

Chaa Sambad

the voice of small tea growers

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Small Tea Growers Observe International Tea Day



“Big plantations in Tripura are seeing their productivity decline. But for the small growers, productivity is constantly increasing. This indicates that STGs are the future of the tea industry,” said Mr Pabitra Kar, MLA, former Industry Minister, President of the All Tripura STG Association and Chairman of the Tripura Industrial Development Corporation. He was addressing hundreds of small tea growers from Tripura, Kerala, Tamil Nadu, West

Bengal, Assam, Meghalaya, Bihar and Mizoram on the occasion of the observance of the seventh International Tea Day on December 15, 2011, at Kailasahar, Tripura.

According to him, if tea cultivation can be encouraged, as it has been done in Tripura through MNREGA, it will benefit the tea industry tremendously. Earlier that day, the STG delegates were taken to the tea nurseries and small tea grower gardens maintained under the

MGNREGA scheme in the Gournagar RD Block area of the Kailshahar district. As the figures currently stand, 207 lakh tea seedlings grown in nurseries have been distributed to 797 farmers covering 702.5 hectares of land through the MNREGA scheme. In addition to this, there are over 5000 STGs in Tripura who own land with an area between one acre and one hectare.

The first International Tea Day (ITD) was held in New Delhi in 2005 and was attended by representatives of small growers and workers from Sri Lanka, India, Bangladesh, Nepal, Vietnam, Uganda, Kenya, Malawi, Tanzania, Zambia, Malaysia and Indonesia. The 2nd ITD was observed in Sri Lanka in 2006 in Kandy with a mass rally of tea workers. Since then, tea workers, small growers and other stakeholders of the tea industry, observe ITD all over the world.

While addressing the gathering, Bijoy Gopal Chakraborty, President of the Confederation of Small Tea Growers in India (CISTA), stated that the government has begun to acknowledge the importance of small tea growers, who contribute to over 26 per cent of tea production in the country. “Our long standing demand for a separate cell for

Scheme Convergence Benefitting STGs

Tripura is the fifth largest producer of Tea in the country, after Assam, Tamil Nadu, West Bengal, and Kerala. STGs produce 15 percent of Tripura's tea. Tea plantation in the small growers sector has been increasing because of innovative application of the Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) over last couple of years.

In Tripura, over 3,000 small tea growers have benefited through MGNREGA, especially in the Gournagar RD Block in Kailasahar in North Tripura. Now, Kailasahar's STGs are earning Rs 11 to Rs 12 per kg of green leaves sold to the factories. During FY 2011-12, Gournagar RD Block under MGNREGA has been raising tea seeds in nurseries which will be used by small tea growers. This step will help STGs establish tea plantations in the future.

Thirty nine percent of the total area of the state is classified as reserved forest. Suitable agro climatic conditions offer good potential for development of tea industry in the state. Now, forest department is providing tribal STGs areas for tea plantation under MNREGA. These plantation based activities will be of special significance in the rehabilitation of shifting cultivators and scheduled tribes in general.

Dayananda Pashi
daya.pashi630@gmail.com

Concept & Design by
The Information and Feature Trust
Laxmi (Kayyadam)
Thondayad, Chevarambalam P.O.
Calicut - 673017
M: 9526577902 / 09868182420
E: edit@labourfile.org
W: www.labourfile.org

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CISTA Members Meet for its Fourth General Body Meeting

The Fourth General Body Meeting of the Confederation of Indian Small Tea Growers Associations (CISTA) took place at Kailashahar, Tripura on the 14th of December, 2011. Representatives from Kerala, Tamil Nadu, West Bengal, Assam, Meghalaya, Mizoram and Tripura attended the meeting.

The chief guest for this occasion was Pabitra Kar, former Industries Minister, and currently MLA, President of the All Tripura STG Association and Chairman of the Tripura Industrial Development Corporation. Pabitra Kar stated that STGs are the future of the Indian tea industry.

Bijoy Gopal Chakraborty, the President of CISTA presented the Association's Annual Report. He emphasized that the government has begun to acknowledge CISTA and the importance of STGs. "Our long standing demand, for a separate cell to improve production techniques and marketing for STGs, has been accepted by the government," he said.

Baishyo, the Assistant Director of the Tea Board of India (TBI) read out the message from it's the Board's Director, Mr. Boriah, and reiterated that, on the national level, TBI is committed towards transforming STGs from being merely tea producers to being both tea producers and marketers. TBI's policy aims to organize STGs into Self-Help Groups (SHGs), to provide them with support.

He added that, "There has been a significant cost realization due to the elimination of intermediaries. CISTA should strengthen



itself by creating associations and SHGs. As a national body, CISTA can play a great role in assisting the STGs and creating a credit link to banks."

J. John, the Executive Director of CEC, and Member, Executive Committee recalled that sustainability of STGs has social, economic and environmental dimensions. Recalling that more than 80 per cent of farmers are subsistence farmers, he pointed out that CISTA should encourage socially responsible cultivation. He said STGs should ensure that workers engaged by them can take care of their basic needs. He also recalled that environmental responsibility can be assured only by being aware of the chemical inputs and its impact on soil, the plants and the people who consume tea.

It was also shared that the EC meeting decided that Bodoland has been taken on as an Associate Member, according to the by-laws of the CISTA constitution. Additionally, the General Body Meeting comprised discussions on the price sharing formula, on the formation of a new STG cell and regarding a workshop to be organized in Gauhati in March. It was stated that the meeting with the Chairperson of the Tea Board of India will be organized in Kolkata.

One of the main amendments proposed to the CISTA constitution was with regard to the States and their membership. The General Body asserted that changes are needed in the CISTA constitution.

*Pallavi Mansingh
pallavimansingh@gmail.com*

International Tea Day

improving production techniques and marketing for STGs has been accepted by the government," he said. He appreciated the support that the Government of Tripura has given to the development of the tea industry in the state and the concrete assistance it has provided to the small tea growers.

Mr. J. John, Executive Director of CEC, said, "The ITD is a day of solidarity and an occasion to tell the world: while drinking tea, remember those who produce tea." He reminded the gathering that the first ITD observance had been a response to the crisis in tea industry in 1998, particularly when several estate gardens were closed down and small tea growers were given extremely low green leaf prices. The situation, he said, has not radically changed. He emphasized, "ITD is an occasion on which the small tea growers and workers once again bring to the notice of the citizens of the world that there is an inherent injustice in the allocation of benefits along the tea value chain, and an urgent

need for more equitable value sharing policies." In turn, the STGs must affirm the principles of sustainability, environmental consciousness and human rights.

Others who addressed the meeting included Dinesh Kumar Sarmah (Senior Vice-President, CISTA and member, Tea Board of India), Narain Chaudary (MLA), Ashit Bhattacharjee (Sabhapati, Gournagar RD Block), Krishnendu (Panchayat Committee Chairman), Harishankar Prasad (Secretary, All Tripura STG Association), Panu Majumdar (Durgabari Tea Estate) and Das (General Manager, Manu Valley Tea Estate). Maveen Pereira and Neeti Malhotra from Traidcraft, UK, were also present. Shaji Chalivayal (Federation of STGA, Tamil Nadu), Vanalal Hmuaka (All Mizoram STG Association) and Pronoy Basumatari (All Bodoland STG Association) also addressed the gathering and shared their reflections on the exposure visits in Kailashahar.

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Sustainable Livelihood for Small Tea Growers (STGs): Project Launch Meeting

On 14 December 2011, the project launch meeting of the EU funded "Sustainable Livelihood for Small Tea Growers (STGs)" project, implemented by Centre for Education and Communication (CEC) in partnership with Traidcraft, UK took place at Kailasahar, the historical tea city in North Tripura.

With the overall project objective of reducing poverty among STGs and with the specific objective of enabling STGs and their representative bodies to realise fairer terms of trade through capacity building, better bargaining power, networking and advocacy, the project intends to reach 50,000 STGs and 10,000 STG workers in India.

Mr. Pabita Sarkar, former Industries Minister and also a member of the Tripura Legislative Assembly, Chairman of the Tripura Industrial Development Corporation and President of the All Tripura STG Association was the chief guest. Mr. Bijoy Gopal Chakraborti, President of the Confederation of Indian Small Tea growers Association (CISTA) and Mr. Aswini Barua, President of the All Assam Small Tea Growers Association, were special guests for the meeting.

Mr. J John, Executive Director, CEC, welcomed all the participants, introduced the entire project team and initiated the meeting by explaining the objective of the project and enumerating its deliverables over a time horizon of five years.

Ms Maveen Pereira, Head, South East Asia of Traidcraft explained Traidcraft's role in adding value to the project through Masters Training programmes, networking and advocacy. She also added that a part of the project was operating in Bangladesh and that through exposure visits and cross-country experience sharing, STGs from both the countries could benefit.

While speaking on the occasion, the chief guest, Mr. Pabitra Kar, explained how government policy initiatives have changed the economic landscape of Tripura. Pointing out that the educational status in the state over the decade has improved, Mr. Kar added that economic empowerment by the government has ended terrorism in the state. He appreciated CEC for its efforts through the project, "Sustainable Livelihood for STGs" which worked towards the formation of Primary Producers Societies (PPS). He confirmed that he would work

towards increasing local support for the successful completion of the project.

Special guest Mr. Bijoy Gopal Chakraborti, the President of CISTA congratulated CEC for executing the project in five states in India and recollected that that CISTA was the outcome of a similar project that CEC had executed in

Assam, West Bengal, Tamil Nadu and Kerala during 2006-2009. He stated that CISTA was a truly national body with representation from all tea growing states in India and had been invited to the Tea Board's meeting. He added that the Tea Board was initiating the formation of separate STG Directorates, a key demand of CISTA. He also explained in brief the organisational structure and operational modalities of the new Directorates. Finally, he assured CEC that CISTA would support and maintain a fruitful relationship with CEC throughout the project period.

Special guest Mr. Aswini Barua, President of the All Assam STG Association congratulated CEC on the project for the benefit of STGs. He mentioned that while the Tea Board defined a small tea grower as a person with up to 10 to 13 ha (24 to 29 acres) of tea cultivation, more than 87 percent of small tea growers of STGs in Assam were growing tea in holdings that were less than 3 acres (1.2 ha). He mentioned that this segment was the most vulnerable one and one which needed effective and urgent intervention. He addressed the difficulty of getting the societies registered with TBI and also mentioned the recent survey of STGs by the Assam government Industries Department for cess utilisation. Finally, reiterated his congratulations to CEC for the project and confirmed the Association's consistent support.

A brochure of the project was released by J John in the presence of the chief guest and the brochure was circulated among all the participants. Pallavi Mansingh, Program Manager, CEC offered vote of thanks.

*Tanmoy Chatterjee
tanmoy@cec-india.org*



Small Holding Tea: The Means to Fight Poverty in Northern Bangladesh

Smallholder tea growing is a relatively new concept in Bangladesh. Due to a shortage of saplings, cash and technical know-how, small and marginal farmers in North Bangladesh were reluctant to grow tea. They were under the impression that tea gardens on their small holdings would not help them earn a decent living. Those farmers who invested in small tea gardens were not recognised or accepted by the big players in the tea industry. As they had no representatives to give voice to their cause, they had to struggle a lot without any support or access to resources that would improve the quality and quantity of their tea production. It was in such a context that Traidcraft initiated a EU-funded project, "Sustainable Livelihoods for Small Tea Growers" in April 2011 for small and marginal farmers in Tetulia, in the Panchagarh Area of Northern Bangladesh. The Sustainable Livelihoods for Small Tea Growers initiative is a joint India-Bangladesh project funded by the European Union and co funded and implemented by Traidcraft Exchange. In Bangladesh, this project is co implemented by Bikash Bangladesh. Green Care

Agro Ltd. is providing technical and sapling support to the project in Bangladesh.

At present, the project covers one thousand small and marginal farmers who own very small plots of fallow land. Research has proved that while many small plots of fallow land do not have a soil composition suitable for any major cash crops, they are highly suitable for growing tea.

Since its inception, the project has organised 200 small producers into 8 self help groups. Sixteen barefoot service providers have been selected from these producer groups and have been given training on various technical aspects of tea production such as land preparation and pruning. Several additional training sessions are to be conducted in the months to come. The service providers have their satisfaction with the training and are disseminating their learning among fellow group members. The project also provides sapling and other investment support to small producers and is helping them become micro entrepreneurs by taking up small-scale tea plantation.



Prospects and Challenges for Assam Small Tea Growers

Cess collection and its utilisation is one of the major issues facing Small Tea Growers (STGs) in Assam. According to the National daily 'The Economic Times', cess collection from Small Tea Growers (STGs) came into effect from February, 2009 under the name "The Assam Taxation (on specified land) Act 2009. Mr. A Baruah (President – All Assam Small Tea Growers Association) mentioned that this Act was earlier named The Assam Taxation of Specified Land Act 1990 and under this Act, tax was levied only on big tea estates of Assam. The AASTGA moved the Guwahati High Court against this decision to levy a cess. But now it is collected from STGs also.

The Association has always pressurised the government to withdraw this decision or to use the amount for the development of STGs of Assam, who number about 90,000 as per the latest survey conducted by the Directorate of Industry and Commerce in collaboration with AASTGA in 14 districts of Assam. According to government estimates, the total cess collected is Rs. 28 crore in 2009-10. However, Mr. Baruah estimates a sum greater than Rs 40 crore would have been collected from July 2009 to 31st March, 2012. He estimates the yearly cess collection at about Rs 18 to Rs 20 crores.

With the continued advocacy of AASTGA, the Government of Assam has come up with a cess utilisation policy which aims to assist Self Help Groups (SHGs) and tea cultivation cooperatives. On the 29th of October 2011, The Economic Times, Kolkata, published an article which stated, "Since 2009, the state collects a 25 paise cess per kilogram of tea leaf produced by bought leaf factories in Assam, "... sensing the potential growth prospects of Small Tea Growers, the state government has decided to support leaf carrying vehicles and render financial help to SHGs and cooperative societies engaged in the cultivation of tea. There will be State level and District level committees to monitor the fund utilisation."

In the first phase, the cess utilisation policy will be implemented in 14 tea producing districts in the Brahmaputra Valley. The Economic Times article quoted Mr. Karuna Mohanta, General Secretary of the AASTGA as saying, "We have demanded that the government must also contribute to this corpus fund. The cess utilisation policy drafted by the state cabinet would ensure proper health and social security for labourers engaged under the Small Tea Growers."

Challenges faced by STGs:

The biggest challenge that STGs face is the non-realisation of price sharing with bought leaf factories. The Tea Market Control Order 2003 states that every registered tea manufacturer engaged in purchasing green tea leaves shall pay the supplier a reasonable price according to the price sharing formula, which stipulates that the supplier should get 65 percent.

In addition, STGs have very little technical know-how and access to information is very limited. This problem is further compounded by the fact that most of them are not organised, further narrowing opportunities.

Another challenge they face is non-Ownership of land. Without the possession of pattas, farmers do not get any financial assistance from banks and are ineligible for any Tea Board schemes. This makes them more vulnerable to exploitation by middlemen and limits any entrepreneurial initiative. The imposition of 25 paise cess on every kg of tea leaves produced and fine of Rs 200 on every bigha as land revenue on Government land under possession of STGs have added to the financial burden. This fine has been imposed as the STG are growing tea in land that doesn't have pattas.

Meanwhile, the AASTGA has demanded that the government addresses these issues by simplifying land policies and promoting institutional loans. With its continued endeavours, AASTGA has been able to influence the government enough for it to create a cess utilisation policy and form separate Directorates for STGs.

Another initiative that should be taken is one regarding organic tea plantation. This venture should not only be economically viable as it would reduce the dependence on chemical fertilisers and pesticides but would have a large scope for improving the livelihoods of STGs.

There needs to be simultaneous process of capacity building of STGs and imparting entrepreneurial skills. Easy and increased access to information, be it on government policies, scientific and technical know-how or market prices has to be provided. Increasing the capacities of existing BLFs and setting up of new ones and fixing floor prices for green leaf are some areas which need to be taken forward. The need of the hour is collective effort by all stakeholders towards ameliorating

Minto Goswami
minto.goswami81@gmail.com

A Processing Unit for STGs: The Panbari Experience

In a rare endeavour, the Panbari Small Tea Growers Society (Registration No. S/1L/22905, 2004-05, under the West Bengal Societies Registration Act, 1961) is gearing up to own a tea processing unit. The 335 STGs of the Panbari region have sold their land, cows and even pledged their families' ornaments to raise Rs 3.5 crores to set up this processing unit. Emphasizing quality over quantity, the factory is expected to produce around four lakh kilograms of processed tea yearly.

The society has 273 hectares of land and produced 9.63 lakh kilograms of green leaf in 2009 and 13.10 lakh kilograms in 2010, and is expected to produce 15 lakh kilograms in 2011. The society sell their green leaf to the nearest Bought Leaf Factories (BLFs).

"I happened to notice a set garden factory owner offering better price for green tea to middleman than to the society," remarked Badal Chandra Debnath, President of the Panbari Society. "When questioned about why this difference existed, he pointed out rudely that brokers are more valuable to him than the society. This made me think of setting up our own factory."

It was decided that the management's decision on any issue will be final and no one will influence the decision. Creating a trustworthy brand in the industry and taking the product to international markets will be the sole motive of the society. Members have further decided not to take home any percentage of profit until they have paid back their bank loans. It shall thus take them at least two and a

half years to repay all their loans before they begin to get a share of profit.

Until now, the growers have contributed approximately Rs 75 lakhs, while applying for a bank loan of Rs 1 crore. Around 50 lakhs will be taken from the SFAC, while the Tea Board of India through its 'Schedule Caste Community Growers' scheme, will contribute Rs 1.5 crores. The TBI has assured the Panbari Society that this amount will be released by the 31st of March, 2012 and has allowed the society to use its corpus fund as their working capital.

The foundation stone for this factory was laid on the 2nd of February, 2012 and the hope in Panbari is that it will be a defining moment for the small growers of this region.

The Panbari experience has inspired two other SHGs in the Jalpaiguri District to set up their own factories. These societies are affiliated to the Jalpaiguri Small Tea Growers' Association.

Mr Bijoy Gopal Chakrobarty, Joint Secretary of the Association and the President of CISTA, remarks, "This project is the dream of all small tea growers, not only from North Bengal but from the whole country. We pray for the success of this project and we promise to give all our support and cooperation to make this a success story."

Kaustav Roy
kaustav.roy998@gmail.com



Centre for Education and
Communication
173-A, Khirki Village, Malviya Nagar
New Delhi – 110017
T: 91 11 29541858 / 29541841
F: 91 11 29542464 E: cec@cec-india.org
W: www.cec-india.org