

The Rising Cost Of A Cuppa Tea In Pakistan

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Pakistan is a black tea loving country. It's popularity and consumption has grown rapidly in the past few decades.

The consumption of imported tea increase by 15.64 percent in the first three quarters of the current fiscal year compared to the previous year. According to the [Food](#) and [Agriculture](#) Organization, black tea consumption will escalate to 250,755 tonnes in 2027 from the current consumption of 172,911 tonnes. On a per capita basis tea imports have seen an increase of around 36 percent between 2007 and 2016.

Pakistan is located in a tea-producing region. In 1982, the Chinese conducted a survey in Pakistan and declared more than 64,000 hectares of land suitable for tea production. The suitable land for tea plantation is located in the Mansehra's hilly terrain in [Khyber Pakhtunkhwa](#). Some areas of [Azad Jammu and Kashmir](#) and Swat are also suitable for tea production.

The National Tea Research Institute is working under the auspices of the Pakistan Agricultural Research Council. A national tea research station was set up in 1986 on 50 acres of land in district Mansehra and was upgraded to the level of an institute in 1996. Back then, the production of green and black tea was negligible in the area. The tea cultivation took momentum between 1998 and 2006, with a total cultivated area of 870 hectares in Swat, Batagram and Mansehra districts.

Presently, in collaboration with Unilever Brothers Support, Mansehra is cultivating about five tonnes of tea over 100 hectares of land.

Over the years, Pakistan has been unable to match tea production with its consumption. Therefore, tea has to be imported to meet the local demand. It is imported from 19 different countries – 80 percent is imported from Kenya.

In 2018, Pakistan ranked 1st among tea importers with an import bill worth US\$549.6 million, followed by Russia with a sum of US\$525 million and the US with US\$486 million. Pakistan spent approximately US\$590 million on the import of tea in 2020.

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According to the Pakistan Tea Association, the loss in value of PKR contributes to the price of imported tea. In 2018, currency depreciation resulted in a PKR 30-50 per kilogramme increase.

About 6 million tonnes of dried tea is produced each year around the globe. It is cultivated over an area of 4.09 million hectors across more than 35 countries. Japan, Kenya, Bangladesh, China, India and Sri Lanka are the major tea producing countries.

Out of the total, eight countries contribute 87 percent of total tea production in the world. China is ranked at the top in global tea production since mid-1990s. China produces 1.03 million tonnes of tea, followed by India with 0.94 million tonnes grown over 0.4 million hectares of land. Kenya and Sri Lanka control 40 percent of the world exports.

China produced more than 2,500 million kilogrammes of tea while India produced more than 1,000 million kilogramme of tea in 2020. According to world information China and India combined supplied almost 62 percent of the world's tea in 2016.

In 2021, China exported around 369 thousand metric tonnes of tea worth nearly 2.3 billion US dollars, at least a quarter of the global supply. The majority of tea is exported to northern and western African countries. In 2019, Morocco was chosen to open China's first tea company in Africa, signalling China's growing presence in the continent. Uzbekistan, where tea is an integral part of daily life, was the second largest Chinese tea customer in 2020, importing over 23 thousand metric tonnes of tea.

The reasons behind impinging tea production potential in Pakistan are out-dated technology and evaluation of tea varieties, lack of value addition and processing, environmental and climate change factors, soil structure and pH. Investment in research and development of tea production is a dire need. New scientific tea breeding techniques would not only increase the total tea output but also enable its production of good quality tea that could be exported to other countries. Interest-free long-term loan could be offered to encourage tea plantation.

There is need to build small dams in the mountainous terrains, which can store rainwater to be used during drought seasons. For the identification of appropriate land for tea farming, a country level inclusive survey should be conducted. There is need to establish home-based tea nurseries to empower women through training.

Tea nurseries should be established in the private and public sector. In order to reduce the plucking cost mechanical harvesting should be encouraged. The government should encourage the private sector to invest in local tea production and processing.