

Evaluation of the Tea Board and Its Schemes

Conducted by: AJNIFM & ISSRF consortium

Sponsored: DMEO, NITI Aayog

Summary

The evaluation study of Tea Board sponsored by the Development Monitoring Evaluation Office (DMEO), NITI Aayog, aims at overcoming the gaps in previous evaluation studies by including the following objectives for the evaluation study: (i) Organisational Assessment of the Board, (ii) Assess Relevance, Coherence, Effectiveness, Efficiency, Sustainability, Impact and Equity of the Board's Scheme(s), (iii) Value Chain Analysis, and (iv) Rationalization/ Need for Restructuring of Tea Board if any. For this evaluation study, it was decided to adopt a mixed methods approach including the framework of RCEESI+E recommended by OECD/DAC for analysis of scheme components. Besides secondary and official data, information was also collected through Key Informant Interviews (KII) and Focus Group Discussions (FDG) with relevant stakeholders at national, state, and local levels and from every aspect of the tea value chain to arrive outline the issues and challenges and suggest appropriate recommendations.

Major findings and recommendations based on the objectives of the evaluation study are outlined below.

1. Organisational Assessment:

Findings:

- TBI is performing satisfactorily with respect to the mandated activities with limited resources.
- TBI has an overstaffed head office but has many understaffed field units and lacks skilled and experienced human resources to handhold all the stakeholders- growers, processors, blenders, packers, auction agents, logistic suppliers, marketing agents, etc. This resulted in thinly distributed resources, both financial and physical.
- There are un-uniform implementations of central schemes like PMKSY, NREGA etc. with respect to tea growers across the states.
- TBI in recent years effectively and innovatively introduced E-Auction, has been continuously improving auction process to ensure more realisation, Easing application and issuance of Licensing.

Recommendations:

- As an organisation responsible for the development of Tea in India, TBI needs to liaise more effectively with the concerned State government for uniform implementation of central schemes like PMKSY, NREGA etc. towards the betterment of tea growers.
- Different State governments adopt different measures to promote tea cultivation in their respective states, TBI needs more effort to associate itself with the State Governments for better planning and implementation of these state scheme as well as to sort out mutually various issues of tea planters relating to state administration.
- Considering growing need for quality checking, TBI may ensure adequate establishment of laboratories for quality checking. Two laboratories in Assam and one in Tamil Nādu and/or Kerala, like Siliguri laboratory, with minimum HR may be explored. These labs should be initially built up and supported by the government fund, but at a later stage should be sufficiently self-generating. The presence of quality control laboratory is a precondition before taking steps to ensure quality.
- For ensuring ease of business, continuous effort to streamline the regulatory measures effectively but with simplification is the requirement of the day. Large number of Licenses is still a matter of concern.

- To examine socio-economic condition of small tea growers, Agro- economy of tea growing and offloading of tea leaves, scientific survey concerning small tea growers (STG) in different tea producing states may be taken up for holistic policy making and planning

2. Scheme Analysis:

Findings:

- The main schemes - Plantation Development Subsidy for Big Growers and Small Growers are found to have implemented satisfactorily.
- In spite of huge outgo, scheme of subsidy for orthodox tea production could not be able to increase the orthodox production substantially.
- Inadequate emphasis on large numbers of scheme components where a lack of focus is observed and some scheme components/ subcomponents have hardly any takers for.
- The implementation of the HRD scheme which includes health and education-related benefits for plantation workers and their wards. However, the beneficiaries under these scheme subcomponents were inadequate compared to the target population.
- Despite the limited number of benefits under the Tea Board's schemes, their impacts in terms of increasing productivity, social benefits and income of big and small growers were found to be satisfactory.
- Tea Board could help in forming a good number of SHG/FPO/FPC of small tea growers and arrange to implement schemes towards them including helping them to set up tea factories. This is a remarkable achievement.
- Value training of STGs including advocacy should be continuously and vigorously pursued not only for increasing productivity but most importantly for quality maintenance.

Recommendations:

- The TB schemes should stabilize tea gardening by continuing rejuvenation, replanting, replacement schemes but also equally emphasise the control of Maximum Residue Limits (MRL), branding various tea and tea products, marketing, and maximum price/value realisation.
- HRD Scheme for the wards of the planters may be continued, and the scheme may be extended to small tea growers with less than 1 acre of land.
- The small-end technologies of pruning, plucking, and spraying machines are available to all big and small growers but in limited quantity. The adoption of such technologies may be made easy by TBI by demonstrating the benefits to tea growers, rather than subsidising the investments only.
- Like the provision made in MTF, pending claims for applications submitted under the XI and XII Plan and MTF, including small tea growers should be accommodated in coming years till these are settled.

3. Value Chain Analysis:

Findings:

- Inadequate focus observed in achieving (a) a reduction in wastage/losses, (b) access to processing/value addition infrastructure, (c) access to storage infrastructure, (e) access to markets, and (f) higher prices. This means, there is less emphasis towards the value addition in the tea industry and consumers (domestic and international). There is a need to alter the scheme priorities to quality tea production and value realisation.

Recommendations:

- First of all, the new focus on quality assurance is to be adopted by the Tea Board. The mandate and priorities should be adopting new realities of quality and hygiene-conscious consumers, both domestic and international. Quality certification may be explored while taking the product out of the factory. The utilisation of the service of field offices, particularly FAO for quality assurance may be explored.
- All measures to stop any adulteration and production of poor-quality tea coming to the market need to be made. All efforts to produce quality tea suitable for all levels of people and with an export potential need to be made.
- Hand-holding small growers and harnessing the experiences of big growers for achieving quality tea should be the priority.
- To promote tea domestically as well as offshore, an extensive internal study on the trend of export taking into consideration the factors of (a) original source location, (b) source port, (c) exporters vis- a-vis destination country (d) destination countries, (f) type of tea, and (g) year-wise changes is found to be essential. An added benefit would be quality characteristics consignment-wise. Case-to-case basis study and cause of reduction and increase, shifting from one tea to another type etc. to be examined before taking concrete steps including delegation to foreign countries.
- TBI should devote more investment towards brand building in a sustained manner.
- Use of expertise of the Indian Institute of Plantation Management, Indian Brand Equity Foundation, and Indian Institute of Packaging may be utilised by Tea Board for respective fields like plantation management, and the promotion of tea.
- More value addition to the product should be brought into to make the industry more remunerative. The requirement of licenses at different stages, if duplicate, needs to be withdrawn or rationalised. It should be made simple, less expensive, and only for essential areas/items.
- The use of web-based solutions should be made mandatory to achieve transparency and enhance effectiveness in implementing various initiatives, including Management Information Systems (MIS).
- A complete in-depth analysis of the value chain in the tea industry is very essential to tackle the different areas of tea production and marketing. Value chain analysis is essential to study all aspects and improvements/upgradation are to be implemented to bring up the industry. Regular interaction with the industry is to be held to update the growers on advanced technologies, more skill development, etc.

4. Rationalisation/Need for Restructuring:

Findings and Recommendations:

- Tea Board should be restructured to provide more field officials and technical staff from the present strength to cater to the growing number of small growers and reduce administrative/clerical staff.
- Instead of keeping a large number of independent divisions/Sections in headquarter, these may be restructured to keep 3-4 verticals only (details provided in the report).
- The restructuring proposal and Recruitment Rule prepared by TBI in-house needs revisit by external experts having experience in Government work. Apparent bias towards the establishment, and crossing over from one cadre to other without giving attention to the expertise in the work are the reasons.
- Tea Board has a lower share of the technical staff and a limited scope of promotions to higher posts. The post of Development Officer, Factory Adviser Officers are mention worthy in this regard.

- It would be worthwhile to examine the proposal of creating a Cadre of Regulatory Officers starting from present Factory Officers to Joint Director/Director (Regulation). This cadre will look after, quality and licensing etc.