



Living and Actual Income of Smallholder Tea Farmers in Malawi

Community of Practice on Living Income

Ethical Tea Partnership (ETP)



- Not for profit membership organisation
- Vision: *a thriving tea industry that is socially just and environmentally sustainable*
- Four key areas:
 - Raising Standards
 - Tea Workers
 - Smallholder Tea Farmers
 - Climate & Environment
- 40 international members accounting for more than 50 brands in more than 100 countries
- Is a federal enterprise owned by the German Federal Government
- Its corporate purpose is to promote international cooperation for sustainable development
- It supports the German Government in the achievement of its development objectives and may also implement other international cooperation measures on behalf of the German Government
- Works in > 130 countries and employs about 17,000 staff



STA: Towards living wages and living incomes for tea workers and farmers in East Africa

At a glance

| | |
|-------------------------|---|
| Duration | December 1, 2015 – November 30, 2018 |
| Country | Malawi, Rwanda |
| Objective | Empowering tea workers, farmers and their representatives with the skills and knowledge needed to move significantly closer to the achievement of living wages and living incomes, and improving tea estate workers' general working and living conditions in Malawi and Rwanda |
| Partners | ETP, Jacobs Douwe Egberts, Marks & Spencer PLC, Ostfriesische Teegesellschaft, Tata Global Beverages Ltd., Taylors of Harrogate Ltd., Tesco Stores Ltd. and GIZ |
| Intended Results | <ul style="list-style-type: none">• Living wage and living income benchmarks are established• Wages for workers and incomes for farmers have significantly increased in real terms by the end of the project |



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Malawi 2020 Tea Revitalisation Programme

- **Aim:** To support the delivery of a competitive and profitable Malawian tea industry that can provide living wages and living incomes and improved nutrition for its workers by 2020.



5 key objectives of the partnership;

1. A more **competitive and profitable** industry that is paying a **living wage** to workers
2. A **healthier, motivated and productive workforce** with greater opportunities for women
3. An **improved smallholder sector** where farmers earn a living wage
4. An **improved wage setting process** with greater work representation
5. More **sustainable energy use** and an **improved environment** in tea growing areas

Malawi tea industry

- Africa's second largest tea producer
- One of the poorest countries in the world
- 62% of Malawians live below the poverty line
- The tea industry is the largest formal employer in Malawi
- Jobs on the tea estate pay above the national minimum agricultural wage



Malawi: Development Context



Poverty ratio \$1.90 per day (PPP)

National average (2010) 70.9% (10 million)

Poverty ratio national poverty line (2010)

| | |
|----------|-------|
| National | 50.7% |
| Thyolo | 48% |
| Mulanje | 58% |

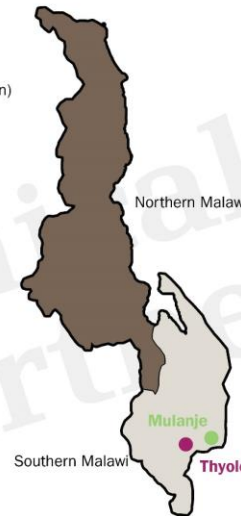


Literacy rate of 15 - 24 year olds

| | |
|-------------------|---------|
| National | 61% |
| Thyolo | 71% |
| Mulanje | 69% |
| Thyolo men/women | 86%/76% |
| Mulanje men/women | 85%/77% |

Primary school completed

| | |
|---------|-----|
| Thyolo | 38% |
| Mulanje | 50% |



Infant mortality (per 1,000)

| | |
|----------|-----------|
| National | 43 (2015) |
| Thyolo | 72 (2014) |
| Mulanje | 70 (2014) |

Under 5 mortality (per 1,000)

| | |
|----------|------------|
| National | 64 (2015) |
| Thyolo | 108 (2014) |
| Mulanje | 113 (2014) |



Violence against women ever experienced 41.2%

Access to education - population with at least some secondary education

| | |
|---------------------|-------|
| Female 25 and older | 11.1% |
| Male 25 and older | 21.6% |



Improved drinking water sources

| | |
|----------|-------|
| National | 86.2% |
| Thyolo | 66% |
| Mulanje | 88% |

Improved drinking water & sanitation

| | |
|---------|-------|
| Thyolo | 10.1% |
| Mulanje | 12.1% |

Production Breakdown



Estates
85%



Smallholders
15%



15,000
smallholders nationally



53,000 work in the
tea industry



45,855 metric T



0.9% world production