



# INDIA SUSTAINABLE TEA PROGRAM



— Chai Piyo Mast Jiyo —

## THE INDIA SUSTAINABLE TEA PROGRAM

is an ambitious initiative to develop and implement a sustainability code for the Indian domestic tea market.

This initiative to transform the Indian tea industry is based on industry realities and globally accepted sustainability principles.

The program is currently jointly funded by The Sustainable Trade Initiative (IDH) and Hindustan Unilever Limited (HUL). Solidaridad is the implementing partner for the program and Rainforest Alliance (RA) is the technical advisor. It is hoped that other organizations will soon join the program. Tea Board of India supports the program and is of the view that effective implementation of the code is bound to improve the social and economic conditions of the tea industry and at the same time will protect the environment, as a result of which consumers would be assured of getting a safe and good cup of tea. Thus, securing long term sustainability of the India tea industry will significantly benefit all the stakeholders of the tea industry. The five-year program targets 500 million kgs of tea from 600 plus factories and we hope to have a positive impact on the livelihoods of 500,000 tea plantation workers and 40,000 smallholders by 2017.

The India-specific sustainability tea code has been developed from the industry, by the industry and for the industry. Effective code implementation will provide sustainable tea to a rapidly growing community of discernible Indian tea consumers.

Besides, the program will offer producers training in code compliance, free of charge, through three Farmer Support Centres. An important program element will be enhanced clarity among multiple prevailing standards. Producers complying with internationally-accepted standards like Rainforest Alliance will be deemed qualified to have met the domestic tea code requirements.

IDH acts as the program coordinator. It aims to convene the key stakeholders in the industry in close collaboration with the Tea Board of India to drive behavioural change in the Indian tea industry and institutionalization of sector wide cooperation.

Solidaridad is the coordinator, facilitator and overall supervisor of code development and program implementation. The activities comprise resource allocation, budget management, subcontracting, farmer support centre management and verification processes.

## WHAT IS THE INDIA SUSTAINABLE TEA PROGRAM?

The India Sustainable Tea Program is a locally-developed and owned Indian sustainability tea code. This meaningful, cost-effective and practical code does not compromise globally accepted core sustainability standards.

It is envisioned that compliance with the code will not only improve competitiveness for tea farms but also make it possible for them to comply with national regulations and in future international sustainability standards. The applicable control points under 11 chapters need to be adhered within a four-year period, resulting in complete compliance. The verification under the code provides consumers with the assurance of responsible production and provides producers the opportunity to credibly demonstrate this to their customers.

## A. WHY DO WE NEED INDIA SUSTAINABLE TEA PROGRAM?

Increasing numbers of consumers around the world are insisting that the products they pay for be made from sustainable sources. The effective delivery of the India Sustainable Tea program will ensure:

- A sustainable tea industry in India
- Prepare for rising consumer demands for food safety and sustainably produced Indian tea
- Increase competitiveness of the Indian tea industry
- Improve the international image of the Indian tea industry
- Realize livelihood improvement of tea workers
- Improve the tea growing practices of the quick growing smallholder segment
- Ensure Indian tea can and will be produced in the generations to come

## B. WHAT IS GROUNDBREAKING IN THE INDIA SUSTAINABLE TEA PROGRAM TEA CODE?

- Ownership: Code is developed, owned and managed by Indian tea industry stakeholders.
- Food safety: Extensive focus on food safety components integrated into the code.
- Good manufacturing practices: Tea manufacturing and other effective practices covering tea factories integrated into one code.
- Lower certification cost: Innovative verification systems of external audits in alternate years and reduced cost due to the presence of locally-trained auditors.
- Smallholders: Mainstreaming smallholders and small estates into the sustainability fold.
- Support: Investing in experienced field staff and field offices to assist producers in code compliance.

## C. WHO CAN BE VERIFIED UNDER THE INDIA SUSTAINABLE TEA PROGRAM CODE?

The certificate holder will be the tea plantation company,

the bought leaf factory (BLF), or the independent producer groups together with the factory. The entry-point of the code for compliance will be the factories in estates, BLFs or grower group representatives having processing arrangements, who then work with production sites and smallholders respectively.

#### **D. WHO SUPPORTS THE INDIA SUSTAINABLE TEA PROGRAM CODE IN INDIA?**

The India Sustainable Tea Program is supported by the Program Advisory Committee (PAC), an informal assembly of key Indian tea industry stakeholders committed to work together to enhance tea program accountability and credibility. The Tea Board of India chairs the PAC.

Since Hindustan Unilever Limited has outlined a 2020 target to source 100 per cent of its global tea supplies from sustainable sources, the company recognizes that the journey needs to start now. For this reason, it is investing in the sustainability program with capacity building provided free of charge to producers. In addition, other tea companies are also in the process of joining the program.

#### **E. HOW DOES THE INDIA TEA CODE RELATE TO OTHER SIMILAR CREDENTIALS AND PROGRAMS (ETP/RA/UTZ/FLO ETC.)?**

ETP, RA, UTZ and FLO are important strategic partners for the founding partners of the program-IDH, Hindustan Unilever and Solidaridad. The new code has largely been modeled on current internationally recognized standards while taking into consideration Indian realities on the farm and in markets. The India sustainability verification code will be benchmarked against ETP, RA, UTZ and FLO; it will highlight steps to be taken by producers to move from compliance with the India code to international certification codes should they so desire.

#### **F. HOW IS THE INDIA SUSTAINABLE TEA PROGRAM CODE DEVELOPED?**

The code is developed in accordance with globally accepted principles (e.g. ISEAL procedures) and local stakeholder involvements including the Tea Board of India, with clear social, economic and environmental objectives. The process of code development is as following:

- The need for the code emerged during the first phase of the Tea Improvement Program (2009-12) convened by IDH. During this phase, a pilot was done together with IDH, Hindustan Unilever Limited in Assam and Solidaridad. The assessment clearly highlighted the need for an Indian tea code.
- A code development committee comprising Hindustan Unilever, Solidaridad, IDH, and RA/SAN developed the first draft of the code based on Indian realities and existing legal provisions. References were drawn from existing global standards like Rainforest Alliance, Ethical Tea Partnership, UTZ Certified as well as the Unilever Sustainable Agriculture Code.

- The second step was the formation of a multi-stakeholder forum by the name of Program Advisory Committee comprising official representatives of key tea industry stakeholders from India – Tea Board, FAITTA, J. Thomas & Co. Pvt. Ltd. and National Federation of Small Tea Growers.

- The third stage is to conduct six pilots to field test the India Sustainable Tea Program code. The pilots are currently being undertaken for three regions-West Bengal, Assam and Nilgiris – covering large and small estates as well as smallholdings. The pilots are expected to provide practical information on what works and what are the bottlenecks in reaching the objectives of the code.

- The code will be soon put up for public consultation. Those interested to get involved with the code may contact the PAC. The Tea Board of India chairs the PAC.

- The implementing partner Solidaridad will host the secretariat of India Sustainable Tea Program in Kolkata. The secretariat of India Sustainable Tea Program will provide communication and secretarial support. It will also manage a website for India Sustainable Tea Program and set up code management systems. It is hoped that by the end of the program period, the code will be self-sufficient and would be managed by the Indian tea industry stakeholders themselves.

#### **G. HOW DOES ONE GET VERIFIED UNDER THE INDIA TEA CODE?**

The code is designed towards a progressive achievement of complete compliance by year four. The “Mandatory” (highlighted in red) and “Other Criteria” have been divided into four parts covering eleven chapters. In each segment, the verified unit will need to meet 100 per cent of Mandatory control points and 50 per cent Other Criteria in year 1, 60 per cent in year 2, 70 per cent in year 3 and 80 per cent in year 4. If a control point is not applicable, it will have to be adjusted accordingly for percentage of control points required for verification. But a not applicable control point will not get an additional percentage point. The total compliance percentage points (Mandatory and Other Criteria) in the first year are: 81 per cent, Year 2: 84 per cent, Year 3: 87 per cent and Year 4: 90 percent.

In the first year, the entity entering for verification needs to undertake external verification audits by auditors approved by the code secretariat as per the verification protocol and then such audits will be conducted every alternate year. In the years with no external audits, the verified unit must conduct internal audits and supply the audit report to the Indian tea code secretariat.

#### **WHY JOIN INDIA SUSTAINABLE TEA PROGRAM?**

The India Sustainable Tea Program supports smallholders and estates in improving the competitiveness of tea gardens by increasing the scale of production, farm organization, processing, new technologies and supply chain development.

It aims to improve the livelihoods smallholders and estate workers.

Further:

- Improved consumer safety leading to reputational benefits and better consumer loyalty
- Higher yields addressing supply security
- Improved hygiene in factories addressing food safety issues
- Controlled and safe handling/use of pesticides
- Improved environment
- Improved image of Indian tea locally and globally

### THE FARM SUPPORT CENTRES (FSCS)

The program is in the process of setting up three Farm Support Centres in three tea producing regions. The FSCs work closely with branch offices of the Indian tea producer associations - Nilgiris Planters Association and Tea Board offices (apart from research institutes like TRA in North and Krishi Vikas Kendra in South). The personnel will work directly on-field and will be dedicated to the program. They will share office space with one of the PAC member organizations. The main function of the FSCs will be:

#### 1. Technical support on-field

- Identify specific bottlenecks for adopting sustainable production amongst smallholders and estates and provide advice and solutions

- Provide tailor-made solutions to smallholders on good agricultural practices in collaboration with the Tea Research Association (TRA) and Krishi Vikas Kendra (KVK)

- Set up and manage two demo plots where the training of smallholder trainers will be conducted

#### 2. Strengthen smallholder cooperatives

- Support smallholders in forming or strengthening groups and associations

- Train farmers in the governance and management of the group/association

- Assist in the implementation of the sustainability strategy within the group

- Improve the participation of women in smallholder groups

#### 3. Provide training to trainers

A series of trainings will be conducted by FSCs with the purpose to develop competent peer sustainability trainers with the skills to design and implement training programs.

#### 4. Provide support to estates and smallholders in preparing audits and undertaking improvements

- Support during gap audits

- Support in improving compliance where the FSC team will work along with the trainers and farmers

The program is open for all to join and participate in, with all being welcome to be a part of the change!

For more information, please contact:

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