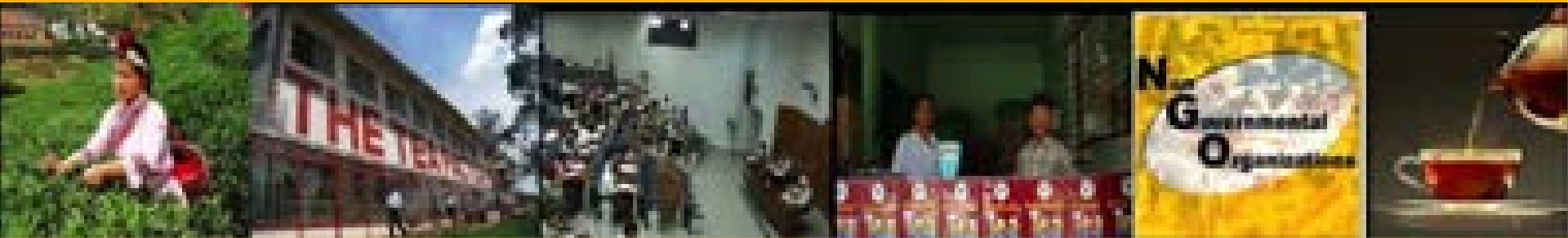


# ***SUSTAINABLE TEA SECTOR***


INDIA INTERNATIONAL TEA CONVENTION

23 SEP, 2016

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# **Solidaridad**



**PROVIDING INNOVATIVE  
SUSTAINABILITY SOLUTIONS FOR  
48 YEARS TO MORE THAN 100  
INTERNATIONAL BUSINESSES,  
GOVERNMENTS AND AROUND 2  
MILLION SMALLHOLDERS**



# SOLIDARIDAD NETWORK: MAKING CHANGE HAPPEN THAT MATTERS FOR OUR PARTNERS



We envision a world in which all we produce, and all we consume, can sustain us, while respecting the planet, each other and the next generations



# ***SOLIDARIDAD PRODUCTS***



**FARMER  
AGREGATION &  
TRAININGS TO  
GROW MORE WITH  
LESS**

**SUSTAINABILITY  
STANDARDS**

**NEW CLIMATE  
SMART**

**SUSTAINABLE  
TECHNOLOGIES**



**STRATEGIC  
INVESTMENTS  
FOR SCALING UP**

**SERVICE  
DELIVERY**

**SUPPLY CHAIN  
INTEGRATION &  
MATCH MAKING**

**NEW BUSINESS  
INCUBATION**



**RECLAMATION OF  
DEGRADED LAND**

**REUSE OF WASTE  
WATER FOR  
FARMING**

**MANAGEMENT OF  
WATER BODIES**

**WATER SAVING  
TECHNOLOGIES IN  
AGRICULTURE**



**MULTI-STAKEHOLDER  
ROUND TABLES**

**RESEARCH AND  
POLICY DOCUMENTS**

**SUSTAINABILITY  
ADVISE TO  
BUSINESSES AND  
GOVERNMENTS**

# THE POPULAR APPROACHES TO SUSTAINABILITY SO FAR

YSS – PYRAMID OF CHANGE



# CHALLENGES

- Business case for producers not clear-does not guarantee market access or higher price
- Expensive audits but does not guarantee complete assurance
- Have not been able to solve complex challenges like food security and livelihoods of workers or small farmers.
- With increased volumes labels becomes less of product differentiator
- Not more than 30 to 40 percent of certified volume is sold as certified
- Remained concentrated in select regions with more developed production capacity.

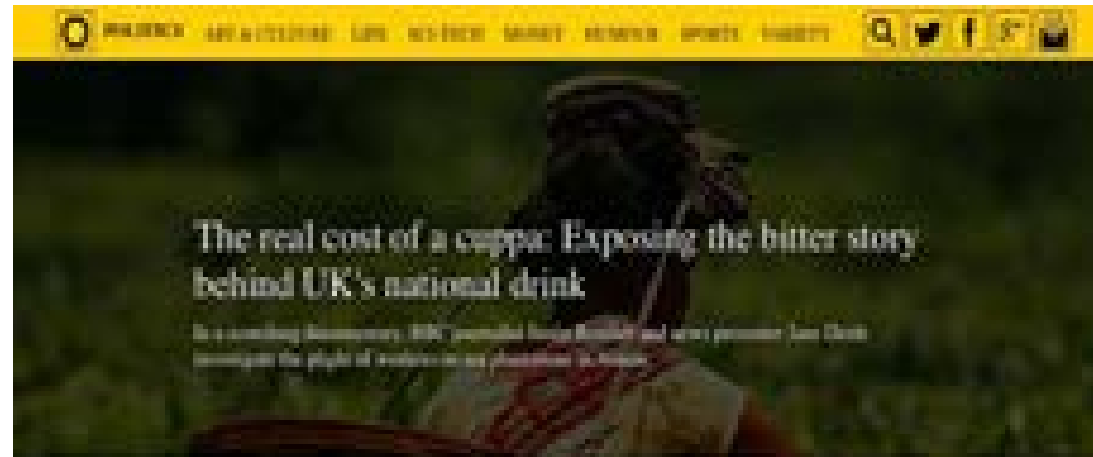


# SUSTAINABILITY CERTIFICATION IS NOT ENOUGH



**SOCIAL ISSUES IN  
THE TEA ESTATES &  
SMALLHOLDINGS.  
FROM WAGES,  
HOUSING,  
SANITATION TO  
HEALTH.**

**WAGES HAVE  
INCREASED BUT  
EXPECTATIONS ARE  
MORE**



***TEA WORKERS CHILDREN  
WON'T BE TEA WORKERS.***



# WHO PAYS FOR SUSTAINABILITY?

**DURING LAST HALF CENTURY  
THE PRICES OF MOST  
BEVERAGES HAVE GONE DOWN IN  
REAL TERM**

Sugar and beverages



Note: Real prices refer to nominal prices adjusted for changes in US Producer Price Index (2000 = 100).

**5 PERCENT INCREASE IN WORLD TEA PRODUCTION COULD LEAD TO A 40 PERCENT DECLINE IN PRICES (\$1.60 AVERAGE FOR THE DECADE). TEA PRODUCTION HAS INCREASED FROM 3.89 MILLION TONS IN 2008 TO 5.07 MILLION TONS IN 2013.**



***THE SMALLHOLDER  
PHENOMENON WOULD COME TO  
AN END AS ITS BECOMING NON-  
REMUNERATIVE FOR A FARMER  
LESS THAN 1 HA IN SIZE***



**USE OF CHEMICALS HAS INCREASED**

**INCREASED COSTS**

**IMPACT ON THE ECOLOGY**

**CAMPAIGNS LEADING TO POOR IMAGE  
OF INDIAN TEA INDUSTRY**



# **CLIMATE CHANGE=INCREASED COSTS**

**EROSION OF TOP SOIL DUE TO UNCHARACTERISTIC HEAVY RAINFALL PATTERNS, WHICH HAS A NEGATIVE IMPACT ON PRODUCTION;**

**INCREASED USE OF FERTILIZERS TO MAINTAIN SOIL FERTILITY;**

**INCREASED USAGE OF PESTICIDES, PARTICULARLY DURING THE DRY SEASON, AS TEA GARDENS ARE INCREASINGLY BEING DAMAGED BY PESTS THAT WERE DORMANT IN THE PAST; AND**

**INCREASED IRRIGATION**





***1. SOCIAL ISSUES***

***2. POOR RETURNS***

***3. FOOD SAFETY***

***4. CLIMATE CHANGE***

# SOCIAL ASPECTS



- More with less workers for a better wage through better use of technology
- New Skills for alternative employment in tea regions
- Joint approach of Government, Tea Businesses and CSO's for regional development strategy in tea areas sharing responsibilities.

# ***TEA PRICES***

- Increase investment in research and development
- Develop easy to understand guidelines on tea quality
- Cooperation between major producing countries for voluntarily regulating production as per consumption pattern
- Follow the coffee model to develop consumer awareness of price differentiation based on origin and high quality.

# Climate change

- Re-planting affordable drought and stress tolerant tea cultivars;
- Development of agricultural and socio-economic adaptation options and their costing is needed;
- Research on intercropping with nitrogen fixing food crops
- Water conservation through irrigation and drainage systems, as well as water harvesting.

**TEA PEOPLE ARE EXTRA  
ORDINARY PEOPLE AND  
THESE CHALLENGES  
COULD BE SOLVED**



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