

Tea Statistics: Global Scenario

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Introduction

Tea is one of the most popular and lowest cost beverages in the world and consumed by a large number of people. Owing to its increasing demand, tea is considered to be one of the major components of world beverage market. The global market for hot beverages (coffee and tea) is forecasted to reach US\$69.77 billion in value and 10.57 million tons in volume terms by the year 2015 (GIA, 2011). Tea cultivation is confined only to certain specific regions of the world due to specific requirements of climate and soil. Majority of the tea producing countries are located in the continent of Asia where China, India, Sri Lanka are the major producers. African tea growing countries are located mostly around the tropical regions where Kenya, Malawi, Rwanda, Tanzania, Uganda are major producers. Apart from these regions, some quantities of tea are also being produced in South America (Argentina, Brazil and others), the Near East (Iran and Turkey) and the CIS (Russia and Georgia).

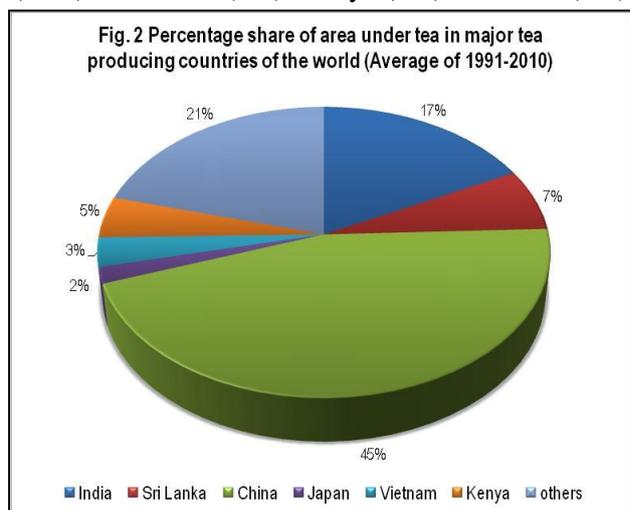
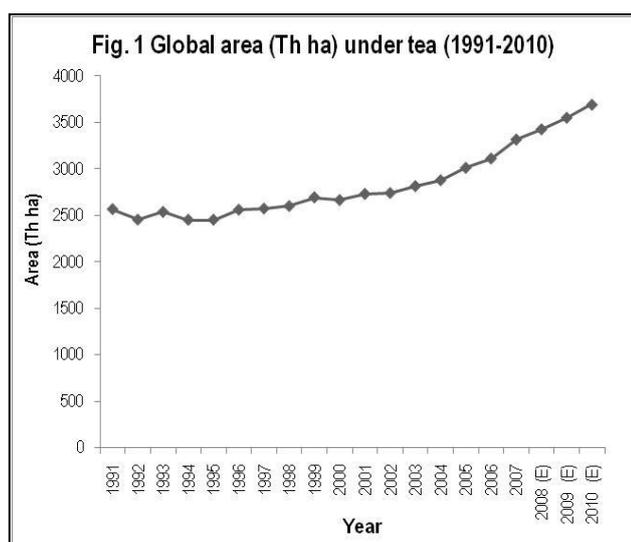
Globally, tea is cultivated in 36, 91,938 ha with an annual production of 4066596 thousand Kg (Anonymous, 2010). Over the years, both area and production has increased substantially along with

global trade of tea. Being an agricultural commodity whose production is bound to fluctuate due to vagaries of nature, the prevailing differences between production and demand is well below any reasonable limits. In this article, an attempt has been made to project the global scenario of tea in terms of area, production, yield, export and import of tea over the last two decades. Amongst tea producing countries, the principal producers are China, India, Sri Lanka, Kenya and Indonesia. These five countries account for 77% of world production and 80% global exports.

Area

The last decade of 20th Century saw a sluggish rate of increase in total area under tea. During 1991, tea was cultivated globally in 2563.75 thousand ha which increased to 2661.88 thousand ha with a compound growth rate of 0.42% during that period. With the advent of 21st century the world tea industry saw a steady increase in the overall area under tea. During 2001 the area under tea was 2727.42 thousand ha which increased to 3691.89 thousand ha in 2010 with a compound growth rate of 3.42% during the said period.

In terms of area under tea plantation, on an average during the last two decade (1991 – 2010), China lead (45%) the world followed by India (21%), Sri Lanka (7%), Kenya (5%), Vietnam (3%)

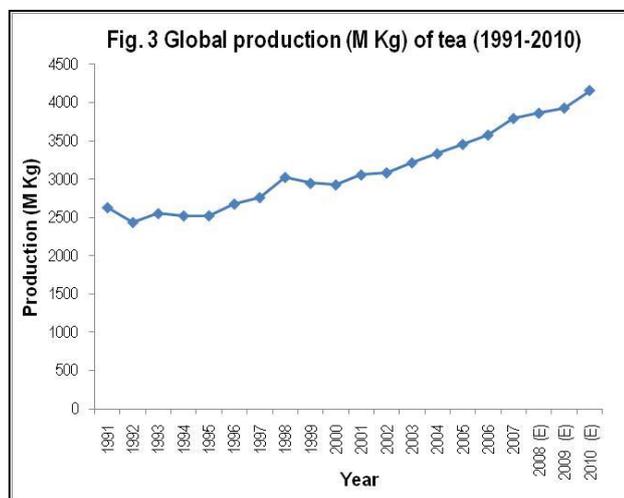


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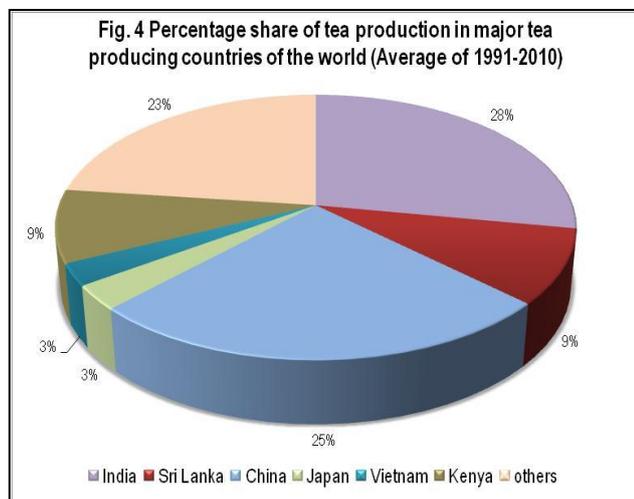
and other countries (see fig. 2).

Production

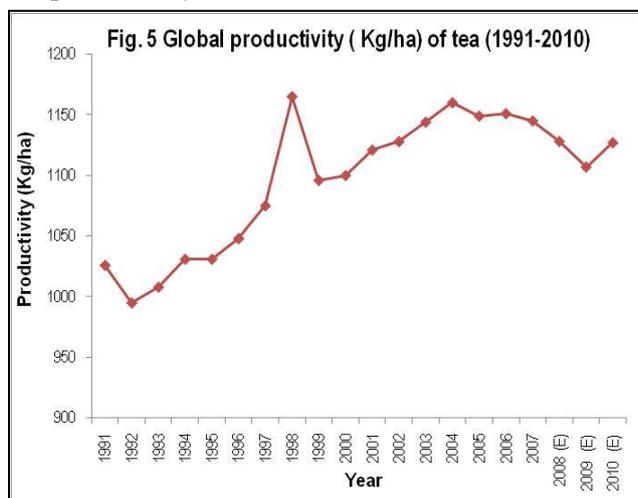
The trend of world tea production was almost the same trend as in case of area. The production in



1991 was 2631.05 million Kg which remained almost same till 1997. However, in 1998 world tea production touched a new height of 3026.13 million kg. In 2000, it dropped to 2928.67 m kg with a compound growth rate of 1.20% during the period of 1991 - 2000. Again, from 2001 onwards production of tea increased steadily and reached 4162.33 m kg with a compound growth rate of 3.48% during the period 2001 – 2010 (as shown in fig. 3). Thus over the two decades tea production has shown an increasing trend due to various reasons like increase in area for tea plantation, improved planting material, advanced technology including integrated package and practices for tea cultivation etc.



On an average, during the last two decade in the production front, India contributed 28% of the world tea production closely followed by China (25%), Sri Lanka (9%) – being green tea producer and Kenya (9%) – CTC producer. 23 % world tea is produced by other countries.

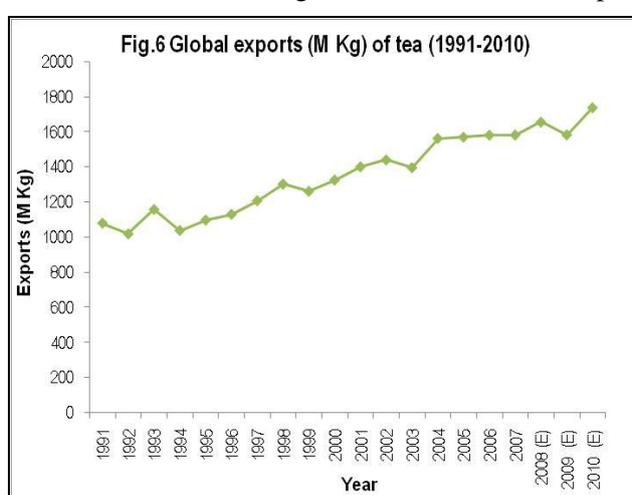


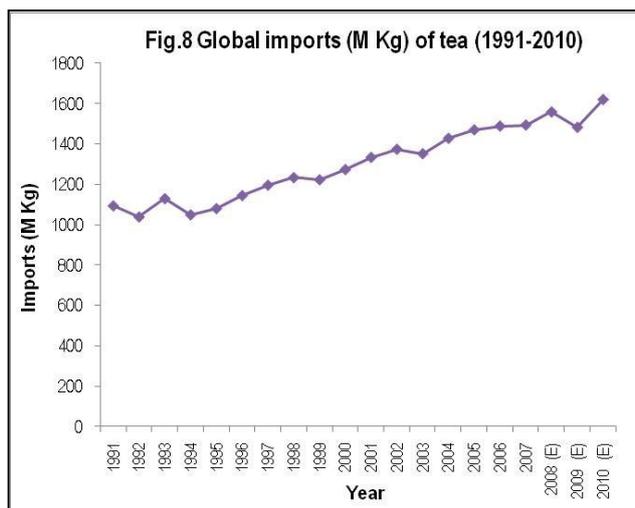
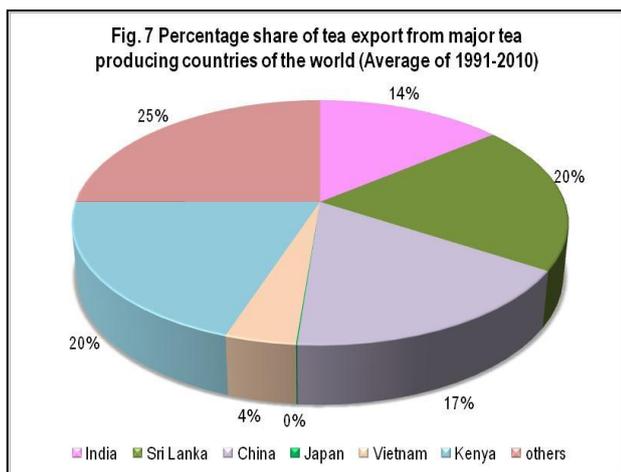
Productivity

Unlike area and production, tea productivity did not show any significant increase over the two decades. The global productivity during 1991 was 1026 kg/ha which climbed to mere 1100 kg /ha in 2000. In the first decade of 21st Century, global tea productivity hovered between 1100-1160 kg/ha. Thus, the growth rate for the two decades remained the same.

Export (in volume terms)

World Tea export recorded a compound growth rate of 2.31% during 1991-2000 where export





increased from 1078.17 m kg to 1324.65 m kg. Almost similar compound growth rate was observed in the first decade of 21st Century where export increased from 1400.55 m kg in 2001 to 1738.41 m kg in 2010.

On an average during the last two decade, in the export front, both Kenya and Sri Lanka lead the world each with 20% of their contribution followed by China (17%), India (14%) and others (25%).

During the last five years, it has been observed that total world exports averages 41% of total world production and 84% of exports accounted for by six countries (India, Sri Lanka, China, Kenya, Indonesia and Vietnam).

The largest tea producers India and China drink away most of their own production and share only a small fraction of exportable tea. Sri Lanka and Kenya, on the other hand, share only 7% and 5% tea growing area, but are world leaders in exports, meeting 20 % each of world export needs.

Import (in volume terms)

Like export, tea import (either for re-export or for own consumption) has also shown an increasing trend. From 1093.40 m kg in 1991, it grew to 1272.94 m kg with a compound growth rate of 1.70% during 1991 to 2000. In 2001, around 1333.01 m kg tea was imported worldwide which increased to 1618.87 m kg at the end of 2010. The annual compound growth rate was 2.18% for the period between 2001 and 2010.

Present status of Indian tea in Global position

India is the largest producer of black tea as well as the largest consumer of tea in the world. Currently, India produces 23% of total world production and consumes about 21% of total world consumption of tea – nearly 80% of the tea produced is consumed within India. Over the last 20 years, India’s world ranking as an exporter has come down from number one to number four, in the face of stiff competition from Sri Lanka, Kenya, and China.

Table: 1 Present status of Indian tea in Global position

	World	India	Rank	% Share
Area under tea (Million hectares)	3.94	0.58	2 nd	15
Production (Million Kg)	4162	966	2 nd	23
Yield (Kg/Hectare)	1143	1668	-	-
Export (Million Kg)	1738	193	4 th	11
Consumption (Million Kg)	3980	837	2 nd	21

Conclusion

The review of the global scenario of tea in terms of area, production, yield, exports and imports indicated overall increase in the quantity of tea in the world market over last two decades and the trend is increasing. So strategies must be adopted to meet up the challenges in global demand for tea in the coming years. Besides, general consumption of tea, health benefit effects of tea need to be promoted more vigorously to trap the non-conventional areas of tea in the world for an expansion in the consumption. Value addition and diversification for a wide range of tea products need to be developed for balancing the supply

demand chain. Through these ways, the global tea industry can think of sustainability in future keeping in mind the climate change across the globe.

Reference

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