainable Development Goals (SDGs) and contributing to the macro-economic development of the country itself. In Kenya, Malawi, Rwanda, and Tanzania

tea plays an important role, both as a source of employment and income, but also as a foreign exchange earner. In the tea producing countries in Africa, key challenges are affecting tea production. These arise for example from climate change, rural-urban migration leading to worker shortages in some places and simultaneously, elsewhere, population growth is creating pressure on livelihoods of tea smallholder farmers from already small plots of lands. Rural-urban migration also means that there are more farmers who hire labour and hired labourers have complex needs that should be included within the scope of future supply chain improvements.

At a global level, productivity has increased, but the market demand has not been able to keep pace. Rising costs mean that producers are looking to mechanisation in some areas to make their operations more efficient. All these challenges as well as the responses to them will influence the future of the tea value chain. By discussing challenging issues openly, sharing experiences and building coalitions, events like TEAM UP add value to the value chain and generate new programmes that support the future sustainability of the sector.

Sarah Roberts (Ethical Tea Partnership) and Jordy van Honk (IDH, the Sustainable Trade Initiative)

Executive summary



Reflecting on TEAM UP, it would be impossible to capture all of the rich ideas that were shared throughout the event. In the next chapters you will find more information about all the sessions. We aim to highlight the key conclusions from the day that will most help to drive the industry forward and create positive change for the lives of tea workers, farmers, and their communities:

1. There is now a long history of impact and learnings from Farmer Field School programmes. They have been scaled-up across KTDA and introduced to most other African tea-growing areas, with excellent results on improving productivity, quality, adapting to climate change and on non-tea related topics such as diversification and social issues.

2. Increasing attention is being placed on strategically managing the approach to energy, and fuelwood in particular, in the tea industry. Considerable efficiencies are possible and there is a more strategic focus on the type of planting material, which have cost and environmental benefits.

3. Improving women's safety, reducing gender based violence (GBV), and improving opportunities for women at all levels in the tea industry is a high priority. A range of different approaches covering awareness raising and changing cultural norms, leadership within the industry to tackle the issues, practical approaches such as changing jobs, and housing allocation processes are all required to make meaningful progress.

4. Ongoing challenges such as climate change adaptation, living wage, reducing gender based violence, and improving gender equality can only be tackled through partnerships that involve different types of organisations including government.

5. There is greater experience of sector-wide and landscape level, multi-stakeholder programmes and transformation approaches. For example, the Malawi 2020 Tea Revitalisation Programme brings together a range of interventions to improve the competitiveness of the industry enabling progress towards living wages and the lives and livelihoods of farmers and

workers. As well as working directly with workers, farmers, and estates, the programme includes wage-setting and procurement practices.

6. Landscape approaches, such as the Initiative for Sustainable Landscapes around the South West Mau Forest in Kenya, focus on both off-farm and on-farm activities, where key to success is the involvement and properly supporting local communities to enable good engagement within the area. As more of these types of programmes are likely to take place in the future, lessons, both positive and negative, on how these programmes are working need to be continually assessed.

Official announcement on the launch of the Gender Empowerment Platform

The Gender Empowerment Platform will work together to address gender and gender based violence (GBV) issues in the Kenyan tea industry. This will be done through the development of a practical roadmap for plantation companies, sharing best practices, and driving a joint agenda on safe spaces beyond plantations.

The platform is convened by IDH, the Sustainable Trade Initiative and the following organisations are part of it: Eastern Produce, Finlays, Kenyan Tea Development Agency, Sotik Tea, Unilever, the Gender Violence Recovery Centre, and the Ethical Tea Partnership.

In April this year (2017), IDH presented its common training manual on addressing GBV in the Kenyan tea industry. The manual has been commissioned by IDH with the objective to align training and awareness raising material around GBV issues for the Kenyan tea industry. It supports the effort to significantly reduce the occurrence of GBV in the Kenyan tea industry by 2020.



1. African tea initiatives



Some of the tea industry's most advanced sustainability programmes are in Africa. Examples include the wood fuel project with the Kenya Tea Development Agency (KTDA) and the Gatsby Charitable Foundation, Malawi Tea 2020, innovative smallholder approaches from the Wood Foundation in Tanzania and Rwanda, and farmer field schools (FFS).

The African tea industry is increasingly reliant on smallholder business models: new initiatives involving venture philanthropists focussing on biomass and green field development are driving innovation for the future, but will take time to come to fruition.



David Knopp – The Wood Foundation Africa. Click above to play

Farmer Field Schools

KDTA, the leading producer organisation for 560,000 small scale tea farmers in Kenya shared its learning after eight years of working and training farmers in the farmer field school (FFS) approach in partnership with Unilever and IDH. FFS have now been rolled out at 68 factories, with 3,400 FFS established and 86,000 farmers trained.

The FFS approach has helped farmers to make better economic decisions. There have been positive increases in productivity and crop diversification and KTDA will roll out FFS to all 560,000 tea smallholders due to its success.

Venture philanthropy

In Rwanda and Tanzania, the Wood Foundation is involved in 'venture philanthropy', meaning that they engage in a commercial manner with a philanthropic objective. Over time, the goal in Rwanda is that the factories will be governed and collectively owned by the farmers themselves, and through green field development projects, new farmers will be introduced into the tea industry.

Commercial forestry

The Gatsby Charitable Foundation launched its commercial forestry programme in Kenya and Rwanda focussed on commercial production of forestry for industrial applications. Tea production is heavily dependent on wood, therefore it's important to have the right planting material for forestry production, and to look at supply chain efficiencies since only 35% of cut wood is used with the rest ending up as waste.

Living wage

Under Malawi Tea 2020, the first collective bargaining agreement (CBA) was signed last year allowing workers to negotiate their wages. A fund established by IDH for de-risking investments for replanting and rehabilitation was launched, and FFS are in full swing with 3,000 farmers already graduating. Also, midday meals are fortified and a Village Savings and Loan Association component has led to combined savings of \$90,000. Looking to the year ahead, it's crucial to look at ways to improve sustainable procurement practices.

2. The future of tea growing in East-Africa – overcoming challenges for producers and buyers

The African tea sector has been a source of innovation in areas such as solar energy and biomass. In general, weather conditions are good for tea production and the industry continues to be a key source of employment.

Climate change is a huge challenge that needs to be tackled through climate adaptation and mitigation alongside conservation of important landscapes such as the Mau forest.



Improving opportunities and outcomes for women at all levels in the tea industry is an important priority. Tea is an important source of livelihoods for women and their families and should provide decent opportunities for smallholder farmers and workers.

The issue of the mismatch of supply and demand was highlighted. Demand in countries like the UK is falling, whilst the sustainability requirements are increasing and this is not reflected in the price. The value of tea is not properly recognised, particularly in Western markets which has negative implications for the future sustainability of the industry and efforts to improve livelihoods and lift tea communities out of poverty.

There are efforts to change how Western consumers value tea, such as the Tea 2030 consumer campaign but these will take time to make a difference and consumer trends are changing. Producers need to keep assessing the best options for them in terms of which part of the market they focus on and what that means for how they approach issues such as quality.

Mechanisation

Mechanisation continues to be an important trend in the industry but it is playing out in different ways in different countries. For example, there has been extensive mechanisation in Zimbabwe for a number of years and mechanisation has been increasing in Kenya.



This trend is likely to continue and extend into smallholder farms. In Malawi, tea is such an important source of employment to local communities that mechanisation is not yet being used there and may not be in the medium term.

The emergence of 'telephone farmers'

The structure of the smallholder farmer in the tea sector is rapidly changing as farmers move to cities to become so called 'telephone farmers' who rely on hired labour to manage their farms.

Farming plots are smaller and profitability of a small piece of land can become a challenge. At the same time, investment is continuing into farmer field schools, and overall land area used for tea has increased and will lead to more supply in the market.

There is the possibility that due to increases in production costs, tea may no longer be profitable everywhere and some producers and producing countries may exit the sector.

Social needs of farmers and workers are important, and while progress has been made, there remain significant needs in tea communities. New approaches will be needed involving government, the tea industry, farmer organisations, and development partners to improve the situation for farmers, tea workers, and their families.



Alfred Njagi – Kenya Tea Development Agency. Click above to play

3. Gender and the tea supply chain – getting the right balance

The focus of the TEAM UP gender session was *how to integrate gender into supply chain approaches*. Different experiences and challenges were shared to showcase opportunities for the industry to address gender based violence. A crucial element is embedding human rights into private sector operations, which will lead to improved social infrastructure and safety in the workplace.



In Kenya, there is a robust legal and human rights framework, but the focus now has to be on making sure this is properly implemented. Initial efforts are being made by the private sector in the tea value chain, but collaboration with the sector and government so that everyone is playing their relevant role is key. It is also important to make sure everyone in the sector is included, such as smallholder farmers.

At TEAM UP, how to deal with gender based violence (GBV) and related issues were discussed. It is important to look at the root causes of GBV to understand the different approaches required for change: awareness raising, prevention work, and improving responses for GBV victims are all important.

Leadership within the industry to tackle the issues and contribute to changing social norms is crucial. There was considerable discussion on practical approaches within the workplace that can support safety and empowerment of women such as rotating jobs, housing allocation processes, and shift patterns. Changes such as improving lighting around the estates/communities and ensuring that there is good representation of women at all levels of decision-making across the industry are also imperative.



Janet Ruto – Finlays. Click above to play

Winfridah Nyakwara, Welfare Manager at Unilever Tea Kenya shared a personal story where she highlighted seven key steps on how Unilever has embedded human rights into their operations:

1. Leadership commitment by the top management
2. Making resources available such as Welfare and Business Integrity teams
3. Secured buy in from management and staff
4. Ensuring an embedding process and acceptance of gender issues and gender based violence as integration with existing employee engagement systems (e.g. including gender training in the job induction package)
5. Establish an effective grievance mechanism
6. Consider joint approaches with other similar companies and forge partnerships with the local and county Governments, civil society, or UN organisations with the technical expertise in issues of gender
7. Monitoring, evaluation, and reporting of joint progress in delivering your company's human rights commitments



4. Landscape approaches: the case of the South West Mau Forest Landscape in Kenya

The IDH Initiative for Sustainable Landscape programme in the South West Mau Forest highlights the high dependency of tea production on the health of the forest whereby the Mau acts as a climatic regulator securing optimum growing conditions. The programme promotes real benefits of bringing together diverse groups of stakeholders to work together on a common cause.



At TEAM UP, the Dutch Ambassador, H.E. Frans Makken reinforced the benefits of the Landscapes programme, stating that public-private-partnerships are the only way to realise complex objectives (including the UN Sustainable Development Goals), as not one sector, the government, or company can do it alone. The Dutch Ambassador commented on how the Dutch development agency is making a fundamental shift from 'aid to trade'

and that this needs to be coupled with increased governance, ownership, and drive from local stakeholders as possible.

Landscape programme partners reinforced the importance of the programme, which includes the role of re-engaging with government after significant political issues, in order to protect the Mau Forest and important biodiversity. Private sector interest is strong as highlighted by a 1.5 million euro commitment and thanks to improved collaborative working, change is already happening. An example cited is the quarterly joint flights over the Mau Forest area.

The landscape programme has provided a forum whereby key decision makers can meet under a neutral convenor and has supported the development of joint initiatives.



Ken Odire - Unilever. Click above to play



The Mau Forest Complex in Western Kenya covers an area of over 400,000 ha and is ecologically and economically critical for Kenya and parts of East Africa. More than 10 million people depend on its rivers and the forest influences rainfall patterns and the region's micro-climate creating the ideal conditions for the production of crops such as tea. However, despite collective action in the tea industry, it is still plagued by illegal logging, charcoal making, grazing, and human-wildlife conflict such as poaching and encroachment.

Tea producers have a strong incentive to come on board with forest protection as they can see it as a long-term investment to reduce risk to their business. IDH stimulates this process through challenging the sector to look beyond the farm and have managed to convene a wide variety of stakeholders who can all see the long-term risks if collective action is not taken. The current partnership involves Unilever, Finlays, KTDA, Safaricom, the Kenya Government, the Dutch ministry, and the Kenyan Wildlife service to name but a few. The programme also ensures that the local community is effectively engaged by paying close attention to livelihood outcome as this is the key motivational force.

5. Conversations on nutrition, energy, smallholders, and gender

Nutrition: improving worker and smallholder health and productivity

Good nutrition is essential for tea workers and farmers and their families to improve their health and wellbeing. Benefits include improved school performance for children and the economic performance of farmers and workers. Different approaches were shared on how to address nutrition (and hygiene) in the tea value chain. Work in Kenya has focused on estate level, in India on smallholders, and in Malawi fortification of meals has been explored.

KEY TAKE-OUTS:

- There is a general misperception that good nutrition must be costly. Reallocation of household budgets, and buying vegetables and fruit on a seasonal basis contribute to effective usage of the household budget.
- Behavioural change models are showing promising results through 4 key steps: awareness raising, commitment, reinforcement, and reward.
- Fortification has the potential to reach a large number of workers quickly.



KEY TAKE-OUTS:

- Much can be achieved on energy efficiency through building capacity of factory staff so that they own the process.
- Factories should push for operational excellence in all areas to improve energy use, including maintenance and health and safety.
- Factory managers should encourage continuous improvement and innovation.

Energy efficiency: why should it be top of your list?

In Kenya, one collaborative project involving the Ethical Tea Partnership, Mars Drinks, GIZ (the Deutsche Gesellschaft fuer Internationale Zusammenarbeit GmbH), and 10 factories under the control of the Kenya Tea Development Agency (KTDA), has reduced energy consumption by more than a million kWh, saved circa 20,000 trees, and cut costs by approximately 31 million Kenyan Shillings (\$300,000). The next phase of the project aims to reach all 67 of KTDA factories before 2019, benefitting 600,000 farmers, and saving 300,000 trees and \$5M.

KEY TAKE-OUTS:

- Leadership commitment is critical: creating the right environment, to address gender issues.
- Awareness raising activities using simple language and explanation that are incorporated into training and induction programmes ensure gender is not a standalone subject.
- The root of gender issues often comes from tradition and cultural beliefs within a community and targeting men and boys is equally important as inclusivity is key.

The business case for gender – what is my role?

We focused in on the business case for gender. The biggest challenges facing women in the tea sector and beyond come from societal culture. Patriarchal society, dominant masculinity, and traditional beliefs make it hard to change mindsets and deal with gender issues. A behavioural change approach is required: there is no 'one size fits all' formula for changing hearts and minds, attitudes can only be changed one individual at a time.

Sustainability of the smallholder sector – where next?

Mentioned several times throughout TEAM UP was the changing face of the smallholder sector. But where next for the sustainability of the smallholder sector? There are important questions around the profitability as plot sizes are getting smaller and inflation is having an impact. It is important to learn from the farmers who are doing well and to try to limit further segmentation of plots. Also, hired labourers are often the most vulnerable people in the supply chain with complex needs directly linked to SDGs. Programmes to provide training on nutrition and financial literacy should be further developed, and support and collaboration are needed from the value chain and government.

KEY TAKE-OUTS:

- Although tea is important and farmer field schools should be scaled up to improve productivity, farmer incomes need to be diversified to future proof farming. Access to finance is essential as is access to markets – could buying centres help with this?
- Innovation to increase value and use of technology is important to improve profitability and attract a new generation of farmers.
- Smaller plots – can consolidation or joint ownership provide a solution? Mindsets around landownership need to change in order for this to happen. Transition to land rental could be a way to limit the number of telephone farmers leading to better services.



Acknowledgements

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Ethical Tea Partnership

www.ethicalteapartnership.org

info@ethicalteapartnership.org

IDH the Sustainable Trade Initiative

<https://www.idhsustainabletrade.com/sectors/tea/>

Fraats@idhtrade.org

