etp

Global Position on

Zero Deforestation



Contents

Introduction	
Terms and Definitions	
Human Rights and Frameworks	
Challenges	
Our Approach	
Conclusion	
Resources	



Introduction

Forests are essential in mitigating climate change as they absorb and store carbon dioxide. Conversely, deforestation releases stored carbon dioxide and other greenhouse gases into the atmosphere, accelerating global warming. Forests also support local communities and livelihoods, preserve biodiversity, and have important environmental functions such as regulating rainfall patterns and preventing soil erosion.

In our Strategy2030, we committed ourselves to working towards a tea sector which does not contribute to deforestation. Deforestation is one of three focus areas within our work on environmental sustainability, alongside climate-resilient agriculture and net zero tea. Our aim is to support the tea industry in minimising its impact on natural forests and making progress towards eliminating all deforestation linked to tea production.

This paper outlines ETP's position on deforestation in the tea industry. It describes some of the challenges related to deforestation in tea and our approach to catalysing change.





Terms and Definitions

We follow consensus-based definitions agreed upon by the Accountability Framework Initiative (AFI) when discussing deforestation. While there is no universally accepted definition for deforestation and its related terms, the AFI definitions are a widely recognised reference point.

Deforestation

The loss of natural forest resulting from conversion to agriculture or other non-forest land use, conversion to a tree plantation; or severe and sustained degradation. Any clearing of natural forests that meets this definition is deforestation, regardless of whether it is legal. ETP does not consider the harvesting of sustainable fuelwood plantations as deforestation. This definition aligns with most supply chain commitments on deforestation, which typically focus on preventing forest conversion.

Degradation

Changes within a natural ecosystem that significantly and negatively affect its species composition, structure, and/or function and reduce the ecosystem's capacity to supply products, support biodiversity, and/or deliver ecosystem services. Degradation can be caused by climate change, but it is primarily driven directly by human practices.¹

Zero deforestation

Zero deforestation refers to a commitment to preventing any clearing or conversion of natural forests. It relates to gross deforestation where 'gross' means total, without the deduction for reforestation. This is different from zero net deforestation, which allows for the removal or conversion of forests in one location if an equivalent area of forest is planted elsewhere. We strive for zero deforestation in the tea sector; this means preserving existing forests without any loss. However, we acknowledge that reforestation efforts can be important to revive ecosystems on already converted land.

¹ https://www.worldwildlife.org/stories/what-is-forest-degradation-and-why-is-it-bad-for-people-and-wildlife



Human Rights and Frameworks

ETP recognises that the consequences of deforestation extend beyond biodiversity and climate concerns; deforestation also gives rise to significant human rights impacts. For instance, the conversion of forests for agricultural purposes can involve encroachment on the lands of indigenous peoples and other customary rights-holders, and lead to the violation of land rights.

Forests can also serve as homes and a source of sustenance for tea communities. Deforestation can result in a loss of access to sources of food, medicine, and livelihoods. Deforestation is also associated with increased instances of conflict and violence – often linked to displacement – and the exacerbation of social, political, and economic marginalisation of certain groups.² Deforestation also affects the regulation of rainfall cycles and access to clean drinking water, directly contributes to the harmful effects of climate change on communities, and reduces local resilience to natural disasters such as floods and landslides. As a result, deforestation negatively impacts human health and well-being and threatens many basic human rights, including the right to life and the right to a healthy environment.

The relationship between human rights and climate change is highlighted in the <u>Sustainable Development Goals</u> (SDG15) and the <u>Rio Conventions</u> – specifically, the UN Framework Convention on Climate Change (UNFCCC), its Paris Agreement, and the Convention on Biological Diversity. In line with the <u>United Nations Guiding Principles on Business and Human Rights</u> (UNGPs), we believe businesses must consider and address deforestation's impacts on people, as well as the environment and climate.

We encourage our members and tea industry stakeholders to establish zero deforestation commitments, develop policies and practices to address deforestation, and report on progress in line with the Accountability Framework.

² https://www.clientearth.org/media/ekobwqpr/upholding-human-rights-in-the-fight-against-deforestation_clientearth-globalwitness_sept-2021_hires.pdf



Challenges

Deforestation in the tea sector primarily stems from the heavy dependence on fuelwood for energy, but it can also be driven by the expansion of tea estates and farms, if natural forests are cleared to make way for additional crops.

The processing of tea leaves in factories, especially during the withering and drying stages, typically requires large amounts of thermal energy. In many countries, this is provided through the combustion of wood in tea factory boiler systems. Wood is also commonly used for cooking in rural tea communities, further driving the demand and creating a risk of deforestation.

Although fuelwood can be a renewable energy source when obtained from sustainably managed plantations, there is often an imbalance between the increasing demand for fuelwood and the limited availability of sustainable supply. A lack of transparency regarding the origin of fuelwood exacerbates the problem. Moreover, in certain tea-producing regions, the combination of high production costs and low sale prices for tea contributes to an incentive to acquire additional land to improve productivity, often leading to deforestation. While forest protection laws exist, the enforcement of these regulations remains challenging due to limited governmental resources. In addition, because tea is a perennial crop, newly planted tea bushes take several years to mature and begin yielding harvests, and forest conversion for tea crops is more likely to be long-term or permanent.

While tea is not among the major commodities contributing to deforestation globally, the industry still faces challenges in this area.





Our Approach



Our approach to achieving zero deforestation in the tea industry is focused on reducing the reliance on fuelwood and ensuring that everyone in tea production has good livelihoods. As part of this, we work on the following areas:

Improving energy efficiency

We believe that improving energy efficiency is critical in reducing the sector's demand for fuelwood. We work directly with tea producers to help them implement energy-efficiency measures in their factories, including developing best-practice resources and conducting training with factory staff at all levels on monitoring and reducing energy use. Making changes to improve energy efficiency can also significantly reduce tea companies' operating costs. By embedding understanding and highlighting the financial benefits of energy efficiency, we encourage a long-term commitment to reducing fuelwood use.

Promoting alternative energy sources

In addition to our focus on energy efficiency, we are committed to promoting the use of alternative energy sources and reducing fuelwood consumption in tea factories and communities. Through our research, we explore incentives for farmers and companies to adopt alternatives, and we demonstrate the business benefits of using more sustainable fuels in tea production, such as biomass briquettes made from waste materials. We also support tea-growing communities by distributing clean cookstoves and solar technology.



Traceability and transparency

Addressing deforestation requires being able to trace the origins of fuelwood and making this information available to tea producers. In response to the current transparency gaps, we are partnering with government stakeholders and local NGOs in Sri Lanka to develop frameworks to ensure fuelwood in grown and sourced sustainably, while also exploring how the tea industry can leverage technology to enhance its traceability.

Responsible purchasing practices

Improving the economics of tea plays an important role in reducing pressure on forested areas. One of the ways we do this is by promoting responsible purchasing practices. We highlight the negative impact of poor practices such as aggressive price negotiation and short-term contracts, which can make it difficult for producers to cover production costs and increases the risk of social and environmental standards falling.

We urge our members to evaluate the impact of their purchasing practices and establish long-term, trust-based relationships with their suppliers, which in turn enable producers to uphold good social and environmental standards.







Knowledge building and influencing

We seek to establish a regulatory landscape that supports zero deforestation by reviewing and evaluating policies and laws that have an impact on the cultivation, supply, and use of sustainable fuelwood, and by engaging with governments to influence policy changes that reduce the risk of deforestation linked to tea production.

We also develop information resources and share learnings from our projects to raise awareness of the challenges and highlight practical steps stakeholders can take to catalyse change.

Improving livelihoods

When farmers have stable and secure livelihoods, they are less likely to encroach on or degrade natural forests as a means of generating additional income. At the community level, we help to improve incomes by directly supporting tea farmers to increase the quality of the tea they produce and explore alternative livelihood opportunities, such as beekeeping or growing more economically viable food crops. By empowering farmers to generate higher incomes from their existing land, we aim to reduce the risk of surrounding forests being degraded.



ETP's aim is to eliminate all deforestation linked to tea; however, reforestation efforts on tea farms and estates are an important tool in helping revive ecosystems and restore the benefits of natural forests.

We are partnering with the UK Government's Work and Opportunities for Women (WOW) Programme to develop a Payment for Ecosystem Services (PES) project in Malawi which maximises tea farmers' incomes by providing financial incentives to reforest areas around their farms.



Conclusion

Deforestation in the tea sector largely occurs due to a dependence on fuelwood for energy during tea processing and in local communities, which can be obtained through deforestation. The risk is heightened by the potential expansion of tea estates and farms.

Through our projects, policy work, and engagement with the private sector, we are dedicated to ensuring sustainable livelihoods for all involved in tea production, reducing the industry's reliance on fuelwood from deforestation, and promoting the responsible sourcing of fuelwood to alleviate pressure on natural forests.





Resources

Addressing Deforestation through Supply-Chain Regulations The Role of Voluntary Standards Systems, ISEAL, 2022, www.isealalliance.org/sites/default/files/resource/2022-07/Addressing%20deforestation%20 through%20supply-chain%20regulations%20The%20role%20of%20 voluntary%20standards%20systems_0.pdf.

Climate Change and Tea, ETP, 2021, www.etp-global.org/resources/climate-change-and-tea.

Deforestation and Conversion, Accountability Framework, <u>accountability-framework.org/issues/deforestation-and-conversion/</u>.

Deforestation Position Paper Preventing Agriculture Driven Deforestation and Conversion of Natural Ecosystems, Rainforest Alliance, 2021, www.rainforest-alliance.org/wp-content/uploads/2021/07/deforestation-position-paper.pdf.

Draft OECD-FAO Handbook on Deforestation, Forest Degradation and Due Diligence in Agricultural Supply Chains, OECD-FAO, 2022, mneguidelines. oecd.org/draft-oecd-fao-handbook-on-deforestation-forest-degradation-and-due-diligence-in-agricultural-supply-chains.pdf.

Githinji, Kahare S, and Mang'uriu G Daniel. *Impact of Fuelwood Consumption by Three Tea Factories on Environment and On-Farm Tree Production in Kangema Sub-County, Murang'a County, Kenya*. International Journal of Science and Research (IJSR).

Halting Deforestation from Agricultural Value Chains: The Role of Governments, FAO, 2022, www.fao.org/3/cc2262en/cc2262en.pdf.

The State of the World's Forests 2022. Chapter 2: Forest and Trees Provide Vital Goods and Ecosystem Services but Are Undervalued in Economic Systems, FAO, www.fao.org/3/cb9360en/online/src/html/deforestation-land-degradation.html#note-2.



Upholding Human Rights in the Fight Against Deforestation, Client Earth & Global Witness, 2021, https://www.clientearth.org/media/ekobwqpr/upholding-human-rights-in-the-fight-against-deforestation_clientearth-global-witness_sept-2021_hires.pdf.

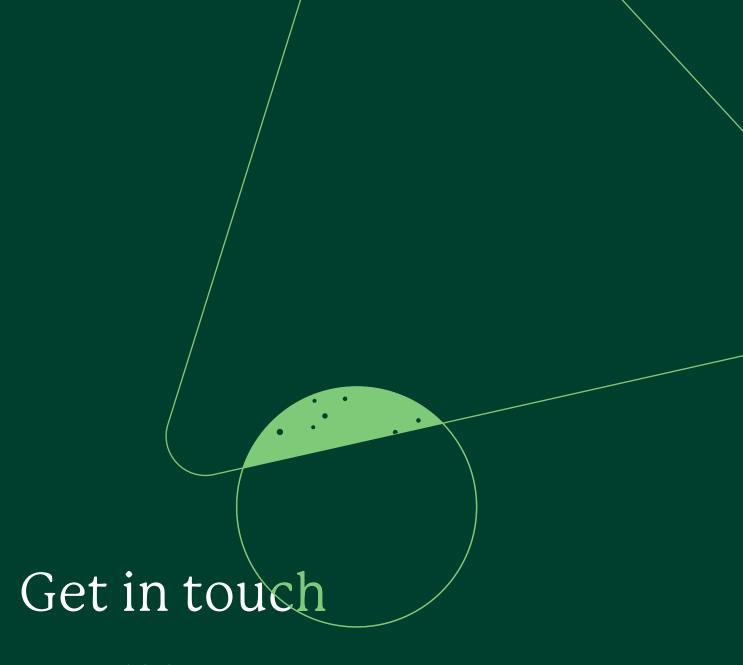
Suryani, Amalia, et al. "Drivers and Barriers to Substituting Firewood with Biomass Briquettes in the Kenyan Tea Industry." *Sustainability*, vol. 14, no. 9, www.mdpi.com/2071-1050/14/9/5611.

What Does It Really Mean When a Company Commits to "Zero Deforestation"?, World Resources Institute, www.wri.org/insights/ what-does-it-really-mean-when-company-commits-zero-deforestation#:~:text=Zero%20Deforestation%20versus%20Zero%20 Net%20Deforestation&text=Zero%20deforestation%20means%20no%20 forest,equal%20area%20is%20replanted%20elsewhere.

Xiong, Yuan, et al. "The Dynamics of Tea Plantation Encroachment into Forests and Effect on Forest Landscape Pattern during 1991–2021 through Time Series Landsat Images." *Ecological Indicators*, vol. 141, no. 109132, Aug. 2022, www.sciencedirect.com/science/article/pii/S1470160X22006045.







URL: etp-global.org

Email: info@etp-global.org

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









