Ethical Tea Partnership

TEAM UP 2022 Summary Report

21 JUNE 2022



In partnership with

the sustainable trade initiative

September 2022



About TEAM UP

TEAM UP is the conference for tea sustainability, organised and co-hosted by the Ethical Tea Partnership (ETP) and IDH – the Sustainable Trade Initiative. The event brings together the members of the tea value chain to accelerate change across the sector

TEAM UP has been a recurring event for almost a decade. It is an opportunity for all stakeholders working in the tea sector to reflect on progress, learn from each other's successes and failures, discuss the difficult issues, and inspire one another to maximise impact.

TEAM UP 2022 was held on 21 June at the Royal Institute of British Architects in central London, and virtually. It was attended by business leaders and key players in the sector, including tea companies, producers, NGOs, governments, as well as representatives from other sectors.

The theme of this year's TEAM UP was 'Sustainability Solutions'. The purpose of the event was to share insights and generate action-orientated discussions relating to economic, equality, and environmental issues in tea.

Panellists and attendees explored the practicalities of achieving carbon net-zero tea value chains, delved into gender-based violence frameworks, and debated approaches to reaching living wages and incomes.



Plenary

The plenary began with some comments from Jenny Costelloe, ETP's Executive Director:

"To truly transform the sector, we must all make compromises, whether to relinquish power, reduce our margins, or embrace vulnerability by sharing information. Whatever the compromise, change is often challenging and uncomfortable.

While considerable progress has been made, the issues in tea are persistent and far-reaching. But we cannot expect change without changing the way we act. Continuing with the status quo will only make things worse; we must all pull together and move forward, exploring new solutions and fresh ways of doing business. Only then can we create a sustainable sector that's viable for everyone involved."

ETP has undergone much change in the last two years, but its vision remains the same; a thriving tea industry that is socially just and environmentally sustainable. The biggest change is the implementation of ETP's Strategy2030, which outlines how the organisation will achieve its vision. It puts tea workers and communities at the centre of all ETP's work and emphasises the importance of multi-stakeholder collaboration.





Among different stakeholder groups, ETP recognises several opportunities that can help to create a more sustainable tea industry:

- **Tea companies** can be more transparent about where they buy their tea, and their sourcing teams should work hand in hand with their sustainability teams.
- **Tea producers** can adopt business models that share value and do not focus exclusively on profit maximisation.
- **Retailers** can pay more for tea and charge consumers a higher price for more responsible tea, resisting price wars with other retailers.
- **Governments** can enforce human rights due diligence and anti-slavery acts, boosting market access for ethical tea producers.
- **NGOs** can work with the private sector instead of against it, forming trusting relationships that help them influence change.
- **Certification bodies** can listen to their partner organisations, creating rigorous but workable standards that improve the sector.

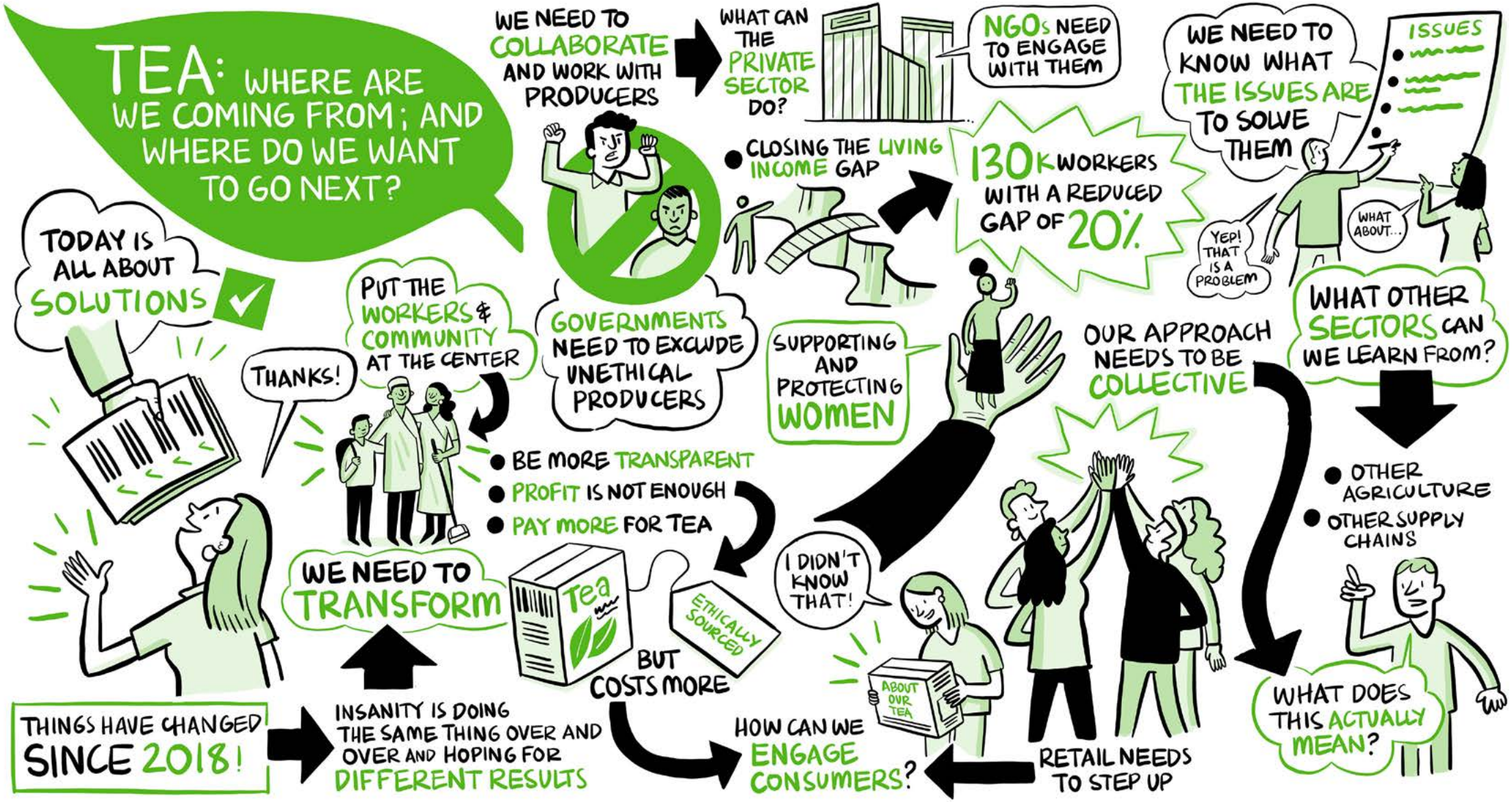
"I said I was going to talk about change. I never said it would be easy."

Jenny Costelloe, Executive Director, Ethical Tea Partnership.

Ruchira Joshi, Executive Director, IDH UK closed the plenary by detailing IDH's role in accelerating sustainability in international tea supply chains, drawing on learnings from its work across coffee and cocoa. She highlighted that the organisation focuses on:

- closing living income and living wage gaps;
- convening sector platforms;
- increasing transparency;
- service delivery models and investments; and
- women's safety and empowerment.





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Environment: Driving net-zero transformation

Following the plenary, the conference's first session focused on the environmental issues in tea and was facilitated by Dr Sharon Hall, Chief Executive of the UK Tea and Infusions Association.

Speakers included Rachel Cracknell, ETP Environment & Climate Lead, Alice Allan, Team Leader at the FCDO's Work & Opportunities for Women Programme, Priya B, Head of Sustainability at Tata Consumer Products Limited and Sudi Biko Matara, CEO at KTDA Foundation.





Key takeaways

- **Climate impacts are worsening**
  - Changing rainfall patterns are disrupting tea production globally.
  - Extended periods of drought, heavy rainfall and flooding have become common.
  - Climate change is impacting soil fertility, affecting productivity and quality.
  - Climate change has caused a rise in pests and diseases, forcing the use of agrochemicals and increasing production costs.

- **Adaptation comes with many challenges**
  - Smallholder farmers have limited financial resources to adopt measures.
  - There is a lack of industry data on feasible adaptations methods.
  - Adaptation methods can be very locally specific and there is rarely a universal approach.
  - Adaptation is being deprioritised amid global price rises and challenges around profitability.

- **More investment and research is needed to achieve net-zero**
  - What can't be measured can't be managed; we need to understand the lifecycle of tea and the emissions hotspots from crop to cup.
  - To develop targets, companies first need to know where they are currently, looking at scopes 1, 2 and 3 emissions.
  - Large-scale investment is needed in alternative energy sources in tea production.

- **There is a need for industry alignment and standardisation**
  - The industry should be unified on emissions targets and measurement benchmarks and stick to them.
  - Science-based targets provide companies with a clearly defined path to reach net-zero in line with the Paris Agreement.
  - Producing and formalising a decarbonisation roadmap will enable carbon reduction throughout the value chain.

- **Climate change and gender inequality are interconnected**
  - Research has found that climate change and lower yields are disproportionally affecting women smallholder farmers in Kenya and Malawi.
  - There is a linkage between climate change and the frequency of gender-based violence; companies should prepare for this.

- **New partnerships and ways of working**
  - We must explore partnerships that address climate issues on the ground and the bigger net-zero ambition.
  - Piloting new approaches and forming diverse partnerships will stimulate and kick start action toward net-zero.

- **There is a need for data sharing and transparency**
  - We need to get better at sharing what works; this is not a time to be proprietary with information.
  - Shared learning should not be confined to tea; companies must look to other sectors for insights and solutions.



"[To reach net-zero] there needs to be a huge shift in pricing, programmes and ethical sourcing policies."

Sudi Biko Matara,
Chief Executive, Kenya Tea Development Agency Foundation

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Calls to action



"The industry needs a central depository for information that can help us all achieve net-zero – a 'net-zero tool kit'. It could promote innovation, acting as an open-source platform to access and share resources and data on low carbon technology."

Priya B, Head of Sustainability, Tata Consumer Products Limited

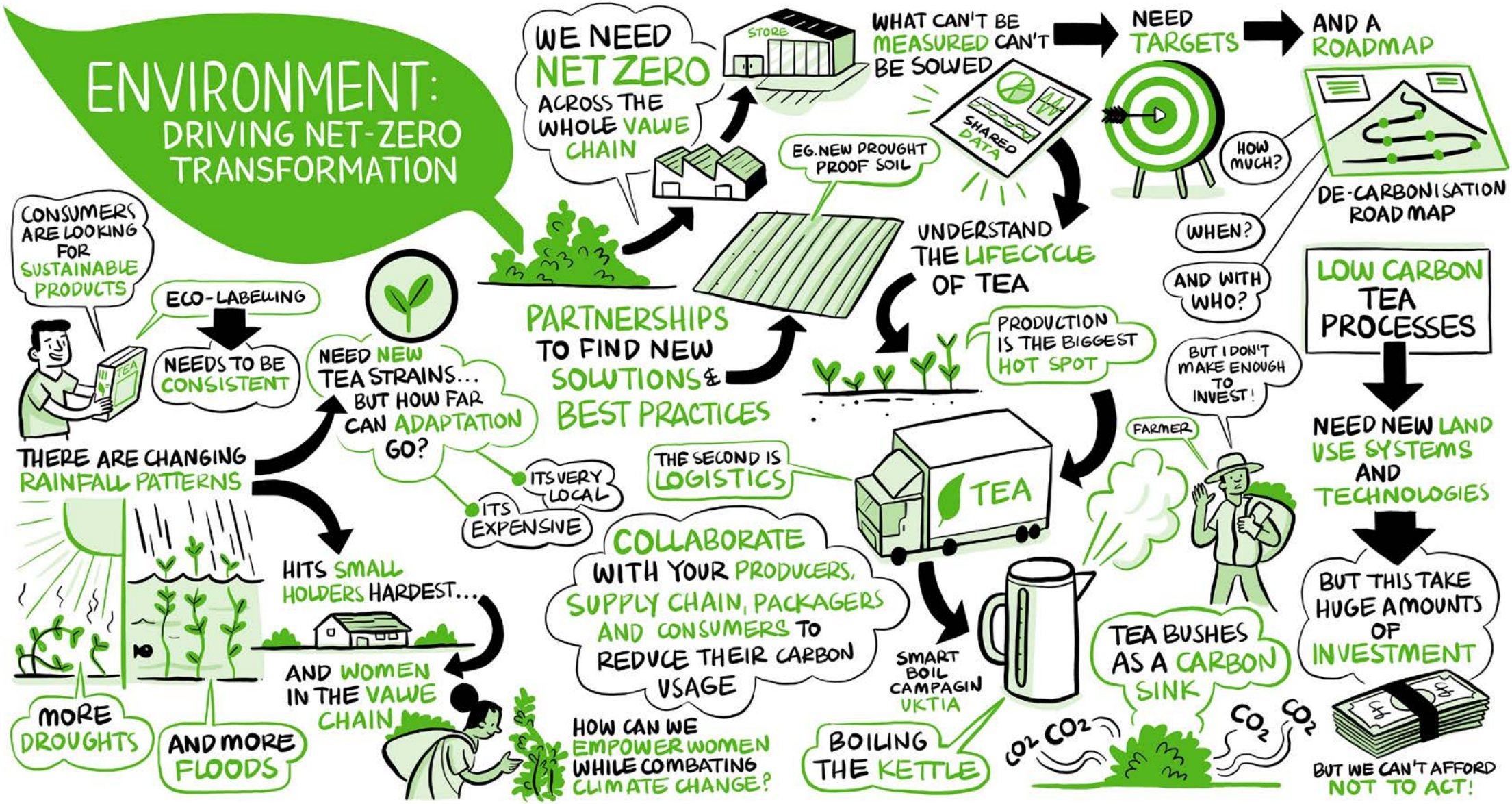
"ETP has a role to play as a convener, working across regions to pull together a 'knowledge management' system. We need information and resources so we can learn from other tea-producing regions."

Sudi Biko Matara, Chief Executive, Kenya Tea Development Agency Foundation

This session has catalysed ETP's work on driving the net-zero agenda in tea by facilitating data sharing, transparency, and methodology development at a global level.

Resources

- FCDO's Work and Opportunities for Women Programme
- Science Based Targets
- SBTI Corporate Net-zero Standard
- SME Climate Hub



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Equality: What do guidance & frameworks to prevent gender-based violence look like in practice for tea companies?

The causes of gender-based violence (GBV) are often deep-rooted and complex, but participatory approaches and changes to business processes have been successful in driving change. This session looked at the problems, local solutions, and actions businesses can take to reduce GBV in their supply chains.

Speakers included Thwango Ndalama, ETP Country Manager; Jane Nyambura, ETP Stakeholder & Partnerships Manager; Evangelyn Perera, ETP Programme Manager; Manisha Majumdar, Women's Safety Accelerator Fund Manager; Winfridah Moraa Nyakwara, Unilever Senior Social Sustainability Manager, Africa & South Asia; Dr Paula Hamilton, Head of Collective Action, Ethical Trading Initiative; and Amarpal Takk, Camellia Group General Counsel & Company Secretary.

The session was facilitated by Leena Camadoo, Gender & Livelihoods Lead, ETP.





The causes of gender-based violence

Typically, GBV and harassment is caused and perpetuated by:

1) **Silence and lack of awareness.**
2) **Societal norms and cultural beliefs.**
3) **Managements' lack of awareness of laws and rights.**
4) **Lack of support services.**
5) **Victim blaming.**
6) **Economic vulnerability.**
7) **Power imbalances.**
8) **Low reporting due to fear of retaliation.**
9) **Lack of justice.**

What's working?

- **'Theatre for Development'** involves local Malawian drama groups bringing sensitive and often hidden subjects to the forefront of the conversation. It breaks the silence by bringing issues to the attention of those in positions of power – including management, police, NGOs, and community leaders.

- **'Community Action Groups'** in Malawi support women to understand their rights and the relevant laws that protect them while also ensuring legal action is taken. They also create reporting procedures and work with police and local victim support units to ensure cases are handled correctly. The power of these groups often acts as a deterrent to perpetrators.

- **Involving males as 'Gender Champions'** has helped challenge attitudes passed down through generations. In Kenya, ETP has trained male motorcycle taxi drivers on GBV issues who went on to volunteer as gender champions and educate rural communities. Evangelyn Perera, ETP's Programme Manager for Sri Lanka, highlighted the success of the MenCare programme in the country. Supported by estate management, as part of this initiative local religious and community leaders work with men to promote their involvement as gender equitable caregivers, and to end violence against women and children. In both instances, reported cases of GBV declined in the communities targeted.

- **Forming 'Gender Cells'** in Assam's tea estates has brought together men and women from the government, estate managements, unions, and leaders from tea estate communities. This has helped raise the profile of gender issues at the district level in Assam and connected tea estates to government support schemes.



What can businesses do?

'Prevention' is always better than 'cure'. Businesses cannot wait to be guided by governments to eradicate practices that may allow violence and harassment to take place. Improving women's safety is a vital first step in enabling economic empowerment and reducing gender inequality more broadly.

Utilising the Global Women's Safety Framework in Rural Spaces

UN Women and Unilever have developed a Global Women's Safety Framework that explores the many manifestations and causes of violence against women and girls, and sets out their impacts on women, communities, and businesses.

The framework draws on experiences from the tea sector and provides examples of how producers, authorities and civil society groups can work together, with links to tools and organisations.

Ensuring policies and processes align with the ILO Convention 190

Nineteen countries have ratified the ILO Convention 190 (C190), and are committed to developing policies that end harassment and violence in the workplace. C190 defines violence and harassment, and sets out expectations of governments under three pillars: Prevention and Protection; Enforcement and Remedy; and Training and Guidance. Companies can look to the C190 to implement gender-responsive policies across their own organisation, whilst also raising awareness of the Convention among partners and suppliers.

Other practical advice and discussion points from the interactive session included:

- Improving governance and developing safeguarding committees.
- Conducting human rights impact assessments.
- Implementing operational grievance mechanisms across all operations.
- Raising awareness of GBV and harassment internally.
- Monitoring and showing the effectiveness of gender policies and initiatives.
- Understanding where women are in the supply chain, and monitoring evolving issues.
- Updating HR and recruitment practices to help women enter leadership positions, and sharing these with suppliers.
- Review and reflect on previous initiatives.



Calls to action

“Don’t wait to be told to act by governments, start today, start with what you can do as a business – getting rid of practices that could allow violence and harassment to flourish”

Dr Paula Hamilton,
Head of Collective Action at Ethical Trading Initiative



Resources

- Global Women’s Safety Framework in Rural Spaces: Informed by experience in the tea sector
- Convention No. 190 and Recommendation No.206 at a glance
- ILO C190 overview including guidance for the private sector

EQUALITY: WHAT DO GUIDANCE & FRAMEWORKS TO PREVENT GENDER-BASED VIOLENCE LOOK LIKE IN PRACTICE FOR TEA COMPANIES?

UNILEVER

WOMENS SAFETY IS CORE AND IF IGNORED IT IS A COST

SAFETY FRAMEWORK



MALAWI

70% OF SMALL HOLDER FARMERS ARE WOMEN

NEED TO FIGHT SEXUAL EXPLOITATION

USING DRAMA GROUPS TO START CRITICAL CONVERSATIONS



SRI-LANKA

GBV IS ALL OF SOCIETY'S ISSUE TO DEAL WITH



WHY ARE YOU COMPLAINING IT WAS YOUR HUSBAND WHO HIT YOU NOT A STRANGER?



CONVENTION 190

..A WORLD OF WORK FREE FROM VIOLENCE

VIOLENCE IS A HUMAN RIGHTS ISSUE

RIGHTS BASED FRAME WORK

- PREVENTION
- ENFORCEMEN
- GUIDANCE

KENYA

COMMITTED BY MEN WITH MOTORBIKES AND MONEY

LOW REPORTING OF GBV DUE TO FEAR OF RETRIBUTION



GBV TRAINING FOR THEM

INDIA

GBV IS VERY PREVELANT IN ASSAM



CREATE GROUPS TO...

RAISE AWARENESS & ACCOUNTABILITY AT THE LOCAL LEVEL

CAMELLIA'S JOURNEY

USING THE LENS OF THE UN GUIDING PRINCIPLES TO COMBAT GBV

- IT'S ABOUT CONTINUOUS LEARNING



1 STEP YOUR BUSINESS CAN TAKE.... HAVE A PROCESS FOR LISTENING



HOW TO MEASURE IMPACT ...LISTEN TO WOMEN'S LIVED EXPERIENCES



WHAT OUTCOMES SHOULD YOU EXPECT?... MORE MANAGEMENT ROLES FOR WOMEN



KEY ACTORS TO ENGAGE... ...MEN AND YOUNG BOYS



HOW DO YOU MAKE SURE YOUR FRAMEWORK IS CONTEXTUALISED?

..RESEARCH AND EVIDENCE



1 STEP YOUR BUSINESS CAN TAKE.... ...COLLECT DATA



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Economics: Rewarding the value in work, addressing inequalities & poverty alleviation

Tea workers and farmers often do not earn a living wage or living income. There are many contributing factors to this, including tea prices and the volatility of the tea market; legislation making production costs disproportionately high; the industry being based on an outdated model of cheap labour; and consumers' unwillingness to pay more for tea. These are complicated and systemic challenges that only a collaborative, sector-wide approach can begin to address.

In this session, we heard from experts on wage issues from the tea sector and beyond.

Speakers included Paul Schoenmakers, Head of Impact, Tony's Chocolonely, Giles Bolton, Responsible Sourcing Director, Tesco, Andy Brown, Managing Director, Taylors of Harrogate, Zbigniew Lewicki, Chief R&D and Sustainability Officer, Ekaterra and Bea Ruoff, Head of Operations, Accountability and Monitoring at ACT on Living Wages.

The session was facilitated by Ruchira Joshi, Executive Director, IDH, UK.



Insights

Tony's Chocolonely, "an impact company that makes chocolate"

Cocoa prices have been in continuous decline for decades, which has led to extreme poverty, child labour, and deforestation. To address this, Tony's has committed to five fundamental sourcing principles:

1. Traceable beans: knowing exactly where they come and being aware of social and environmental conditions at origin.
2. Paying a higher price, ensuring higher incomes for farmers.
3. Investing in farmer cooperatives to 'stand strong'.
4. Thinking long-term and committing to at least five years of paying higher prices.
5. Investing in agricultural skills and knowledge.

At the same time, Tony's built a model to understand how much they would have to pay farmers to ensure a decent quality of life. They worked with the Living Income Community of Practice and Fairtrade International to create a model that could be replicated across other sectors, including tea.

Although Tony's pays an additional premium to farmers, they are the most sold chocolate brand in the Netherlands and continue to expand internationally.

ACT on Living Wages

Bea Ruoff, Head of Operations, Accountability and Monitoring, explained ACT's work to understand the statutory minimum wage in-country, and then support collective bargaining (CB) to build on minimum wage mechanisms. ACT recognises the importance of CB as an approach to raise wages over time. For CB to be effective, it should:

- entail wage growth above inflation and increased productivity costs;
- be based on full respect of freedom of association; and
- include a robust monitoring and enforcement mechanism.

Alongside collective bargaining, ACT also promotes the payment of fair prices and the adoption of responsible purchasing practices as an essential measure for improving wages across the supply chain.

Key takeaways

- **The need for collective action**
  - For movement on living wage, commitment is needed across the sector, including influential retailers; we need a significant number of companies using the same targets.
  - Precompetitive collaboration is vital; progress towards living wage should not be jeopardised by competition and discussion on price points.
  - Factories and their buyers must be aligned in what they are calling for; the target is not to decide wages, but to empower unions in collective bargaining.

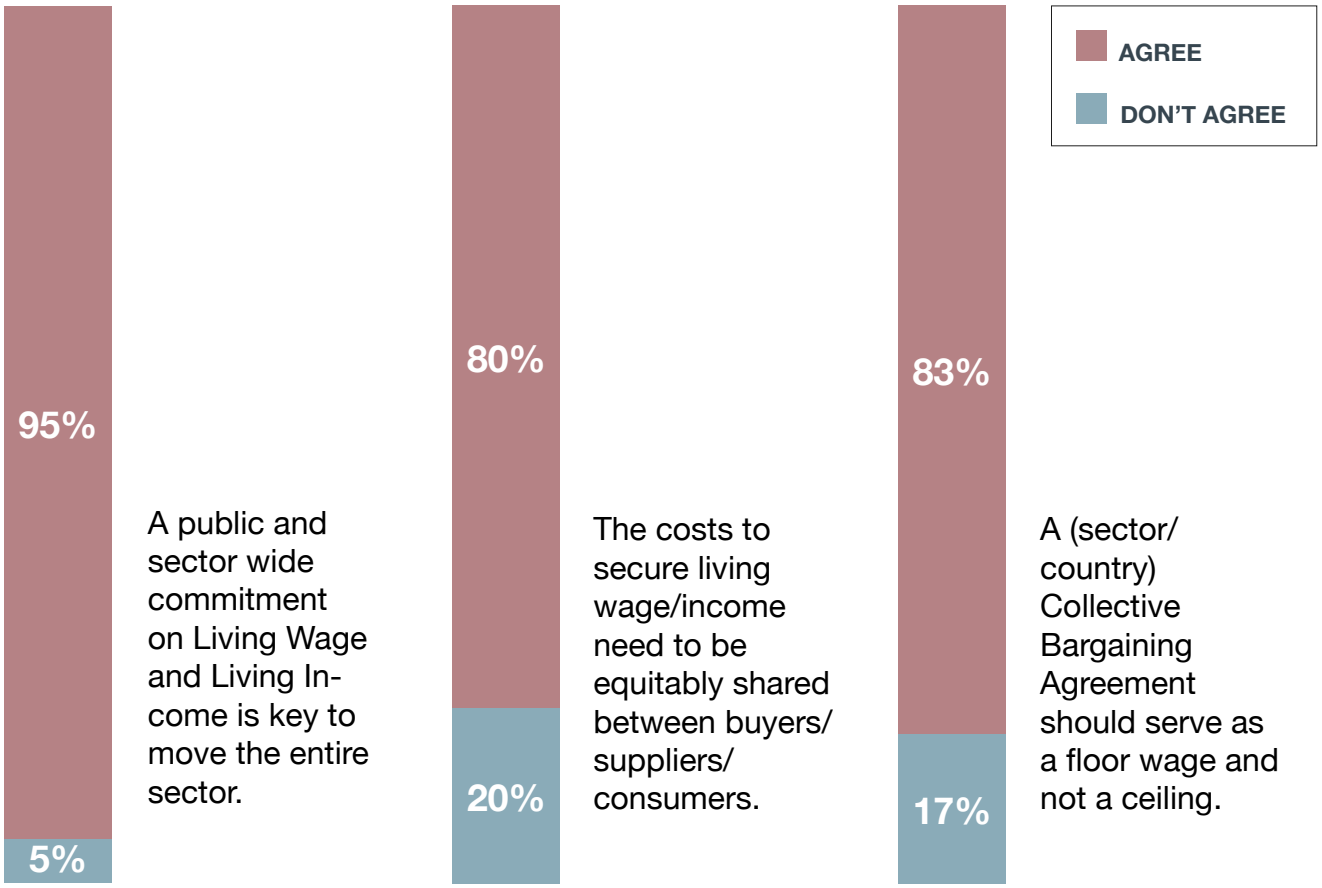
- **Research and standardisation**
  - The industry needs stronger visibility over living wage gaps; more research and investment is needed.
  - Common tools, methodologies and benchmarks are needed to identify living wage gaps and drive change (science-based target approach).

- **Increasing the value of tea**
  - Tea is an incredibly cheap commodity - brands and retailers have a responsibility to educate and show the true value of tea.
  - Responsibility needs to be shared across the value chain; power imbalances and costs shared between the supplier and buyer should be considered.
  - Paying higher prices would be a relatively small business cost for buyers when compared to other expenses, such as marketing.
  - Younger consumers will be more willing to pay a higher price for tea if companies are doing the right thing.

- **What can businesses do?**
  - Work with select suppliers where there is a wage gap and pay a premium, or work towards committing to only buying from suppliers paying a living wage.
  - Build positive and proactive relationships with suppliers to address historical trust issues between producers and buyers.
  - Consider direct-buying relationships and set up long-term contracts with suppliers.
  - Advocate for a sector-wide commitment to living wages and incomes.



Audience votes



"Living wage and living income are the ultimate indicators of health and progress within the industry."

Zbigniew Lewicki, Chief R&D and Sustainability Officer, ekaterra

Business as usual will not get us out of trouble. We need to transform business models to get to the root cause of the problems. Over the years, millions of pounds have been poured into sustainability programmes, but the problem still exists. This is because chocolate companies changed neither their supply chains nor their business models."

Paul Schoenmakers, Impactus Prime, Tony's Chocolonely

Resources

- Tony's Chocolonely's Living Income Model for Cocoa
- ACT on Living Wages
- IDH Roadmap on Living Wages
- The Living Income Community of Practice



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Closing Remarks

The day closed with Danny Sriskandarajah, CEO of Oxfam GB, highlighting why tea is worth paying more for, and calling for the industry to 'get serious' about improving wages, addressing gender inequality, and fighting for climate justice.

Danny argued that if the tea industry cannot share value across the supply chain, and work towards achieving decent wages, it becomes part of a global problem; as it fuels a world economy that drives inequality. Danny referred to an Oxfam report which looked at coffee production in a Brazilian state and found that just a 1% redistribution of shareholder dividends would allow companies to close the living wage gap.

On the topic of equality, Danny spoke of the sector needing to lead by example. The tea industry should proactively demonstrate that it is decent and committed to positive change. This includes addressing deep inequities such as the gender pay gap, and tackling systemic issues of harassment and violence.

On the environment, Danny expressed that we are at a profound junction in our species' history to own responsibility and address the damage we have caused, particularly in the global north. He urged companies to 'show their plans for net-zero' and be transparent with solutions and data. He emphasised that the dangers of climate vulnerability are real, and affect those who have contributed the least to the changing climate. He contended that significant investment is needed to build resilience among tea communities and protect the industry for future generations.



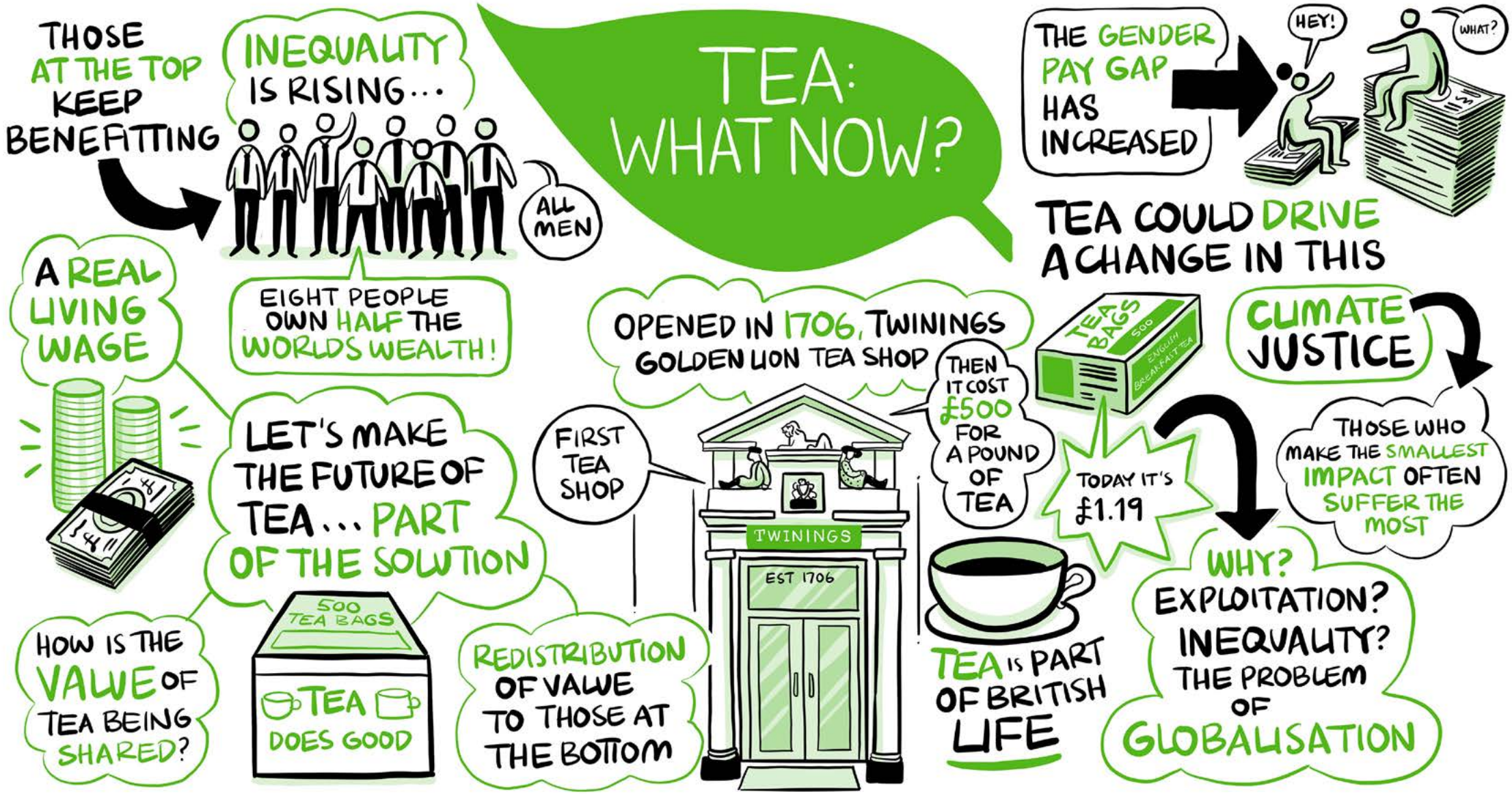




Danny concluded with three asks for companies:

1. Think about how we can build 'corporations of the future' that empower workers and are structured in a way that put power-sharing, accountability, and sustainability at their heart.
2. Continue to find new and meaningful ways of collaborating that embody mutual responsibility of sector issues.
3. Be bold and ambitious, embrace change and rewrite the injustices that have underpinned the tea industry for centuries – if now isn't the time to be bold, then when will it be?





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The Green House,
244-254 Cambridge Heath Road,
London, E2 9DA

+44 (0)203 488 7665

info@ethicalteapartnership.org

ethicalteapartnership.org

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茶叶道德联盟 ETP

Ethical Tea Partnership