



The Ethical Tea Partnership (ETP) is a global membership organisation that is catalysing long-term, systemic change, to benefit everybody who works in tea – especially people in tea-producing regions x

Our work addresses the key issues within economics, equality, and the environment. We focus on:

- Delivering locally-led projects, often in partnership with other organisations, that seek to involve communities and ensure their voices are heard;
- → Supporting the private sector to pioneer responsible business models; and
- Engaging stakeholders to support policies that positively impact people in tea

At ETP, we believe businesses have the power to be a force for good. Our members include a range of tea companies, from start-ups to multinationals who have joined us to address the complex systemic issues that the tea sector faces. We convene and facilitate collaboration between communities on the ground, our members, businesses, governments, and civil society, enabling us to mobilise our resources and deliver our transformational strategy.

In all our work, we seek diverse partnerships with stakeholders across the tea sector, helping us evolve new ways of tackling issues. We share our learnings across regions and the sector to raise awareness of emerging issues, deepen understanding and galvanise action.

We know the challenges are vast and that systemic change will not happen overnight. But we believe that by listening to workers, farmers, and communities and working collectively, we can realise our vision of a tea sector that is thriving, socially just, and environmentally sustainable.



1 | Introduction Annual Report 2022

Foreword by the Chair x

I was honoured to step in as Interim Chair at a time of change within the Ethical Tea Partnership. It is an organisation that I believe in passionately both professionally and personally. Over 2022 the ETP continued to strengthen and make significant strides in the face of huge global and systemic challenges.

We saw new and familiar issues amplified by the price of tea, the rising role of legislation, the changing nature of certification, and economic turbulence across the world. These widespread and multifaceted factors affect the role of the ETP, but also provide an incredible opportunity for the organisation to lead the sectors' response.

The Board has worked closely with Jenny and the ETP team to strengthen the organisation. First, many ETP members gathered in November 2022 for the annual Members' Strategy Day, where we used part of the time to help define a cohesive mission for the organisation. This essential piece of work will guide the organisation for years to come. Second, by the time this Annual Report is published. ETP will have announced a new Chair, someone who will bring leadership and passion. Third, we have been reviewing the organisation's membership model to ensure our membership can grow and strengthen. Fourth, we have undertaken a review of ETP's governance and Articles of Association to ensure the organisation is resilient and effective; this work is ongoing. Finally, we are continuously monitoring and evaluating our Strategy2030 to ensure the organisation is making progress towards our vision of a thriving tea sector that is socially just and environmentally sustainable.

This year has not been easy, but it has been both rewarding and progressive and I am pleased to report that the ETP is stronger in every way than it was a year ago. I would like to take the opportunity to thank Jenny and all those who have worked

tirelessly for and on behalf of the ETP across all our tea growing regions and here in the UK. This has been alongside a Board and membership who have worked very differently this year with the ETP Team. In doing so they have contributed generously with their time, perspectives and knowledge. 2022 has been an inflection point for the tea sector – and ETP is responding to the challenge.

Thank you for taking the time to read this, onwards and stronger we go.

Best wishes,

FOR

Keith Writer, Interim Chair, ETP Taylors of Harrogate



Executive Director Foreword x

Welcome to The Ethical Tea Partnership's first Annual Report! Despite being incorporated more than 25 years ago, we have never produced such a document, opting instead to file our accounts every year on Companies House and share quarterly activity reports with members.

This inaugural Annual Report signals our ongoing commitment to transparency and I hope you enjoy reading about the impact we're having in teaproducing countries, along with learning about how ETP operates and the important role we play beyond our on-the-ground projects.

2022 was pivotal for me; when the COVID-19 lockdown lifted in the UK, it was the first time in my role that I was able to travel to tea-producing origins, which I found eyeopening, inspirational, and motivating. The scale and beauty of the industry is awe-inspiring; the social and environmental challenges are intractable and complex; and, what really motivates me are the people working in tea - men and women, who work long, hard hours, often for little gain. I have learnt so much from the many international tea stakeholders whom I met last year, each with their own perspective and ideas about how to improve things in tea, and my one take-away is that there is so much to be done! At times, ETP's vision of 'a thriving tea industry that is socially just and environmentally sustainable' feels far-fetched and fanciful, but we absolutely must not stop trying to achieve this vision. Every day our activities move the needle just a little more towards progress, justice, and sustainability; every day our members and partners support this work, but there is no denying it can be tough at times.

2022 was significant in many other ways, too: Sri Lanka, a strategically important producer of orthodox tea, experienced an unprecedented economic crisis; global tea prices were devastatingly low, crippling producers and farmers; there were major changes

in certification of tea – the impact of which is still being worked out, and governments in the United States, European Union, France, and Germany upped the legislative-ante for corporate transparency and supply chain due diligence. It's in light of these externalities that ETP's Board of Directors has been leading a review of our place in the ecosystem of tea, considering our role and relevance and reviewing how we operate and what it means to be a member of ETP, so that we continue to catalyse change and improvements in the sector. This first Annual Report and our work on greater transparency is just one of the many, small-but-significant changes that we're making. You can read more about what lies ahead for ETP at the end of this report.

I remain inspired and humbled by the work of ETP – the team is diverse, talented, and passionate, and their commitment to social justice and environmental sustainability never wavers. The members and partners we work with are supportive and challenging in all the right ways – we achieve more thanks to them. And in the last year, more than ever, I appreciated the dedication and commitment of the Board of Directors as they set the course for ETP's journey. Onward!

Jenny Cestelloe.

Jenny Costelloe, Executive Director, ETP



Membership x

The Ethical Tea Partnership's (ETP) members include a range of tea companies, from the sector's start-ups to the biggest multi-nationals.

Currently, all members are required to share their sourcing lists in confidence with ETP and to source from gardens certified by either Rainforest Alliance or Fairtrade. Membership fees are based on the volume of tea a company buys and sells annually.

Two companies, Lidl International and Keith Spicer, joined ETP in 2022, bringing the total number of members to 47. ETP's Board of Directors and executive team are considering a revision to ETP's Global Membership Rules, last revised in 2019, in response to challenges with certification, to strengthen the organisation's membership and to allow for opportunities for membership growth. ETP's Board met throughout the year to discuss updates to the Rules. ETP will lead a consultative process with its full membership throughout 2023 to ensure any changes are widely understood and welcomed.

ETP held its annual Members' Strategy Day in November 2022, which was attended by 22 member companies (representing 47% of the total membership), as well as two prospective members who joined as observers.

READ MORE →

Governance x

As a membership organisation, ETP is governed by a Board comprising representatives from member companies. The Chair of the Board is an independent role.

In 2022-2023 the Board undertook a review of ETP's governance and has agreed to work on the following, with external professional support:

- → Appoint a new Chair of the Board in early 2023
- Establish a multistakeholder advisory committee to the Board (chaired separately)
- → Conduct a comprehensive review of ETP's Articles of Association
- → Develop a Board Code of Conduct

We hope to have completed these actions by the end of 2023.

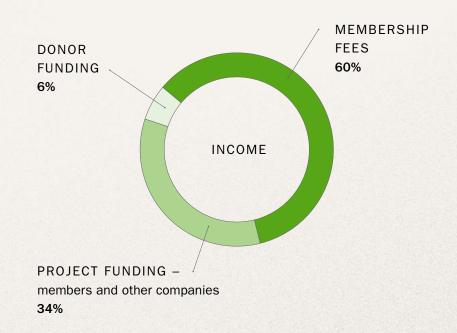
READ MORE →



ETP's Finances x

Where our money comes from

ETP's income comprises £2.56m in membership fees, £1.43m project funding from members and other companies (34%), and £0.27m in donor funding (6%).



In 2022, ETP changed our financial reporting cycle to mirror the calendar year. From October 2021 to December 2022, ETP's income was £4.26m, compared to £4.09m in the previous 12 months, a decrease in the monthly average. The change in financial year, along with £1.71m in project income, makes this appear as an increase in income.

For every £1 of membership levy received, ETP raised £0.68 for direct project activities in 2022, which resulted in a return on investment of 68%.

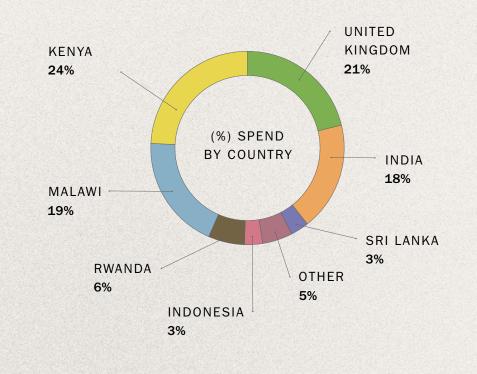
Furthermore, membership income in 2022 has enabled ETP to secure an additional £2.18m in donor funding from 2023 onward.

Where our money goes

ETP's expenditure comprises core operating costs, project financing and supporting other activities such as industry events, research, and partnerships.

In 2021, we spent less than forecasted due to the pandemic. This increased to £3.99m in 2022 due to activities returning to normal and investing in the ETP team. In 2022, we spent £2.9m on direct programme activities, of which £2.51m were undertaken by ETP directly and £0.39m through partners such as ActionAid and UNICEF. The UK costs include governance, industry events, and general running costs.

Expenditure breakdown



Staff costs

ETP had 41 staff globally in 2022. The total staff costs were £1.71m, £0.93m of which were staff based in the United Kingdom (15 staff) and £0.78m in tea producing countries (26 staff).

Overall financial health

ETP has seen consistent support from our members and donors, for which we are extremely grateful. The organisation continues to review, engage with, and respond to new grant opportunities to grow and expand our activities in country.

You can find our final annual accounts for every year on Companies House. The 2022 final accounts will be published by September 2023.

VIEW OUR ANNUAL ACCOUNTS →

In 2022, ETP took a fresh look at its communications and policy function. ETP produced our Communication and Policy Strategy, which identified several priority areas including:

- → defining ETP's mission and purpose;
- → developing key messaging;
- reviewing the brand identity;
- → developing a Communications Steering Group from member companies;
- → developing a social media strategy;
- → implementing capacity building for communications within the regional ETP teams;
- completing a legislation and policy review of tea producing countries; and
- developing a content calendar and processes for communications.

Our strategy highlights ETP's communications and policy objective to ensure the organisation is viewed as a thought leader, catalyst for transformational change, and the trusted go-to source on environment, economics, and equality in the tea sector.

Despite much of 2022 being focused on foundation-setting, ETP maintained our communication outreach and built up our policy function. More than 20 case studies highlighting the impact of our programmes were produced, including over ten videos and hundreds of photos. More than 150 newsletters and updates were shared with members, including nearly 40 policy updates published through the members' only information centre. In 2022, our total impressions across all social channels increased by 420%. ETP was mentioned in the international media more than 2,000 times in 2022.

TEAM UP returned in 2022 after a hiatus due to covid-19. Co-hosted by ETP and IDH – The Sustainable Trade Initiative, the event was successful with more than 150 delegates joining in-person and online. The theme of this year's TEAM UP was 'Sustainability Solutions'. The event's purpose 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.

Danny Sriskandarajah, CEO of Oxfam GB, joined TEAM UP 2022 and in his closing speech encouraged the sector to be bold and ambitious, embrace change, and rewrite the injustices that have underpinned tea for centuries.

Operations x

In 2020, ETP's members approved a new strategy for the organisation; a ten-year Strategy2030 proposing a multi-pronged approach to delivering systemic change in the tea sector.

The strategy represents a significant change for ETP, and consequently, the organisation needs to review its operational model to be fit-for-purpose. This process entails:

- → strengthening our international presence with a focus on empowering regional colleagues and evaluating the need to register in each region;
- → restructuring the UK secretariat team (completed);
- reviewing ETP's policies;
- upgrading our HR and IT systems; and
- investment in training and development plans for colleagues.

OUR TEAM →





Our Approach

ETP's vision is ambitious. We want to tackle deep-rooted, complex issues and create lasting change for the global tea sector. We have designed an approach based upon theories for systems change. ETP's work addresses the key issues within economics, equality, and the environment. It focuses on delivering locally-led projects that involve communities, supporting the private sector to pioneer new business models, and engaging stakeholders to support policies that positively impact people in tea.

ETP's success is based on our ability to adapt our strategy to the local context in tea-producing regions.

Projects

Tea producing regions face a range of complex and systemic issues, from low wages and incomes, through to unsafe working conditions, gender inequality, and environmentally unsustainable practices. Our on-the-ground projects focus on the three key areas we're seeking to address: economics, equality, and the environment.

Private Sector Change

By working closely with the private sector, we are gaining a deeper understanding of the potential for business to catalyse, rather than hold back, change in tea. We share the latest developments and our learnings in case studies and use this knowledge to work with other partners, including producers, government and non-government agencies to develop and implement new, responsible business models.

Policy

With our successful track record working in tea-producing countries' varied regulatory environments, we have a collective understanding of which policies will help catalyse systemic change to benefit everybody who works in tea. Our policy work involves influencing change and deepening and sharing knowledge.



Overview of Activities x

PROJECTS AND PILOTS X

Number of active programmes at end

of 2022

8

Number of programmes in the pipeline

Number of programmes completed in 2022

SHARED LEARNING ×



Publications and research papers produced in 2022

- → Scaling up Responsible Digital Payments in the Rwandan tea sector (Rwanda) READ MORE
- → TEAM UP 2022 Report (Global) READ MORE
- → 'Advocacy approaches on women in leadership in the tea sector' study (Kenya)
- → The low-income plight facing Rwandan smallholder tea farmers
- → Sector Study of Tea in Indonesia (Indonesia) READ MORE
- → Gender-just Net Zero Supply Chains (Kenya)
- → Gender-just Net Zero Supply Chains (Malawi)
- → UNICEF Family Friendly Policies Need Assessment (Indonesia)

PEOPLE REACHED DIRECTLY & INDIRECTLY ×

147,645 331k
Direct Indirect



POLICY ×

Policy documents produced in 2022



Supply chain legislation briefing note



Recommendation for Kenya's Draft National Tea Policy



Responsible purchasing practices paper READ MORE



Women in Assam factsheet READ MORE



Indonesia Omnibus law briefing READ MORE

COMMUNICATIONS ×



> 15

Linked in > 1,300

10

case studies developed

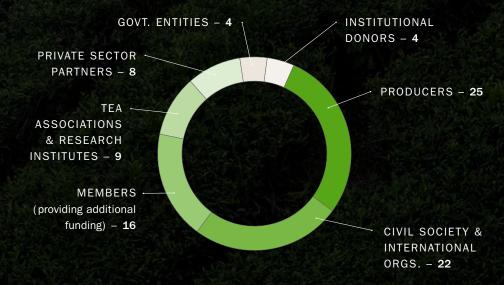
new followers

events held*

*including TEAM UP 2022 with more than

150 delegates attending

DIVERSE PARTNERSHIPS X



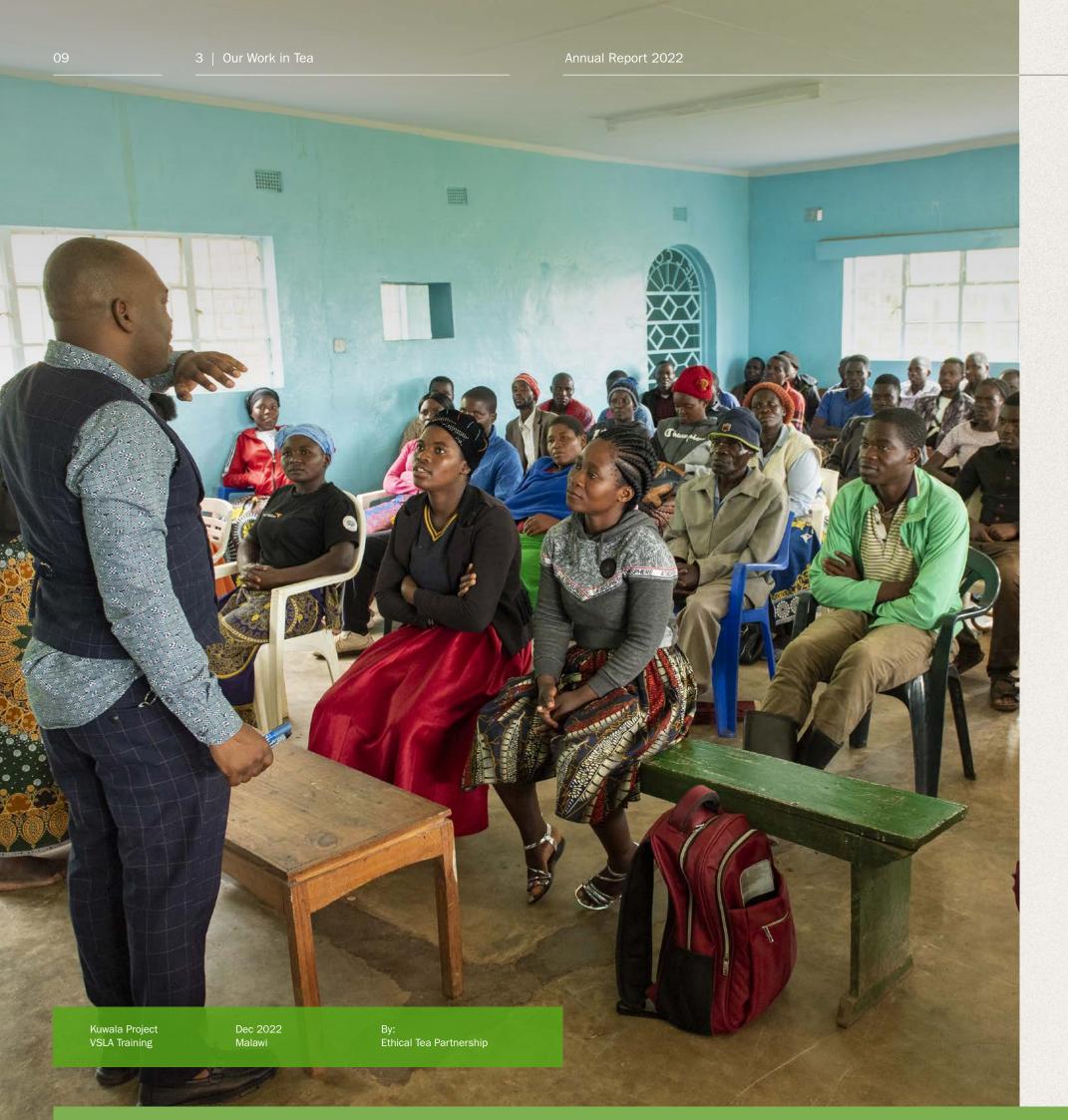
total partnerships in 2022



>20

new partnerships in 2022





Our approach to monitoring, evaluation, and learning x

Over the past year, ETP considered how we can demonstrate the change that we contribute to in the tea sector.

Prior to 2022, ETP established a Monitoring, Evaluation and Learning (MEL) working group, involving MEL champions from each country and globally. This group seeks to enable shared learning on MEL and ensure that we consistently measure the change our interventions contribute to. The group, together with other strategic initiatives, has been contributing to strengthening the integration of MEL in all steps of a project lifecycle, ensuring that we are responsibly managing data, putting people at the centre of our data management approaches, and slowly moving away from MEL for "compliance's sake", towards data being a driver for change.

In addition to this, we have designed a Global Impact Framework and are working with Akvo Foundation to conduct a Data Scan and a Data Maturity Assessment to improve our systems. This will enable ETP to align our approaches and report against the Framework annually.

Finally, we are currently setting up ongoing collection of changes in behaviours, policies, or practices, that we are contributing to in the industry, to better understand how, as a membership organisation, we are influencing the sector.

In 2023, we are launching a series of blogs to describe the steps we are taking towards using Monitoring, Evaluation, and Learning as a driver for change.

READ THE FIRST BLOG HERE →



Highlight Impacts for 2022 x

Economics

REACH >



NEARLY PEOPLE TRAINED

through business training and associated activities in Malawi.

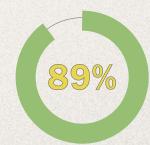


MORE THAN WORKERS & FARMERS REACHED

through Village Saving and Loans Association in Malawi and Rwanda.

IMPACT ×

Distribution of food crops in Sri Lankan tea estates, through Bathala in a Bag (page 20), have reduced spending on food for 89% of estate workers.



Through Village Savings and Loans Associations in Kenya, the number of women saving has increased by nearly 40%.



The average income generated from alternative activities increased by 83% due to the implementation of Village Savings and Loans Associations in Kenya.



Equality

REACH ×



MORE THAN WOMEN REACHED

through leadership training, gender-based violence interventions, and human rights interventions in India and Kenya.



MORE THAN PEOPLE REACHED

through community development forums in India.



NEARLY PEOPLE REACHED

through child protection interventions in India.

IMPACT ×

Through the ETP/UNICEF project in India (page 12), the number of tea estate managers who have knowledge of the Children's Rights and **Business Principles** increased by 23%.





estate workers in India procured essential identity proofs through the Plantation Community Empowerment Programme, enabling access to essential government services.

Environment

REACH >



NEARLY FARMERS REACHED

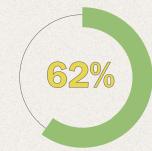
through Farmer Field Schools in Rwanda.

IMPACT ×

98% of farmers participating in the Building Climate Resilience and Income Diversification for Women's Livelihoods Project in Kenya (see page 15) adopted drought resistant clones.



62% of farmers from the Ogembo factory in Kenya replanted more than half of their tea farm with drought resistant clones.





Overview of 2022 Activities x

India remains the world's second largest producer and second largest consumer of tea, accounting for 25% of global production. From 2021-2022, Assam contributed 50% of India's total production and small tea growers (STG) contributed 45%.

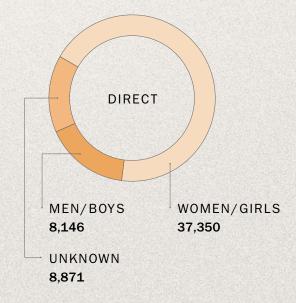
There were many policy and legislative developments in 2022 in India. The Tea (Promotion and Development) Bill 2022, which repeals the Tea Act 1953, and the Assam Tea Policy have been drafted and publicised for consultation. On the ground in Assam, there is a growing tension between Small Tea Growers (STGs) and the organised sector due to the lack of regulation guiding STGs.

2022 was a critical year in India for ETP. The UNICEF 'Improving lives' programme entered its third phase of implementation across 205 estates in Assam. The 'Plantation Community Empowerment Programme' (PCEP) pilot was completed in the beginning of the year and the scale up phase, in 20 tea estates across ten districts in Assam, began in August.

Additionally, ETP collaborated with Centre for Responsible Business and its annual conference India and Sustainability Standards (ISS) and organised a multi stakeholder consultation on living wage in the Assam tea sector.

People Reached Directly & Indirectly >

54,367
Direct
184,674
Indirect



Plantation Community Empowerment Programme (PCEP)

IMPACT AREA x	APPROACH x	PROJECT STATUS
Economics	Project	Completed
Equality	Private Sector Change	On track
Environment	Policy	Disrupted
	Shared Learning	

PROJECT OVERVIEW x

PCEP brings together communities and estate management through a unique platform, the Community Development Forums (CDFs), to resolve issues and improve living and working conditions on tea estates.

2022 ACHIEVEMENTS x

In 2022, the PCEP pilot completed in three estates with strong buy-in from all stakeholders involved, leading to its scale up in 20 tea estates of Assam. In its first year, ETP signed an MoU with funders and five producer companies, recruited a project management team and 19 community mobilisers, held a colloquium with producer companies, organised 30 orientation programmes and 110 community meetings, and initiated a landscape exercise in each of the 19 tea estates in the programme.

Funded by: ETP core funding, Taylors of Harrogate, Jing Tea, OTG, Lavazza, and German development agency GIZ

Healthy Diets for Tea Communities



PROJECT OVERVIEW x

In partnership with the Global Alliance for Improved Nutrition (GAIN), this project aims to raise awareness of the importance of healthy diets for tea communities through improved access to and demand for nutritious foods.

2022 ACHIEVEMENTS x

In 2022, 21,852 home visits on good nutrition were conducted for pregnant women and mothers, 120 Healthy Line Shops were set up to improve access to health and fortified products. Additionally, 202 cooking demonstrations and 136 cooking competitions for community member took place.

Funded by: ETP core funding, Ekaterra, Taylors, JDE, Ringtons, The Republic of Tea, Bigelow, Reginald Ames, Wollenhaupt, and the Dutch Ministry of Foreign Affairs

Women's Safety Accelerator Fund

IMPACT AREA x	APPROACH x	PROJECT STATUS
Economics	Project	Completed
Equality	Private Sector Change	On track
Environment	Policy	Disrupted
	Shared Learning	due to COVID-19

PROJECT OVERVIEW x

The Women's Safety Accelerator Fund (WSAF), managed by IDH, works to enhance the safety of women workers on tea estates in Assam, India. The WASF approach is guided by the Global Women's Safety Framework in Rural Spaces, developed by UN Women. ETP is a co-funder of WSAF and sits on the steering committee and the Working Group for Results Based Financing.

2022 ACHIEVEMENTS x

More than 150 tea estates participated in the international 16 Days of Activism campaign through a series of events highlighting the impacts of child marriage, domestic violence, and sexual harassment. Seven implementing NGO partners were onboarded in 2022 with a role to raise awareness for gender-based violence in tea estates.

Funded by: ETP core funding, Unilever, Tesco, Twinings, Taylors of Harrogate, and Tazo

The Improving Lives Programme - UNICEF

IMPACT AREA x	APPROACH x	PROJECT STATUS x
Economics	Project	Completed
Equality	Private Sector Change	On track
Environment	Policy	Disrupted
	Shared Learning	

PROJECT OVERVIEW x

This project aims to support women, children, and families living in 205 tea estates in Assam by improving the underlying systems which impact the lives of workers and their families and thereby driving sustainable change for children.

2022 ACHIEVEMENTS x

In 2022, the ETP and UNICEF partnership ran orientations on Friendly Family Policies with tea estate managers, which built upon Phase 2 activities relating to Responsible Business Practices. Capacity-building was conducted for over 200 teachers, which resulted in 122 tea garden managed schools implementing appropriate teaching and learning approaches. In addition, 151 Adolescent Friendly Centres were established, reaching 25,381 adolescents.

Funded by: ETP core funding, JDE, OTG, Starbucks Foundation, Tata Consumer Products Limited, and Taylors of Harrogate

A local leader shares insights on the remarkable changes resulting from the Plantaton Communcity Empowerment Programme (PCEP) x

Amrit Tanti is well known in the community as a leader, has been a permanent employee on a tea estate for the last 20 years, and has been the unit Secretary of Assam Cha Mazdoor Sangh (ACMS) in the Behora Tea Estate since 2015.

Amrit has been actively involved with PCEP since the pilot's inception in Behora and was selected as the Secretary of the Community Development Forum (CDF) when it was formed in 2018. As secretary, he organises meetings, facilitates and executes plans, provides guidance to sub-committees in the CDF, and co-ordinates with PCEP team members on conducting thematic training. As the CDF and ACMS unit secretary, he synergises the goals of larger community development in the estate.

Remarkable

changes have

been noticed after

of CDF among the

the introduction

communities.

READ THE FULL CASE STUDY -



Overview of 2022 Activities x

In 2021, Indonesia produced 137,837 tonnes of tea, of which 42,639 tonne were exported accounting for 30.9% of the total production. This is a decrease of 0.5% compared to 2020. The average export price has /decreased by 1.4% reaching 2.09 USD/kg. Data from 2022 will not be available until later in 2023.

In 2022, ETP commissioned an independent sector study of tea in Indonesia, illustrating the complex barriers and challenges of the tea industry in Indonesia. The study is accompanied by recommendations for strengthening the ETP's presence in Indonesia.

ETP hired a Stakeholder and Partnership Manager to kickstart our activities in Indonesia. As a result, in the last quarter of 2022, ETP engaged more than 20 institutions, informing them of our Strategy2030.

Additionally, ETP completed a <u>policy brief</u> on the contentious Omnibus Law to explain its impact on tea workers.

Indonesia Tea Sector Study

IMPACT AREA x APPROACH x PROJECT STATUS x Economics Project Completed Equality Private Sector Change On track Environment Policy Disrupted Shared Learning

PROJECT OVERVIEW x

Annual Report 2022

ETP commissioned a sector study of tea in Indonesia to investigate the complex barriers and challenges of the tea industry in Indonesia.

2022 ACHIEVEMENTS x

The study presents key findings across ETP's three impact areas in tea – economics, equality, and environment. The study is accompanied by recommendations for strengthening ETP's presence in Indonesia.

Funded by: ETP core funding

Omnibus Law Briefing Paper

IMPACT AREA 🗴	APPROACH x	PROJECT STATUS
Economics	Project	Completed
Equality	Private Sector Change	On track
Environment	Policy	Disrupted

Shared Learning

PROJECT OVERVIEW x

ETP completed a policy brief on the contentious Omnibus Law in Indonesia, to explain the impact on tea workers.

2022 ACHIEVEMENTS x

The brief provided information for ETP's membership on the potential risks associated with sourcing from Indonesia because of the changes introduced by the Omnibus Law. These included threats to worker protection, gender equality, and environmental standards.

Funded by: ETP core funding



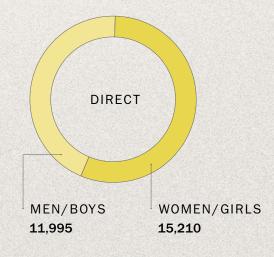
Following the 2022 general elections, subsidies on fuel, electricity, and more were removed and new subsidies for fertilisers to enhance productivity were introduced.

The tea industry faces several challenges including rising costs of production (due to high energy and labour costs) and declining export demand. According to the Tea Board of Kenya, the tea sector registered a 21% decline in export volumes, as consumers in key markets experienced reduced spending. At the close of the year, tea prices also dipped below the minimum reserve price, leading to a huge stock of unsold tea in Kenya.

In 2022, ETP forged new partnerships with diverse stakeholders in project implementation and policy work. These include the county governments of Meru, Nakuru, and Murang'a, which are supporting the Empowering tea communities project with ActionAid. ETP partnered with Trust Africa to host a workshop to identify gaps and recommendations for the Draft National Tea Policy. Additionally, ETP partnered with women rights' organisations, which are among our implementing partners for an upcoming project on transformative leadership, Our Tea, Our Voice.

People Reached Directly & Indirectly &

27,205 Direct 78,660 Indirect



Empowering Tea Communities in Kenya

IMPACT AREA × APPROACH x PROJECT STATUS x Completed Economics Project Equality Private Sector Change On track Disrupted Environment Policy Shared Learning

PROJECT OVERVIEW x

Annual Report 2022

Working with ActionAid, this project supports smallholder farmers and their informal (uncontracted) workers to understand and access their rights to a positive working environment, freedom from violence, and essential services.

2022 ACHIEVEMENTS x

In 2022, in partnership with ActionAid, we trained 985 Rights Champions in three tea producing communities in Kenya to ensure that smallholder tea farmers and informal workers are able to claim their rights to a positive working environment, fair pay and conditions, and essential public services such as clean water, safe housing, healthcare and education. We also established 3 Women's Networks in the three communities to support survivors of genderbased violence to access justice and support, and so that communities can work together to end violence against women and girls for good.

Funded by: ETP core funding, Taylors of Harrogate and Lavazza

Healthy Diets for Tea Communities

IMPACT AREA ×	APPROACH x	PROJECT STATUS
Economics	Project	Completed
Equality	Private Sector Change	On track
Environment	Policy	Disrupted
	Shared Learning	

PROJECT OVERVIEW x

In partnership with the Global Alliance for Improved Nutrition (GAIN), this project aims to achieve healthy diets for tea communities through improved access to and demand for nutritious foods.

2022 ACHIEVEMENTS x

Project targets were achieved as a combined 26,000 farmers and workers were reached through group trainings, phone messaging, and supply of planting materials. All planned cooking demos, composting, and kitchen gardens were completed. Efforts to ensure project activities continues, community Health Volunteers, the Ministry of Agriculture, and kiosk vendors were convened.

Funded by: ETP core funding, Ekaterra, Taylors, JDE, Ringtons, The Republic of Tea, Bigelow, Reginald Ames, Wollenhaupt, and the Dutch Ministry of Foreign Affairs

Building Climate Resilience and Income Diversification for Women's Livelihoods Project (CReW)

IMPACT AREA x APPROACH x PROJECT STATUS x Project Completed Economics Equality Private Sector Change On track Environment Policy Disrupted **Shared Learning**

PROJECT OVERVIEW x

In partnership with KTDA, the project aims to improve smallholder farmers' economic and climate resilience, through the adoption of draught resistant tea clones, and the establishment of new income generating activities, with a focus on at-risk women.

2022 ACHIEVEMENTS x

The project evaluation was completed in 2022. The project successfully supported 97% of farmers involved in replanting part of their farms with drought-resilient tea clones and piloted different nursery models for tea clones. Finally, the project supported farmers with additional income generating activities (IGAs), enabling an increase of income generated through IGAs of over Ksh 2,000 per month (approx. USD 15 per month).

Funded by: The Enhancing Livelihoods Fund, a joint initiative between Unilever, Ford Foundation, and Oxfam GB







Nancy's kitchen garden feeds and inspires x

When Nancy Chipkorir Korgoren does a full day's work, she plucks between 45-46 kilos of tea.

Through the Healthy Diets for Tea Communities, Nancy was trainined to prepare nutritious foods and develop her own kitchen garden. Nancy's kitchen garden, developed through the programme, provides most of her family's requirements for vegetables such as the nutritionally valuable saga, also known as spider flower, and robwonik, orange-fleshed sweet potato. Nancy has also invited other community members to her kitchen garden to share the knowledge she gained through training.

READ THE FULL CASE STUDY

I have learnt just how important it is to consume sufficient portions of nutritious foods.



Overview of 2022 Activities x

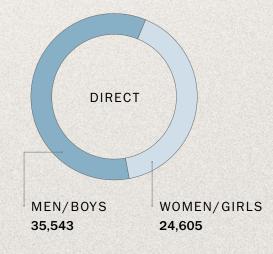
Tea is one of Malawi's largest foreign exchange earners. In 2022, the volume of tea produced was slightly lower than the previous year, but the average price at auction was slightly higher. 2022 was challenging for the Malawi tea sector due to adverse weather, acute foreign exchange shortages, disruptions to electricity, the high rate of inflation, and a cholera outbreak. These factors also exacerbated existing economic problems and affected the cost of production for tea producers. ETP witnessed reduced cases of cholera within the impact area of the Healthy Diets for Tea Communities programme due to effective use of handwashing facilities.

Following a collective bargaining agreement with the Plantation Workers Union (PAWU), the Tea Association of Malawi (TAML) increased estate workers' wages by 13% and agreed to increase maternity leave from eight to twelve weeks. Gender and sexual harassment policies were also developed and disseminated across the country's estates.

ETP engaged several stakeholders including the UK Government's Foreign, Commonwealth & Development Office's Work and Opportunities for Women (WOW) programme on a 'Gender and climate change' study, which fed into the establishment of a Payment for Ecosystems pilot coming soon. ETP also engaged TAML and its associated estates, as well as Sukambizi Association Trust, Thuchira Tea Association, Chizunga, and Suwazi trusts.

People Reached Directly & Indirectly >

60,148
Direct
61,656
Indirect



Healthy Diets for Tea Communities

PROJECT OVERVIEW x

In partnership with the Global Alliance for Improved Nutrition (GAIN), this project aims to achieve healthy diets for tea communities through improved access to and demand for nutritious foods.

2022 ACHIEVEMENTS x

Through the project, farmer beneficiaries diversified their diet through easy access to vegetables, bio-fortified crops, and fortified food. More than 3,300 farmers adopted bio-fortified crops in 2022. Improved hygiene practices were also adopted, especially handwashing, manifesting in no reported incidences of cholera among project beneficiaries.

Funded by: ETP core funding, Ekaterra, Taylors, JDE, Ringtons, The Republic of Tea, Bigelow, Reginald Ames, Wollenhaupt, and the Dutch Ministry of Foreign Affairs

Improving Livelihoods - Strategic Alliance

IMPACT AREA x	APPROACH x	PROJECT STATUS x
Economics	Project	Completed
Equality	Private Sector Change	On track
Environment	Policy	Disrupted
	Shared Learning	

PROJECT OVERVIEW x

This project, working with the German development agency (GIZ), aims to provide capacity building on good agricultural practices and income diversification, implement Farmer Business Schools, and increase access to loans.

2022 ACHIEVEMENTS x

2,152 smallholder farmers (80.7% women) received Business Idea Generation and Management training in 2022. Participants reported improved profits due to a training course on record keeping. The 2021 cohort developed additional income sources in 2022 by selling second-hand clothes, operating salons, the provision of mobile airtime and money transfer services, and farming other crops.

Funded by: GIZ, JDE, Lavazza, Marks & Spencer, OTG, Tata Consumer Products Limited, and Taylors of Harrogate

Ulalo 'Bridge'

IMPACT AREA x	APPROACH x	PROJECT STATUS
Economics	Project	Completed
Equality	Private Sector Change	On track
Environment	Policy	Disrupted
	Shared Learning	due to COVID-19

PROJECT OVERVIEW x

This project's goal is to build the economic resilience of workers at Lujeri Tea Estates and to address gender issues through economic empowerment.

2022 ACHIEVEMENTS x

The Village Savings Loan Associations established through the project enabled a share amount of £150,900 in 2022. Loans from the VSLAs were used by participants to buy food for households, renovate houses, pay school fees, and foot other basic bills resulting from a series of cyclones and high inflation costs in 2022.

Funded by: Taylors of Harrogate and ETP core funding; in-kind contribution from Lujeri tea estates

Kuwala 'Shine'

IMPACT AREA ×	APPROACH x	Completed
Economics	Project	On track
Equality	Private Sector Change	Disrupted
Environment	Policy	
	Shared Learning	

PROJECT STATUS x

PROJECT OVERVIEW x

This project focuses on establishing Village Savings and Loans Association groups (VSLAs), the distribution of solar lights in areas without electrification, and skills training on the lights' repair and proper use to ensure their longevity.

2022 ACHIEVEMENTS ×

VSLA members were able to purchase valuable assets such as motorbikes, tailoring machine, tea gardens, and a maize mill. The mill has reduced abuses women suffered during those long trips.

According to reports from the estates, children from the surrounding schools scored high grades during the national examinations due to use of solar lamps, which enabled them to study in the evenings.

Funded by: Tata Consumer Products Limited

Eliza builds a strong foundation through the Kuwala 'Shine' project ×

Eliza Taibu works as a weighbridge clerk at Ruo Tea Estate. She is a single mother of two and bears the sole responsibility of supporting her children's welfare and education with only one income.

Previously, Eliza relied on high-interest rate, loan-sharks to provide for daily needs. Through ETP's Kuwala 'Shine' programme, Eliza received training on and joined a Village Savings and Loans Association (VSLA) in the estate where she was able to use community agreed loans to pay back her previous loans. Eventually, Eliza was able to use VSLA loans to purchase land to establish a team farm and build a house.

I can testify, that through the Kuwala project, my life has improved a lot because I can afford the things such as building a house and owning land; these are things I could not afford before this project. READ THE FULL CASE STUDY -



The export value of the Rwandan tea sector increased significantly in 2022. However, the drastic rise in the cost of living reversed this gain as many tea farmers and their households struggled to make ends meet due to higher food prices and fertiliser costs.

ETP's Strategic Alliance Programme was successfully completed in 2022. During the year, the programme supported 2,292 tea smallholder farmers across six tea cooperatives and five tea companies to increase the productivity of both tea crop and food crops.

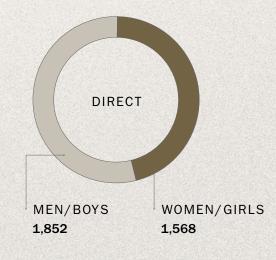
ETP engaged the National Agricultural Export-development Board (NAEB) in discussions around our work on tea farmers' income. ETP produced a living wage 'primer' and shared with NAEB, ETP's Board of Directors, and the Global Tea Coalition.

In November, ETP facilitated a workshop of tea stakeholders based in Rwanda on strategies to increase tea production and productivity, the strategic orientation of tea plucking, and the effectiveness of the prevailing quality enforcement measures.

ETP also conducted a study on the digitalisation of payments in the tea sector, in collaboration with Better Than Cash Alliance (BTCA). The study's report was finalised and ETP and BTCA are exploring options for implementing the recommendations through a business pilot, in collaboration with NAEB.

People Reached Directly & Indirectly x

3,420 **Direct** 16,142 Indirect



Better Than Cash Alliance (BTCA)

IMPACT AREA x APPROACH x PROJECT STATUS x Completed Economics Project Equality Private Sector Change On track Environment Policy Disrupted Shared Learning

PROJECT OVERVIEW x

ETP and BTCA formed a partnership in 2022 to explore the feasibility and potential benefits of digitising payments for workers and farmers in the Rwandan tea sector.

2022 ACHIEVEMENTS x

The partnership resulted in a report structured around the UN Principles for Responsible Digital Payments. It highlights the extent to which good practices are being implemented, where there are opportunities to implement changes, and who can support the scale up of these practices within the tea sector and beyond.

Funded by: Better Than Cash Alliance and ETP core funding

Improving Livelihoods - Strategic Alliance

IMPACT AREA x	APPROACH x	PROJECT STAT
Economics	Project	Completed
Equality	Private Sector Change	On track
Environment	Policy	Disrupted
	Shared Learning	

PROJECT OVERVIEW &

This project, working with the German development agency (GIZ), aims to provide capacity building on good agricultural practices and income diversification, implement Farmer Business Schools, and increase access to loans.

2022 ACHIEVEMENTS x

The programme supported 3,420 tea small holder farmers across six tea cooperatives and five tea companies, of which 2,292 (795 females) graduated from the programme and increased productivity of both tea crop and food crops, resulting in increased income and improved nutrition. In addition, around 825,000 tea seedlings were produced, and more than 125,000 avocado, calliandra, and grevillea trees were planted.

Funded by: GIZ, JDE, Lavazza, Marks & Spencer, OTG, Tata Consumer Products Limited, and Taylors of Harrogate

Increased production a key result in Rwanda x

In December 2021, conversations with the National Agricultural Export-development Board (NAEB) were initiated to extend the Strategic Alliance programme at Cyato.

All 192 members of the Cothecyaka small tea farmer's cooperative registered for the STA activities. The cooperative benefited from the programme through extension service support and access to fertiliser. As a result, the cooperative monthly production increased from 12,400 kg in January 2022 to 25,000 kg in October 2022. This results in improved incomes for the farmers.

It is overwhelming to see how our farmers increased production. Thanks to ETP interventions, the production has almost doubled in just a few months.

CHAIRPERSON, COTHECYAKA

READ THE FULL CASE STUDY →



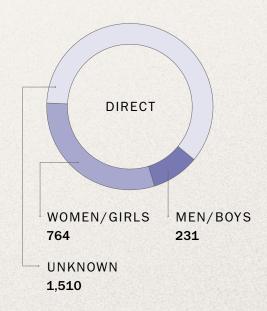
Overview of 2022 Activities x

2022 was a troubling year for Sri Lanka, led by social unrest, political instability, and the collapse of the national economy. The tea sector, the only viable source of foreign exchange into Sri Lanka, proved to be resilient during the crisis. Most of ETP's ongoing programme work was disrupted because of the crisis.

However, ETP was proactive in convening stakeholders to find solutions for issues which arose through the crisis including food security, living income, sustainable energy policy, and developing new partnerships.

People Reached Directly & Indirectly x

2,505
Direct
3,326
Indirect





Women of Tea

Economics

Equality

Project

Completed

On track

Environment

Policy

Shared Learning

PROJECT STATUS №

Completed

On track

Disrupted

due to Sri Lanka's

economic crisis and
fuel shortages

PROJECT OVERVIEW x

The Women of Tea Programme is a holistic nutrition improvement programme across six tea estates in the Nuwara Eliya and Badulla Districts of Sri Lanka.

2022 ACHIEVEMENTS x

ETP raised concerns on food security within tea communities through the programme. The programme resulted in an interest to establish and sustain community kitchens by the Plantation Human Development Trust and NGOs through Estate Worker Housing Cooperative Societies, under the Department of Cooperatives Development's purview.

Funded by: The Republic of Tea and ETP core funding

Bathala in a Bag (BiB)

IMPACT AREA x	APPROACH x	PROJECT STATE
Economics	Project	Completed
Equality	Private Sector Change	On track
Environment	Policy	Disrupted
	Shared Learning	

PROJECT OVERVIEW &

The pilot was launched at the Kotiyagala Estate, Bogawantalawa as an initiative to address the risks of an impending food crisis and high food inflation in the target area.

2022 ACHIEVEMENTS x

The project was driven and expanded by community members. 533 families benefited from the Bathala in a Bag pilot in 2022. The pilot catalysed a government Agriculture Officer to conduct a training demo session, which is a key achievement considering the limited government services to the community and region.

Funded by: ETP core funding

Pilot successful at ensuring food security during food shortages x

The Bathala in a Bag (BiB) pilot provided improved technical training by the Department of Agriculture on growing known staple crops in small spaces.

These techniques addressed the needs of households on the tea estates, who have limited space to grow their own food. The implementation of the pilot was driven by community members. 533 (50%) households on the estate were provided planting material in a bag and trained. ETP estimates nearly every participant planted the crops they received and over 75% continued cultivating the crops over a year after the intervention. 88% of respondents reported a reduction in spending on food and 91% reported a positive change in their diet.

Not only my family, but even my relatives benefitted immensely from the BiB project at a time when there was a shortage of wheat flour - because we had cassava from BiB - Bathala in a Bag.

S. SATHEES, KOTIYAGALA ESTATE

READ THE FULL CASE STUDY →





As I mentioned in the foreword of this Annual Report, there is much to do to realise the vision for 'a thriving tea industry that is socially just and environmentally sustainable'.

Along with the Board of Directors, my task is to set the priorities and focus for the organisation for the next year and I see this falling into two main areas: the impact we're having in the tea regions and encouraging responsible business practices.

Impact in the tea regions

We set the ETP Strategy2030 in 2020 and we are now in the process of reviewing country plans. Our colleagues in the regions lead the thinking for these plans, bringing their understanding of each country context. The plans will outline how we intend to improve economic prosperity, equality, and environmental sustainability in each country, and how we will orchestrate our projects, business pilots, and policy work to achieve this.

Recurring reports and recent cases of gender-based violence and sexual harassment in tea supply chains have shocked the industry. They have galvanised our resolve to address the systemic causes and we welcome the industry's call for action to address this heinous issue. We need to look at the challenge as a global problem and the sector must take care to align activities strategically so that together we create lasting change and create safe workplaces free from violence.

We are excited about scaling up the proven model for Plantation Community Empowerment in Assam; we will be pioneering an innovative 'payment for ecosystems services' model in Malawi – the first of its kind in the tea sector; we will be tackling the changing face of tea production in India, where more than half of the tea is now produced by the unregulated "small tea growers"; and we will be progressing digital salary payments in Rwanda – to name but a few of our many initiatives in the countries where we have a presence.

Driving responsible business practices

This body of work, referred to in our strategy as business pilots, will encourage ETP members and their suppliers to adopt innovative practices, which enhance the positive impact of the private sector. This includes:

"Know your supply chain" workstream — calling for supply chain transparency and guiding ETP members to use recognised frameworks to ensure fair wages, gender equality and good environmental practices in their supply chains. We will be looking beyond certification to solutions for accountability. We will also be delivering webinars and factsheets to help ETP members understand the emerging legislation on Human Rights and Environmental Due Diligence of supply chains.

Supporting business pilots – ETP will work with companies who want to co-invest in better business practices, such as low carbon technologies, employee grievance mechanisms, and so on.

ETP will continue to convene the Global Tea Coalition – a unique producerpacker CEO forum, where leaders from the sector discuss living wages and incomes, equality, and environmental sustainability.

ETP is also reviewing the membership requirements, in addition to certification of sources, which will ensure companies are supporting improvements in their supply chains. We'll be consulting our members to identify what this means.

Finally, underpinning these ambitious workstreams, sits a secretariat and an organisation to deliver the work. We strive to strengthen and professionalise the operations and structure of ETP, and this work will continue throughout 2023.

There is much to do, and I am confident that together we can make a difference!

Jenny Cestellor

Jenny Costelloe, Executive Director, ETP





Upcoming Programmes & Events x

MULTI-STAKEHOLDER DIALOGUE ON GENDER EQUALITY IN TEA - 30 MAY ×

ETP will be hosting a one-day discussion on Sexual Abuse, Exploitation, and Harrassment (SAEH) on tea estates. The objectives will be to ensure a shared understanding of the key structural drivers and enablers of SAEH in the workplace, share learning about some of the mechanisms and models which can help prevent SAEG, and encourage all stakeholders to engage in sector-wide collaboration.

RWANDA ROUNDTABLE - SEPTEMBER >

A roundtable, planned for September 2023, will bring together tea stakeholders based in Rwanda as well as tea packers that source tea from Rwanda to discuss social and environmental issues including the strategic orientation of tea plucking profession.

INDONESIA ROUNDTABLE - OCTOBER ×

ETP will be holding a roundtable in Indonesia, in October 2023, to share knowledge and discuss issues related to MRL in Indonesia to ensure stakeholders in the tea sector are making progress towards a net zero tea sector and to increase the awareness on food safety.

INDIA ROUNDTABLE - NOVEMBER ×

ETP is planning a roundtable in India, in November 2023, to drive sustainability in the tea sector. The roundtable will convene a wide range of stakeholders to discuss the economics, equality, and environmental challenges, with an Assam focus.

OUR TEA, OUR VOICE - GLOBAL >

Our Tea, Our Voice is 3-year project funded by GIZ, Twinings, Ringtons, Ostfriesische Tee Gesellschaft, and ETP. The project will practice transformative leadership from the start by ensuring that local women and Women's Rights Organisations lead the design process as they identify the change pathways that will be most meaningful within their contexts. They will also act as lead implementers and change agents. This programme will be rolled out with local partners in four countries.

COMMUNITY DEVELOPMENT FORUMS - INDONESIA ×

ETP will initiate a three-year undertaking, sponsored by Tazo, Twining, Starbucks, and ETP, to assist Indonesian women who work in the tea industry in achieving social and economic empowerment through the initiation of Community Development Forums.

FOOD AND AGRICULTURAL ORGANISATION CARBON NEUTRAL TEA - KENYA ×

ETP is a key partner driving and steering interventions in this tripartite programme and have already secured KTDA to be the focus of interventions. ETP will also be managing several key research components, including a study assessing the co-firing potential of briquettes in factory boilers and a policy study to look at the enabling environment for low carbon tea production.

PAYMENT FOR ECOSYSTEM SERVICES - MALAWI ×

ETP is exploring opportunities for a Payment for Ecosystem Services tree planting programme with farmers in Malawi and we have identified potential key partners. This would not only boost incomes, but also address some of the environmental challenges faced in tea growing regions.

ACCESS TO DIGITAL FINANCE - SRI LANKA >

Phase 1 of a pilot project was planned for March 2023, however, ETP and the International Finance Cooperations are considering designing a larger program to improve access to digital finance and financial inclusion, with special emphasis for women working in tea to improve their resilience within the economic crisis in the country.

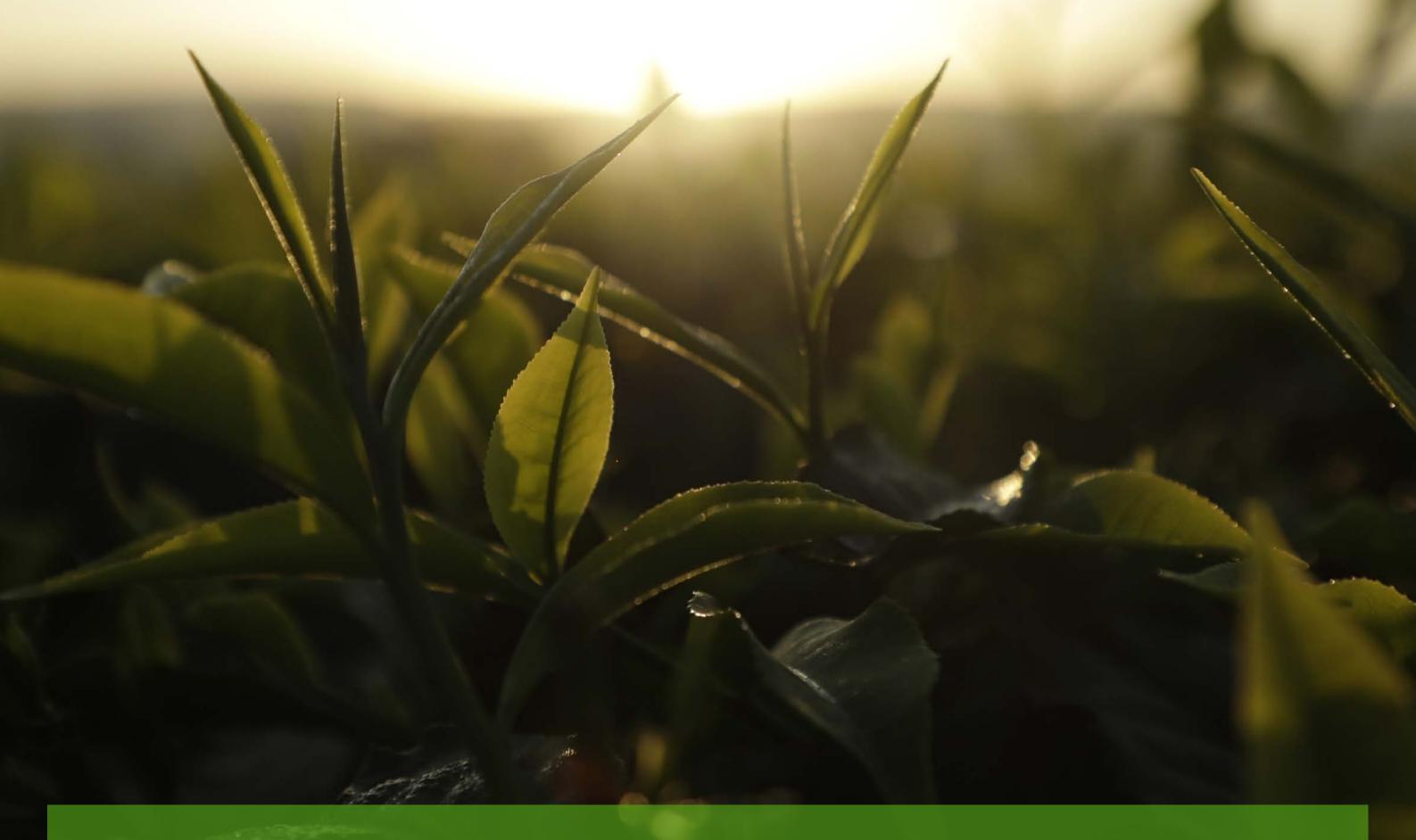
CARBON NEUTRAL TEA ROADMAP - SRI LANKA >

At the request of the Ministry of Plantations, ETP is supporting the government to develop a sustainable fuel wood sourcing roadmap, due to be launched in March 2023, to address the current risk to energy security in tea manufacturing.

COMMUNITY-LED FOOD SECURITY PILOT - SRI LANKA ×

This pilot is aimed at improving resilience and the nutritional needs of communities on tea estates. Food security will be established through scalable models and building partnerships for impact between the right stakeholders. A local University, relevant government agencies, and a steering committee comprising of producers all support the pilot's design and deployment.







Contact x

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