



Human Rights Impact Assessment

**TEA FROM INDIA –
ASSAM, WEST BENGAL
AND TAMIL NADU**



EXECUTIVE SUMMARY

This report presents the findings of the Human Rights Impact Assessment (HRIA) for the ALDI Nord Group of companies (hereafter “ALDI”) on the tea supply chain originating from the *camellia sinensis* plants in India, conducted by Ergon Associates.

This HRIA was undertaken using Ergon’s HRIA methodology, which is informed by the UN Guiding Principles on Business and Human Rights and the OECD Guidelines on Multinational Enterprises. The methodology is designed to systematically identify potential positive and negative human rights impacts arising from specific business activities and relationships and qualify them according to salience in order to develop a Human Rights Action Plan to address the most salient impacts. The assessment included an extensive desk-based analysis of existing human rights issues and value chain context, internal and external stakeholder engagement, systematic assessment of human rights impacts and the development of recommendations to mitigate, prevent and/or remedy the identified impacts.

The source material for the study consisted of a combination of data provided by desk research, data supplied by third party initiatives and input from a range of stakeholders including industry, workers, trade unions, civil society and sectoral experts and researchers.

The HRIA considered the different perspectives of all rightsholders identified as impacted by ALDI’s India tea supply chain activities, including tea estate workers and communities, particularly women and tribal groups (Adivasi). Trade unions and civil society organisations with a history of supporting tea industry workers were engaged to understand their views on the most significant rights issues for workers and the most important steps commercial actors can take to address them. Despite limitations on conducting extended, in-person engagement with rightsholders, some direct (albeit remote) engagement with rightsholders was possible, chiefly through workshops with trade unions. Stakeholder engagement also included interviews with ALDI’s key suppliers and a selection of producers in their supply chain. Researchers and industry experts were interviewed to fact-check findings and provide additional context to understand the dynamics in the industry.

Background to conducting this HRIA

Although ALDI’s trade in tea is small compared to other product lines, the supply chain was selected as a focus for an HRIA due to the high risks identified in an update to ALDI’s global Sustainability Risk Analysis, published in early 2023. The process identified India as a particularly significant origin country, due to the comparatively high volumes sourced, and known human rights risks.

Key points on ALDI’s tea supply chain

- ALDI buys black tea products as finished, packaged and wrapped units which arrive in warehouses and stores ready for sale.
- ALDI’s main supplier is the German company MARKUS Kaffee (tier 1). MARKUS Kaffee buys black tea blends from two main suppliers (tier 2), who are also based in Germany. These two suppliers import the raw material directly from origin (tier 3) or through trading agents in Hamburg and Rotterdam (tier 3) and carry out blending and bulk packaging. The final packaging for the consumer takes place at MARKUS Kaffee.
- ALDI has visibility down to tier 3 of its supply chain (India-based traders and exporters as well as trading agents in Hamburg and Rotterdam) through information requested from its suppliers, though some - albeit incomplete - information about specific estates can be discerned from the data ALDI has received.
- ALDI’s tea is most likely to originate from Assam, West Bengal and Tamil Nadu (the Nilgiris). Around half of all tea sourced from India is likely to come from the North-eastern state of Assam.
- ALDI does not prescribe which producers or estates its supply chain partners must purchase through, however it maintains a requirement for all black, green and white tea purchased to be bought as certified (Rainforest Alliance, Fairtrade, EU Organic).

- ALDI's first and second-tier suppliers and their partners maintain regular contact with a selection of key producers through phone calls, periodic visits and tastings. Key producers according to ALDI's main suppliers are those which can be relied upon to produce teas which meet ALDI sourcing requirements on quality.
- In 2021, ALDI and its suppliers sourced most of its Indian black tea from three key traders and in turn from 38 known estates. However, these may change from year to year. Most tea estates in ALDI's supply chain are part of larger tea groups (companies) with headquarters in cities such as Kolkata Chennai and Coimbatore. Many of these companies are also traders themselves, selling both their own estate-produced stock as well as that of other producers.
- The traders/exporters meet ALDI's blend requirements by purchasing a range of tea grades including mainly fannings and some higher value broken leaf grades. While ALDI does not currently prescribe the grades of tea to be purchased, the final product must meet ALDI requirements in terms of colour, aroma and taste.
- Roughly one third of the tea used in ALDI blends is bought through auction, usually at Guwahati, Kolkata or Coimbatore auction centres. This involves connecting with brokers who auction tea in one of these auction centres.
- Indian tea production is currently split roughly evenly between large farm (estate-plantation) producers and small tea growers (STG) operating plots of less than 10 Ha. ALDI suppliers report that the STG market does not yet produce tea which meets mandatory Minimum Residue Limits (MRLs) for pesticides - a key requirement for import into Europe, as well as a fundamental performance benchmark in ALDI's quality specifications. For this reason, the STG sector was excluded from the scope of this study. However, it should be noted that links between the STG and estate sector are developing and many estates are now buying green leaf tea from small growers as well as their own gardens.

Key human rights issues and root causes of adverse rights impacts in the supply chain

- The human rights concerns in the Indian tea industry are well-documented and significant. The key issues found in this study include:
 - Low wages
 - Weak standards of health, nutrition and social security
 - A dependency of workers and their families on estate management for provision of most basic facets of life (food, healthcare, education, housing, medical care), which frequently fall well short of an adequate standard of living.
 - Women workers – who are estimated to comprise between 40% and 70% of the workforce on estates selling into ALDI's supply chains - face discrimination and are disproportionately affected by low pay and underperforming social services.
 - Furthermore, most of the workforce in ALDI's supply chain identify as Adivasi. The majority of tea workers in Assam are usually descendants of Adivasis from other parts of India, who migrated to the Assam region. Despite becoming a mainstay of the tea industry and its key production states, members of migrated Adivasi face marginalisation and social exclusion.

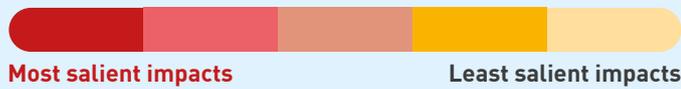
Solutions to these challenges are unlikely to be easily implementable within current market structures and practices and will require targeted interventions.

- Tea estates have been in decline since 2012, both in terms of revenue from sales and per company profitability, with the chief reasons being price stagnation, rising input costs and growing competition. Tea prices – despite intermittent upticks – remain stagnant or declining across most sections of the market, particularly the segment producing black tea with the Crush-Tear-Curl (CTC) processing method for use in teabags. Throughout much of the past decade, a large segment of the industry has been struggling to sell their product at cost. This implies the need for fundamental changes to the way tea is valued and the way it is traded.

- The legal regime governing the structure and organisation of labour on estates creates a relationship of near-complete dependency of workers on management for their most basic needs. Meanwhile, estates struggle to provide adequate services in the context of low prices and rising costs. Consequently, worker housing, estate infrastructure and worker benefits suffer from chronic underinvestment, which can have profound social consequences in terms of malnourishment, maternal and infant mortality, illiteracy and social exclusion. The present organisation of tea estates under the Plantation Labour Act (PLA) system is creating generational challenges which, as acknowledged by many industry actors and civil society alike, necessitates urgent change. Although the PLA is currently undergoing reform, this process is unlikely to fundamentally change this model (according to current plans).
- According to most rightsholders (and their representatives) the central issue is low pay. Low wages in the tea industry are sustained by low sale prices and unprofitability of tea estates as well as wage-setting mechanisms that are resistant to fundamental change and are not based on an empirical understanding of living costs for workers in tea growing areas. Supply chain pressures which shift risk onto producers further incentivise cost reduction at production level.
- The issues in the tea industry are widespread and systemic, linked to market pressures and regulatory challenges universally shared across the Indian tea plantation sub-sector. This prompts a need for international brands and retailers like ALDI who recognise the importance of India to the future of the global tea industry to consider how they can share in the costs towards, and increase their stake in, a sustainable future for the industry.

Summary of impacts

The table below summarises the most salient human rights issues identified in relation to tea from India. These are presented according to the relevant supply chain activities where the impact has been identified. The most salient impacts appear red or pink, and the least salient impacts are pale yellow. No positive impacts were identified by this study.



	Field operations	Factory operations	Transportation: shipping	Blending and packaging
Working conditions (incl wages)	●	●	●	●
Occupational health and safety	●	●	●	●
Freedom of association and collective bargaining	●	●		●
Forced labour	●			●
Child labour	●			
Access to grievance/remedy (labour)	●	●	●	●
Non-discrimination and equal opportunities (labour)	●	●	●	
Right to life, liberty and security	●	●		
Freedom of association (civic)	●	●	●	
Right to privacy	●	●	●	
Freedom of information	●	●	●	
Right to participation	●	●		
Right to adequate standard of living (livelihoods, housing, water)	●	●		
Right to food	●	●		
Right to social security	●	●		
Right to education	●	●		
Right to health	●	●		
Right to an effective remedy	●			
Non-discrimination	●	●		
Ethnically marginalised people	●	●		

Each impact tends to result from a variety of root causes. These may be legal or regulatory root causes such as inadequate wage setting mechanisms, or business and sectoral root causes such as the structure of the PLA-estate subsector and prices pressures on estates resulting from market mechanisms.

While many of the identified impacts are associated with fundamental ways in which the tea sector in India operates, the study identified areas of ALDI's commercial activity that could link ALDI to salient human rights impacts and their root causes (where these have a business driver). Primarily these are:

- **Supplier selection:** The criteria by which ALDI's first tier supplier MARKUS Kaffee selects its suppliers, as well as the decision factors related to how they award contracts can play a major role in shaping the conditions that exist within ALDI's supply chain. The requirements – or lack of requirements – placed on selected suppliers (e.g., relating to supply chain transparency, human rights due diligence, social auditing, certification) can all potentially impact on rightsholders.

- **Prices paid to suppliers:** Prices paid by all retailers - including ALDI - are passed down the supply chain and can impact estates ability to ensure good management practices and working conditions - including pay.

The proposed Human Rights Action Plan focuses on these business activities within ALDI, as well as other actions ALDI can take on a collaborative basis with other actors.

Summary of mitigation Human Right Action Plan

Based on the recommendations of this HRIA study, ALDI has developed a Human Rights Action Plan (HRAP). ALDI focuses on those areas where it has potential linkage to salient human rights impacts and their root causes, where these have a sectoral or business driver. The key objectives laid out in the HRAP are:

- Partner with key suppliers to consolidate supply chain around tea producers
- Continue working with certification
- Collaborate with external partners and advocate for stronger labour protections and decent income
- Increase transparency and leverage to evolve programs
- Strive to strengthen gender equality in the tea supply chain
- Strengthen the opportunities for tea communities by supporting quality child care and education for children

CONTENTS

Executive Summary	2
1. Background to the study	8
2. Methodology	9
3. The Indian tea industry and value chain	14
3.1 Key facts and figures: Tea.....	14
3.2 Overview of activities and stages within ALDI 's tea supply chain.....	14
3.3 Legal framework.....	17
3.4 Customary labour market practices in the tea sector.....	19
3.5 Key issues facing the tea industry.....	19
3.6 How ALDI buys tea.....	22
4. Impact findings	26
4.1 Field operations.....	27
4.2 Factory operations.....	30
4.3 Transportation: shipping.....	32
4.4 Blending and packaging (Europe/ Germany).....	32
5. Understanding root causes, linkage and scope for action	32
5.1 Identifying drivers and root causes.....	32
5.2 Linkages to ALDI.....	34
5.3 Linkage, leverage and scope for action.....	35
6. Vulnerable groups	36
6.1 Women.....	36
6.2 Adivasi.....	37
7. Summary and concluding remarks	39
8. Human Rights Action Plan	40
9. References	43

1. BACKGROUND TO THE STUDY

ALDI’s global Sustainability Risk Analysis, published in early 2023, includes tea as a high-risk supply chain. Although relatively small in terms of materiality – ALDI’s trade in tea is comparatively small in light of other product lines – the scope for human rights impacts and the known risks in the supply chain prompted the decision to conduct an HRIA on tea. The Indian tea industry in particular is vital to ALDI’s supply chain: India is a key source location for black tea purchased by ALDI suppliers – particularly the states of Assam, West Bengal and Tamil Nadu (Nilgiris). Moreover, the sector is at a crossroads in terms of sectoral organisation and policy, following years of difficult market conditions and worker and civil society reports of poor living and working conditions. On the basis of these factors, tea from India was selected to be the focus of one of several Human Rights Impact Assessments (HRIAs) carried out by ALDI in 2021 and 2022.

The purpose of conducting an HRIA in tea is to inform a new strategy to implement ALDI’s social responsibility commitments within its Indian tea supply chain, structured around key mitigation actions to minimise impacts and risks.

The aim of the HRIA was to:

- Provide an understanding of where and how specific supply chain relationships and activities have the potential to impact internationally recognised human rights
- Expand understanding of key risks in the Indian tea sector, including on root causes
- Engage with relevant rightsholders and representatives to understand and incorporate their views related to actual or potential impacts as well as mitigation actions
- Identify actions to mitigate, prevent and / or remedy identified adverse impacts, as well as to potentially generate positive impacts

The impact assessment was conducted by Ergon Associates (Ergon), a specialist business and human rights consultancy. Ergon has extensive experience in carrying out human rights impact assessments in complex international supply chains. In many cases, this has involved extensive engagement with workers and communities around the world.

Ergon benefited from expert input from THIRST – The International Roundtable for Sustainable Tea. THIRST is a multi-stakeholder platform acting as a connector, a facilitator of shared learning, and a collator of knowledge and news pertaining to the tea industry. THIRST aims to convene stakeholders and provide a platform for them to challenge the status quo in the tea industry and support them to find the most effective ways to address challenges. THIRST is currently undertaking a ‘global HRIA’ on the tea industry looking global, cross-border impacts sources and root causes related to the trade in tea.

The study was also supported by Indira Saxena, a researcher and labour rights advocate with a long history of supporting the trade union movement in India and the ethical trade agenda globally.



Ergon



THIRST

2. METHODOLOGY

HRIAs are specialist studies designed to support an organisation's due diligence efforts in relation to international standards and frameworks, including the UN Guiding Principles on Business and Human Rights and the OECD Guidelines on Multinational Enterprises. The methodology used is designed to identify actual and potential human rights impacts arising from specific business activities and relationships and rank them according to salience – with a view to developing appropriate mitigation or remediation actions in line with the views of stakeholders, and the business' own functions and capacities.

This HRIA was based on the following steps:

Review of business activities

- Determining relevant business processes and supply chain activities in scope for the study
- Interviews with internal ALDI stakeholders and direct suppliers

Scope of impacted human rights and rights-holders

- Shortlisting relevant human rights for each area of activity in the tea supply chain (estate operations, factory operations, international shipping, blending and packing) and scoping potentially impacted rightsholders

Baseline analysis

- Reviewing key national legislative frameworks relevant to the tea sector (the PLA, the Tea Act)
- Reviewing key literature on labour and human rights conditions in the Indian tea sector
- Mapping stakeholders for engagement

Stakeholder engagement

- Remote interviews with relevant key external stakeholders
- Remote engagement with rightsholders (workers) through workshops and unions

Impact assessment

- Application of impact assessment methodology
- Root cause analysis
- Identification of highest saliency impacts and ALDI linkage to each impact

Recommendations

- Determining appropriate actions to address human rights impacts
- Development of recommendations to inform ALDI's Human Rights Action Plan

Review of business activities

This phase included a review of ALDI's policies, governance documents and procedures related to procurement and supply chain management. These included current social standards and due diligence processes and future plans for tea. In addition to ALDI's CR team, Ergon engaged with ALDI's buying team to further understand ALDI's purchasing practices for tea.

Scoping potentially impacted rights and rightsholders

Rights likely to be affected by each supply chain activity were identified to produce a practical shortlist of rights to focus on for the baseline and impact analysis. As a starting point, Ergon used all the rights contained in the International Conventions on Civil and Political Rights and on Economic, Social and Cultural Rights as well as the ILO Core Conventions. The final shortlist included all human rights with the potential to be affected by business activities within the tea industry.

Rights were identified to be in scope when:

- Sufficient evidence was found during initial desk-based research that the rights were impacted in the Indian tea sector
- Knowledge of production conditions, of sector activities or specific geographic contexts indicated potentially impacted rights

Key rightsholders were also identified to be present in or affected by the economic activities in scope in ALDI's tea supply chain. These were:



Tea plantation workers



Tea communities/estate residents



Women



Blending/packing factory workers



Tea factory workers



Ethnically marginalised groups (Adivasi)



Shipping workers



Migrant workers



Children

It is important to note that few categories of rightsholders are fully distinct; a person may be represented under more than one category of rightsholders simultaneously. In addition, impacts can be intersectional, meaning that they affect different rightsholders (as well as different individuals and groups within the categories of rightsholders) in different ways, depending for example on their gender identity, sexual orientation, ethnicity, age and / or class.

Integration of vulnerable workers in HRIA methodology: Women, Adivasi people and migrant workers

Women have been included as distinct rightsholders throughout the HRIA process. Early research identified sufficient evidence of differentiated rights impacts on women in the sector. Women are greatly overrepresented in the tea plucking workforce and so many of the impacts identified in relation to estate operations impact women disproportionately, or specifically. Where possible and relevant, engagement with stakeholders sought to clearly identify differentiated impacts for women compared to men.

In the context of Indian tea specifically, Adivasi are an important rightsholder group as Adivasi tribes comprise the majority of the sector's workforce. They have been considered as distinct rightsholders, affected by specific impacts on the basis of their Adivasi identity, but are potentially also impacted by all impacts identified relating to "estate operations" (which also affect non-Adivasi workers).

Migrant workers were included as specific rightsholders although they form a less significant group in the workforce than Adivasi and women (though many are also Adivasi). Migrant workers are present in greater numbers in the tea workforce in Tamil Nadu (Nilgiris) than in West Bengal and Assam. Although working and living conditions for tea workers were found in this study to be generally superior in the South of India, these workers face specific vulnerabilities – especially as labour providers are often used to recruit them from other states. Where possible and relevant, engagement with stakeholders sought to clearly identify how migrant workers were distinctly impacted in the sector.

Stakeholder engagement

External stakeholder outreach is a key element of the HRIA methodology and is designed to:

- Collect views on the likelihood or potential severity of impacts, as well as potential mitigation actions, from organisations and individuals with in-depth knowledge and experience of challenges and issues in the sector – including, where possible, rightsholders themselves
- Validate and provide further insight on findings from desk research
- Identify any stakeholders to follow up with for collaboration to address impacts or to monitor the implementation of certain mitigation measures

Key external stakeholders were identified and prioritised through reviewing existing studies and materials, as well as through inputs from other stakeholders throughout the study. The methodology prioritised engagement with representative stakeholder organisations of the identified rightsholders, such as civil society and research organisations, trade unions, sectoral initiatives and other relevant organisations with experience and knowledge of human rights issues in Indian tea production. Despite limitations on conducting extended, in-person engagement with rightsholders in the context of this study, some direct, (albeit remote) engagement with rightsholders was possible, chiefly through connections with trade unions, facilitated by Indira Saxena.

Stakeholder engagement focused on India-based organisations with in-depth knowledge of the national sector and key issues, but also included some international perspectives. Engagement took place throughout the assessment to validate findings and receive additional input.

External stakeholders engaged:

- ALDI suppliers
- 3 national trade unions
- 2 producers (i.e. estate management)
- 2 academic organisations
- 1 international industry association
- 1 independent ethical trade consultant (international)
- 2 independent advisors to the tea industry (national)
- 1 international NGO
- 1 international civil society platform
- 4 national NGOs
- 53 tea estate workers from Nilgiris, West Bengal and Assam (including women and Adivasi)

Some organisations and individuals did not respond to or declined interview requests. These included one UN agency, one producer, one government department, one industry association and three local NGOs.

Ensuring meaningful engagement

Key questions and conversation topics were tailored for each stakeholder. Some questions were posed to all stakeholders to gain a variety of perspectives, including broader questions relating to the positive and negative impacts of the sector, and recommendations for positive change.

Measures were taken to ensure stakeholders could comfortably express their views. This included:

- The confidentiality of the engagement process was communicated to all participating stakeholders. Participants were told that the HRIA was commissioned by ALDI and that their views would not be communicated either to ALDI or publicly on a named or identifiable basis.
- All interviews consisted of a basic explanation of ALDI's sourcing practices, current approaches and understanding of current risks – stakeholders were asked to input on which risks were greatest and where they are most likely to occur.
- Most stakeholder conversations included a portion wherein stakeholders were asked to provide feedback on interim findings or advise on key resources or materials to input into the study. Civil society, experts and industry associations were able to provide direct input and advise on where there were strengths and weaknesses in ALDI's current approach to sourcing tea and many advised on concrete actions ALDI and peers could take to address key risks.
- ALDI interviewees were consulted with a view to identifying opportunities for further collaboration or information sharing on human rights concerns. Most stakeholders consulted for this study will expect further follow-up and engagement by ALDI.
- The external consultant (Ergon Associates) conducted the engagement independently of ALDI, to guarantee neutrality and confidentiality.

As part of ALDI's preparation for the Human Rights Action Plan (HRAP), the HRIA findings were communicated and reviewed with selected involved stakeholders.

Synthesis review

Because of the wealth of existing research and input material for the Indian tea sector and value chain, this HRIA included a comprehensive synthesis review of recent investigations and research studies from stakeholders such as Tata Institute of Social Sciences (TISS), Rosa Luxemburg Stiftung, and Oxfam India, amongst others. In some cases, Ergon conducted interviews and short workshops with researchers who performed the studies in order to unpack the findings for the purposes of the HRIA.

Impact Assessment

A systematic assessment process was used to identify and rank salient impacts on specific rights categories across each of the supply chain activities in scope. This process took into account factors such as the likelihood of an impact occurring in relation to a given activity, whether the impact was positive or negative, and its severity/ significance and scale.

Limitations

The methodology followed for this HRIA is considered to have provided an effective means for identifying ALDI's main impacts in the Indian tea supply chain and developing recommendations for an HRAP. However, there were some limitations, relating in particular to the feasibility of the research team visiting tea estates in India to undertake direct, participatory engagement with workers and communities.

Key factors included:

- **Constraints on producers in a challenging business environment** – exacerbated by COVID-19 – and in this context pressure from the industry not to engage with researchers and external stakeholders. Access to plantations in Assam and West Bengal particularly is tightly controlled and can take months to organise. Even in the event that visiting estates was possible, there is no guarantee that this would have included open engagement with workers, away from management supervision.
- **Reform of the key governing Plantation Labour Act (1951) legislation and new minimum wage legislation.** A new labour law regime to replace the Act is currently being rolled out (since 2020). Debate has been contentious and the new compliance risks for companies could have interfered with attempts to engage openly with plantation managers on labour issues.
- **Engagement with workers was carried out remotely, with union representatives present.** Although this enabled us to undertake valuable direct engagement with a large number of workers, the videoconference format was inevitably different to those that might have been carried out through more participatory engagement with workers in their own communities and places of residence.
- **Information on risks and impacts for shipping, road transportation and blending and packing factory operations was predominantly based on desk research** rather than engaging directly with rightsholders impacted by these supply chain activities. ALDI's direct leverage and influence over these activities is limited, and therefore it is unlikely that priority actions emerging from this HRIA would be focused on them.



Tea garden (Assam, 2019)

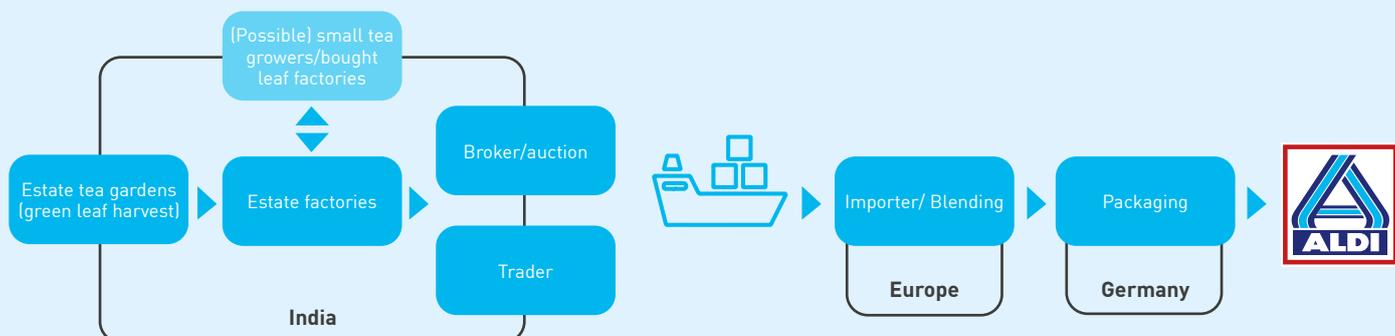
3. THE INDIAN TEA INDUSTRY AND VALUE CHAIN

3.1 Key facts and figures: Tea

<p>Production</p>	<ul style="list-style-type: none"> India is the world’s 2nd largest tea producer - surpassed only by China (ITA, 2021). In 2020, India produced 1,283 million kg of tea, nearly ¼ of global tea production (TBI, 2022). Just under half of this amount was produced in the State of Assam.
<p>Geography</p>	<ul style="list-style-type: none"> Tea is grown in the south and eastern regions of India. ALDI tea is most likely to originate from Assam, West Bengal and Tamil Nadu (the Nilgiris). Assam alone hosts over half of India’s planted area for tea. Within Assam, there are two sub-divided production regions: Brahmaputra Valley responsible for 92% of production and Cachar/Barack Valley: 8% of production (TBI, 2022).
<p>Production setting</p>	<ul style="list-style-type: none"> Production is roughly evenly split between Large Farm (LF) growers – large, commercial estates producing 49% of Indian tea - and Small Tea Growers (STGs) – smallholders and small plantations (usually less than 10 Ha) producing 51% of Indian tea. ALDI sources from the LF sector almost exclusively.
<p>Social importance</p>	<ul style="list-style-type: none"> Large estates must support the costs of maintaining a sizeable workforce and their families – in a role akin to a local government authority or municipal works agency. These obligations have their origins in tea production practices during the colonial period that were partially codified into practice following independence.
<p>Economic importance</p>	<ul style="list-style-type: none"> Around 80% of the total tea produced in India is consumed by the domestic population (TBI, 2022). Major export markets include Russia, Iran, United States, United Kingdom and United Arab Emirates (IBEF, 2018).

3.2 Overview of activities and stages within ALDI’s tea supply chain

While not all tea entering ALDI’s supply chain may follow the exact pathways indicated below, the most relevant supply chain actors for ALDI are listed below:



Category	Overview of role
Small tea growers (STG)	<ul style="list-style-type: none"> • While large farms have been under strain, the smallholder sector has been growing. STG tea now accounts for more than half of total tea production in India, up from 35% in 2018. • Bought leaf factories (BLFs) and smallholder enterprises tend to be considered the ‘unorganised sector’ and often fall beyond regulations and compliance schemes. Smallholders with five hectares or less are excluded from the legal regulations of the PLA, such as providing social benefits to workers. As such, they typically have lower production costs. BLFs buy fresh tea leaves in bulk from smaller estates and small tea growers (STGs) for processing. • While not purposively sought out by ALDI suppliers, it is increasingly common for estates to also purchase green leaves from surrounding STGs to meet capacity. Though not confirmed as currently sold to ALDI, this the key potential pathway for tea produced by smallholders to enter ALDI’s supply chain. • Prices for STG tea range from around 10 to 50% less than the estate prices due to perceived lower quality/saleability. Overuse of agro-chemicals and using shears and sickles to pluck tea leaves is one of the main justifications given by industry experts. • To ensure the quality of the tea, all teas used for ALDI re analytically tested before shipment and after arrival in Europe.
Estate tea gardens	<ul style="list-style-type: none"> • Tea plantations in India are most commonly referred to as “estates” or “gardens”. They were set up by pre-1947 British colonial tea planters, and though most have changed management at some point since independence, managers, workers and civil society alike have recognised this historical legacy as an important factor in explaining how estates are run today. • Estates usually host villages and even some substantially sized towns with populations ranging from as few as 300 to as many as 25,000 workers and dependents living on estate property and relying on estate management to maintain infrastructure, social services, education as they would in any other municipality. Estates, especially the most geographically isolated, are self-contained, providing most household basic goods, services and aspects of public life wholly within the estate. • Management of tea estates: Tea companies have a traditional hierarchical authority structure with many key activities such as budget, human resources and internal inspections coordinated from a corporate office rather than being devolved to the estate level. Senior managers can play a valuable role in monitoring and ensuring policy implementation. However, the many layers of cascading management can also frequently lead to delays and inefficiencies. • On the estate itself, estate managers are responsible for all operations. Reporting to the estate manager, various assistant managers, production and factory managers oversee the commercial activities of the estate. Welfare officers provide an important link between estate management and workers on issues related to housing, sanitation, health, education, and recreation. This is a position explicitly prescribed in the PLA that estates must have in place. Traditionally, this role falls below assistant managers in the management hierarchy. • Harvesting tea leaves: Most Indian tea is plucked by hand, usually to the standard of “2 leaves + 1 bud”, which represents the best calibration of plucked tea for commercial black tea production. Harvesting depends on the weather. Typically only the small green-leaf shoots which emerge during humid, rainy periods are plucked for processing into green and black tea. In the north of India, this usually takes place from mid-spring until autumn. Harvests tend to be organised into campaigns focused on peak availability – ‘flushes’. Each flush has distinct characteristics in terms of taste and appearance. In the south (Nilgiris), closer to the equator, there is no true winter and therefore production occurs year round. • Workforce: Most tea estate workers live in estate villages (traditionally called ‘labour lines’). Workers rely on the estate to provide food, water, sanitation, education and welfare. • It is customary practice to divide field workers into groups called ‘challans’ of usually between 10 and 50 workers depending on the estate, each under the supervision of a sardar (supervisor). Challans tend to be segregated by the type of work they do (e.g. ‘plucking’ and ‘sprayer’ challans). • The “Area Plantation Labour Formula” is applied to each estate as a result of a ‘labour strength agreement’ first agreed in 1969. Estates cannot go below this formula calculation (number of workers/planted area ratio must be the same for each estate as it was on 1/1/1969). This means, in effect, that labour levels (and costs) are fixed. Most estates cannot resort to mechanised production to lower labour costs because of this. • The distinction between whether a worker has permanent or temporary status can make a considerable difference in the experience of households living on tea estates. Households headed by temporary workers do not receive as many benefits and entitlements (e.g. lower housing, ration amount) as those headed by permanent workers. • During peak production periods, field workers (‘pluckers’) are paid according to the amount of green leaf they produce (or the area of planted crop area they maintain). During ‘theke’ (peak) periods, declared unilaterally by management, workers’ pay shifts from a time-based daily wage to a piece rate according to production volume. Workers producing more than quota (usually 24 – 35 kg/day), depending on the collective bargaining agreement, stand to earn more than their daily base wage. However, deductions can be taken from wages if pluckers do not meet daily quotas. Beyond that, other deductions can be made, e.g. for trade union membership, electricity supply or other services. • There is some labour migration, particularly on southern (Nilgiris) estates. Many of these workers come from the north of India.

Category	Overview of role
Factory operations (estate)	<ul style="list-style-type: none"> • Field production and primary processing are closely integrated. Factories are usually located at a central location on estates and operated by the estate. Factory workers tend to live on estates along with field workers. • Green leaf harvested across the estates is collected by the supervisor for each field worker group (challan). Supervisors are responsible for weighing leaves, recording volumes and arranging for the transportation of green leaf to the factory, usually using company vehicles. • Factories (indirectly) selling to ALDI employ the Crush-Tear-Curl (CTC) processing method, rendering green tea leaves into small black tea pellets (of different sizes and grades). • Workers in the factories, who are predominantly male, tend to work under more formalised arrangements, and are more highly paid and more closely supervised than field workers on estates. Whereas tea pluckers, who are predominantly female, tend to be graded un-skilled or semi-skilled, factory worker job categories are usually classed as 'skilled' in collective bargaining agreements.
Auction/brokers	<ul style="list-style-type: none"> • The Tea Board of India in 2021 published a circular mandating that 50% of Indian produced tea be sold through auction. • India has nine tea auction centres and all of them have been integrated into a nationwide e-auction system which digitises the sale of tea. The most significant auction centres in ALDI's supply chain (through which an estimated 1/3 of its black tea raw material from India is purchased) are Guwahati, Kolkata and Coimbatore (Tamil Nadu). • Tea producers work with brokers to get their product to warehouses for cataloguing and sampling for tasting and valuation. A base price (starting/asking price) and reserve price is established at this stage. For sale through auction, brokers prepare and publish the auction catalogue indicating when the lot will go to sale. • Base ('starting') prices for each tea lot sold must, according to rules, be "based on pre-defined logic as amended by the Tea Board from time to time" (Rules relating to Pan India "Bharat Auction") • Although producers often choose to sell through auction because of the guaranteed prompt payment terms, a key challenge with the auction system has reportedly been low prices: the auction system sets prices based on historical trends and maintains procedural rules which inflate the market perception of demand and limit the information available to producers. The auction system is frequently criticised for not realising the potential value of tea (Anantharaman/Dharmaraj, 2021).
Traders	<ul style="list-style-type: none"> • While auction sale is required for 50% of Indian tea, some lots are exported directly through private sale to traders or importers. Private sale is widely preferred by producers for perceived higher earnings potential. • There are approximately 100 trading companies responsible for most of India's export of tea. These traders are responsible for making connections between producers (and brokers), and downstream players such as importers, blenders (where different from traders) and tea brands. Intermediaries tend to control market most of the information and have the most leverage, but also stand to lose the most from currency fluctuations and price volatility (ILO, Fairtrade, 2018). • Traders are Indian and international tea sellers who export the product. Many of the largest buyers are also owners of, or have sister companies that also operate, tea estates. A list of Guwahati Tea Auction Centre (GTAC) buyers can be found here. • The push for more direct trade relationships outside of auctions has given considerable power to intermediate traders who hold relationships with blenders, brands and retailers. Thus, to tea producers, the market can feel highly buyer-driven, with retailers and brand names exercising significant power over the market.
Shipping	<ul style="list-style-type: none"> • Agents supporting ALDI's second-tier suppliers are usually responsible for commissioning the import of tea through blenders (who are also importers). • Tea is shipped from India as pallets of bulk product (20 kg) sacks, in standard containers from various Indian ports, notably Kolkata and Chennai, handled by a range of international freight carriers. • Containers are offloaded at ports and taken to manufacturing facilities where the tea is blended and packaged.
Blending and packaging	<ul style="list-style-type: none"> • Bagged 'breakfast tea' blends are the most important ALDI product containing black tea in terms of sales. Blending for ALDI tea products usually takes place in Europe and blending factories (owned or subcontracted) are usually the first key recipient of imported black tea imported for this purchase. They are responsible for meeting ALDI's order requirements. • Black and green tea is imported into EU factories and blended. They are then packed into sealed teabags by machinery in Germany and then subsequently placed in branded packaging specified by ALDI. Note: <i>packaging raw material is not in scope for this study</i>. • Indian tea is blended with teas from Kenya, other East Africa producer origins and Sri Lanka. • Blending and packing represents the highest value addition stage of the tea supply chain, accounting for 80% of the final retail price. • The finished product is then transferred to stores in lorries or vans. This is usually done by logistics and delivery firms.

3.3 Legal framework

The tea industry is governed by a regulatory framework which is unique among global agriculture production systems and is – at the time of this report - undergoing substantial changes. The Plantation Labour Act of 1951 (PLA) has been the key regulatory document for the tea industry - setting out estate owners' obligations to their workforce and residents, including the provision of housing, educational facilities and food, under the supervision of the state government. State-level legislation establishes provisions for the implementation of the terms of the PLA in each state where it applies.

Alongside the PLA, the 1953 Tea Act has governed non-labour related matters in the tea industry – such as land (i.e. in regard to plantation acquisition or expansion), and marketing and trading of tea.

The provisions of these acts are meant to be applied in conjunction with additional legislation relating to specific labour issues, including:

- *The Industrial Employment (Standing Orders) Act, 1946* requiring employers in industrial establishments to formally define conditions of employment under them and submit standing orders to relevant authorities for their ratification.
- *Contract Labour (Regulation and Abolition) Act, 1970* regulating the employment of contract labour in certain establishments and stipulating its prohibition in certain circumstances.
- *Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013* (POSH Act). The act (inter alia) obligates all employers to set up an Internal Complaint Committee (ICC) to hear/redress grievances pertaining to sexual harassment.
- *Bonded Labour System (Abolition) Act, 1976*, which provides for a multi-stage remediation system for freed bonded labourers. Indian law accepts the ILO definition of forced labour which covers situations in which persons are coerced to work through the use of violence or intimidation, or by more subtle means such as accumulated debt, retention of identity papers or threats of denunciation to immigration authorities.
- *Child and Adolescent Labour (Prohibition & Regulation) Act, 1986* which prohibits children under the age of 14 from all employment, except for work that takes place in a family or a family enterprise setting, if it is not considered hazardous, and does not interfere with education. Adolescent workers may be engaged in non-hazardous tasks.

Key provisions of the PLA

The PLA gave tea estates special status in Indian law. Under the act, estate owners are required to provide services to their workforce that elsewhere would be provided by the government. The PLA essentially prescribes how local tea estate economies must be run, making estates responsible for providing:

- **Subsidized provision of goods and services.** Estates are responsible for supplying (inter alia) tea, food, furniture, fuel, utensils, glasses, cups, dishes and accommodation for the canteen and personnel to run its day-to-day affairs (e.g., cooks, servers etc). Employers can deduct these items from workers' cash earnings, at industry association published rates, not exceeding the cost the employer pays for them.
- **Housing.** Each employer must provide and maintain one house per worker in a fit and safe condition and execute "annual and such other repairs as may be necessary".
- **Drinking water and sanitation** (Sections 8 and 9). Employers are required to provide and maintain a sufficient supply of clean drinking water for all workers and a sufficient number of accessible and well-maintained latrines and urinals.
- **Medical facilities** (Sections 10 and 32) have to be maintained and made available by the employer.
- **Creches and educational facilities** (Sections 12 and 14). In every estate with more than 25 school-aged children, the employer is under obligation to provide educational facilities to the standard specified by national and local authorities. Creche services must be provided where more than 20 children (of active workers) are currently residing on the estate.

- *Protective equipment* (Article 17) – estates are required to provide necessary resources for protection against cold and rain, such as umbrellas, blankets, and rain capes, in addition to protective equipment to mitigate against specific workplace hazards (e.g. respirators, boots and gloves for pesticide application).
- States are empowered to require provision of other *statutory benefits* including recreational facilities and land for private farming (Section 13).

Because of the obligation for estate management to provide these in-kind benefits to workers, legal minimum wage rates for tea workers are much lower than for other sectors. **Since 2019, the government has been engaged in a process of consolidating the PLA, the Tea Act and other labour-related laws (29 in total) into four new codes** (below). The reforms are part of a comprehensive overhaul to the labour governance system called “*Shramyev Jayate*”. The Ministry of Labour stated in February 2022 that the four new labour codes will enter into force by early 2023. The rationale for these changes is that they will simplify and modernise a complex and out-of-date legal system. However, at the time of writing, the new labour codes do not provide for any fundamental changes which will affect the dynamics of the PLA system for tea estates as they currently stand. The responsibility for providing all facilities and services to estate workers will continue to reside with industry. There are also no additional provisions to significantly improve the status or conditions of the workforce. As such, the system of dependency of tea workers (and their families) on estate management for basic provisions – which underpins often challenging conditions on estates – is unlikely to fundamentally change as a result of the reforms.

Key provisions of the new labour codes

Code on Wages, 2019

- Establishes greater role for central government in deciding minimum wages, dismantling industry and state-specific committees previously responsible for revising wages according to local worker / union demands and costs of living
- Introduces a floor wage to address regional disparity in wage levels currently
- Allows wages to be paid in-kind – in the form of accommodation, rations etc
- Redefines tea workers from “skilled” (under PLA) to “unskilled”
- Enshrines equal remuneration in wages for men and women
- Guarantees review of minimum wages every 5 years
- Extends right to minimum wage to workers in the informal sector

Code on Industrial Relations, 2020

- Excludes majority of workers in the tea sector – through removal of tea sector from “scheduled industries”
- Promotes private methods of dispute resolution such as arbitration
- Contains rules governing the representativeness of trade unions

Social Security Code, 2020

- Makes access to hospital treatment and dispensaries free at the point of use under ESIC (workers, including plantation workers, must make contributions)
- Provides for creation of a social security fund (paving way for “privatisation” of social security, according to some stakeholders)

Occupational Safety and Health and Working Conditions Code, 2020

- Includes welfare obligations previously established in the PLA, including employer requirement to provide housing and educational facilities
- Mandatory free annual health check-up must be provided by employer
- Recognises Inter-State Migrant Workers as a discrete category of worker (previously status tied to whether or not such workers were hired through a labour contractor). Employers must provide travelling allowance for inter-state migrant workers to travel home at least once per year.
- Removal of limitations on women working at night (with their consent and with adequate safety arrangements in place).
- Entitles women workers to a minimum of six weeks’ maternity leave

3.4 Customary labour market practices in the tea sector

Many policies and practices we see on tea estates today (discussed below and throughout the report) do not have their origins in law, but rather in industry custom. These customary practices have been tacitly accepted by state and central governments which effectively creates a de facto extra-legal status for the tea industry in relation to some areas of governance. Several key institutions without basis in law are profiled in the table below. It is not clear what the status of these practices will be once the overhaul to the legal framework (above) is given full effect.

Tea industry customary practice	Description of customary practice
Area Plantation Labour Formula ('the 1/1/69 rule')	A formula to determine how many workers should be employed is applied to each tea garden as a result of a "labour strength agreement" first agreed in 1969. Regulators maintain that each registered estate is applied a minimum workforce threshold calculated by a formula (number of workers/planted area). Estates cannot reduce their workforce levels below this amount. This means, in effect, that labour levels (and costs) for producers are fixed.
'Badli' system of labour recruitment/ job inheritance from family members	'Badli' means 'substitute' in Hindi and is a practice that dates back to before the Plantation Labour Act (1951) was enacted. This is a system whereby a family member of a retired or deceased worker can claim their post and house and becomes entitled to all the benefits of a permanent worker. However, this can put pressure on family members to take over the work of a retiring worker to secure accommodation, although many would prefer jobs in other sectors with better pay, higher status and lighter workloads.
Subsidised in-kind rations	This is a British-era practice that is currently reinforced by sectoral collective bargaining. It provides that a fixed amount of wheat flour and/or rice (and firewood/fuel) are to be provided to workers and their dependents every week (with some distinctions on entitlement, including on the basis of the gender of the eligible worker, which amounts to discrimination – see impacts related to Labour > Discrimination and Equal Opportunities).
Wages set by sectoral Collective Bargaining Agreement (CBA), below the Agricultural Minimum Wage	Wages are paid part in cash, part in-kind to workers in the estate sector. As a result, plantations are de facto exempt from minimum wage legislation. In Assam and West Bengal, the current wages set for tea workers are below the minimum rates for other agricultural activities.
Informal side-work	Outside of and in addition to normal work shifts, workers are often asked to volunteer to pluck additional volume to meet the company's production needs during peak periods. They are paid a fixed piece rate and usually do not receive the daily minimum wage for these extra jobs. No overtime is paid, nor are social security contributions made. This practice is seen even across the better performing estates in Assam and West Bengal.
Gender division of workforce	Customarily, there are certain jobs done only by men and others that are done only or mostly by women. Plucking tea leaves is seen as a woman's job, while spraying, fertilisation, jobs utilising tools, driving and factory work are seen as men's jobs.

3.5 Key issues facing the tea industry

As part of the assessment, industry experts, ALDI suppliers and a selection of producers were interviewed to understand their views in relation to the current situation in the industry. Key reported issues include:

- Low prices and difficult operating conditions for estates:** The commercial environment for tea producing companies in the 'organised' estate sub-sector is precarious and uncertain. Tea estates have been in decline since 2012 both in terms of revenue from sales and per company profitability, with the chief reasons being price stagnation, rising input costs and growing competition from the smallholder sector in India as well as other key tea producing countries (e.g. Kenya). While the longer term trend is one of decline, there are temporary price upticks which sustain the industry, such as the one seen in 2021 due to a significant supply-demand mismatch associated with COVID-19. However, periods of low prices are affecting an ever-greater segment of the market. Many unprofitable tea producer companies have been dissolved, divested and/or sold to other producers. Throughout much of the past decade, a large segment of the industry has been struggling to produce at cost.



- **Competition and overproduction:** While large farms have been under strain, the smallholder (less than 10 hectares) sector has been growing. Smallholders with five hectares or less are excluded from the legal regulations of the PLA, such as providing social benefits to workers. As such, they typically have lower production costs. The growth of the smallholder sector has also been associated with increased production which already outstrips demand, driving down prices.
- **Market information asymmetries:** Globally, brands, supermarkets and major tea suppliers - including multinational companies with interest in both production and higher-value fetching downstream activities such as trading, export, blending and even consumer sales - have a greater awareness of and influence on market conditions than companies engaged solely in production. From the perspective of tea producers in India, the strong, consolidated buying power among a small monopsony of buyers must also be considered as a potential influencer of low prices.
- **High costs of social and labour compliance:** There is broad industry recognition that the social challenges on tea estates and how they have evolved under the PLA system necessitate urgent change to how basic services are financed and delivered. The cost burden on tea companies stemming from its obligation to meet the housing, food, education and medical care needs of sizable populations of workers and their families threatens the viability of tea companies. In particular, large backlogs are common, including housing repairs, building new houses to cover shortfalls, infrastructure maintenance and investment in health and education needed to meet national standards. These backlogs have often built up over the course of several decades and constitute major capital expenditure which exceeds the capacity of the market to absorb even under the most favourable conditions. Several of ALDI's stakeholders and suppliers have concluded that the cost of meeting basic legal obligations to workers and communities is likely to be in excess of revenue received from tea sales at current prices.
- **Absenteeism and localised labour shortages:** There are increased off-farm employment opportunities and migration undertaken by the working age population on tea estates, leading to labour shortages in some areas. In some cases workers continue to claim a permanent job (and accommodation on the estate), yet seek outside (usually better remunerated) employment opportunities - on other farms, in other industries such as construction and services, and in some cases in other parts of India (notably central southern states: Tamil Nadu, Karnataka, Maharashtra).
- **Costs exceeding revenue:** According to the Indian Tea Association, over 50% of tea leaves in auctions are sold at less than INR 200/kg (TOI 2022). Most production costs (such as labour, fuel) have little scope for reduction. Labour costs are typically around 40-60% the total cost of production in the Indian (organised) tea industry - these tend to be fixed as a result of the plantation labour strength agreement ('the 1/1/69 rule'). Fuel and energy cost increases are further driving higher costs. Meanwhile, prices of agro-chemicals (pesticides, herbicides, fungicides) have been increasing steadily due to moderate consumer price inflation.
- **Certification:** According to producers and industry experts, there are implicit pressures on producers to pursue Fairtrade and/ or Rainforest Alliance certification. Although some of the most important destination markets (e.g. Egypt, Pakistan, Iraq) do not have high demand for certified tea, many of the major buyers source tea which is eligible to be sold as certified, whether or not it is indeed finally sold as certified, due to their customers' requirements to do so. This means that tea that is not certified is more difficult to sell and from the perspective of producers, certification, rather than a market advantage, is perceived as an added market entry cost, in light of the need for producers to invest in systems improvements and audits toward certification.

- **Pest control is a major operational issue**, particularly in low lying gardens and estates – higher altitudes mitigate against the threat from pests. Pest attacks can be responsible for crop losses from around 10 – 20%. Major tea pests are attaining resistance to commonly used chemicals resulting in the need for either more chemicals used or more expensive chemicals to replace them. Further, several chemicals which the industry has historically relied upon (e.g. paraquat, neonicotinoids) have been banned by private labelling initiatives such as Fairtrade and Rainforest Alliance.
- **Relations between industry and other stakeholders**, including buyers seeking to improve social performance, have been tense and a notable lack of transparency has developed in the sector. There has been significant interest from media and civil society in social conditions in the Indian tea sector and numerous studies have been conducted, particularly since 2010. This has resulted in heightened tensions between civil society and industry over allegations of labour abuse which has further restricted access by outsiders according to key informants in the industry.

Impact of COVID-19 on the sector

- National lockdowns temporarily stopped supply from estates, although the isolated nature of tea estates meant that they were not as adversely hit by restrictions as many other sectors: lockdowns were not in place for very long on most estates. COVID-19 caused volatility in producer revenue across the sector – in some periods, lower production resulted in higher prices, while on the other hand, temporary stalling of activities negatively affected producer income.
- Estate health facilities – already often under-resourced – were overburdened, affecting quality of care to all patients (in relation both to COVID and non-COVID related issues). Some workers reported that medical bills relating to COVID were not covered and no quarantine facilities were made available on estates, meaning infected people often had to share one-room housing with non-infected people. Inadequate sanitation facilities and generally overcrowded housing on many estates hampered the effectiveness of health and safety measures such as hand washing and social distancing.
- Workers reported that wages were not paid during periods of inactivity related to COVID lockdowns, or half wages were paid instead of full, in contravention of producers' legal obligations. Temporary workers in particular lacked income protection.
- Educational provision for children resident on estates was severely impacted by COVID – during school closures, most children were not able to access any education, due to a lack of access to devices that would have facilitated online learning. This also exacerbated risk of child labour and trafficking, and early marriages reportedly rose among estate communities during this period.
- The pandemic accelerated the transition to an e-auction system for the sale of tea in India.
- COVID-19 exacerbating existing labour shortages in the sector – with factories in particular under-capacity due to worker illness.



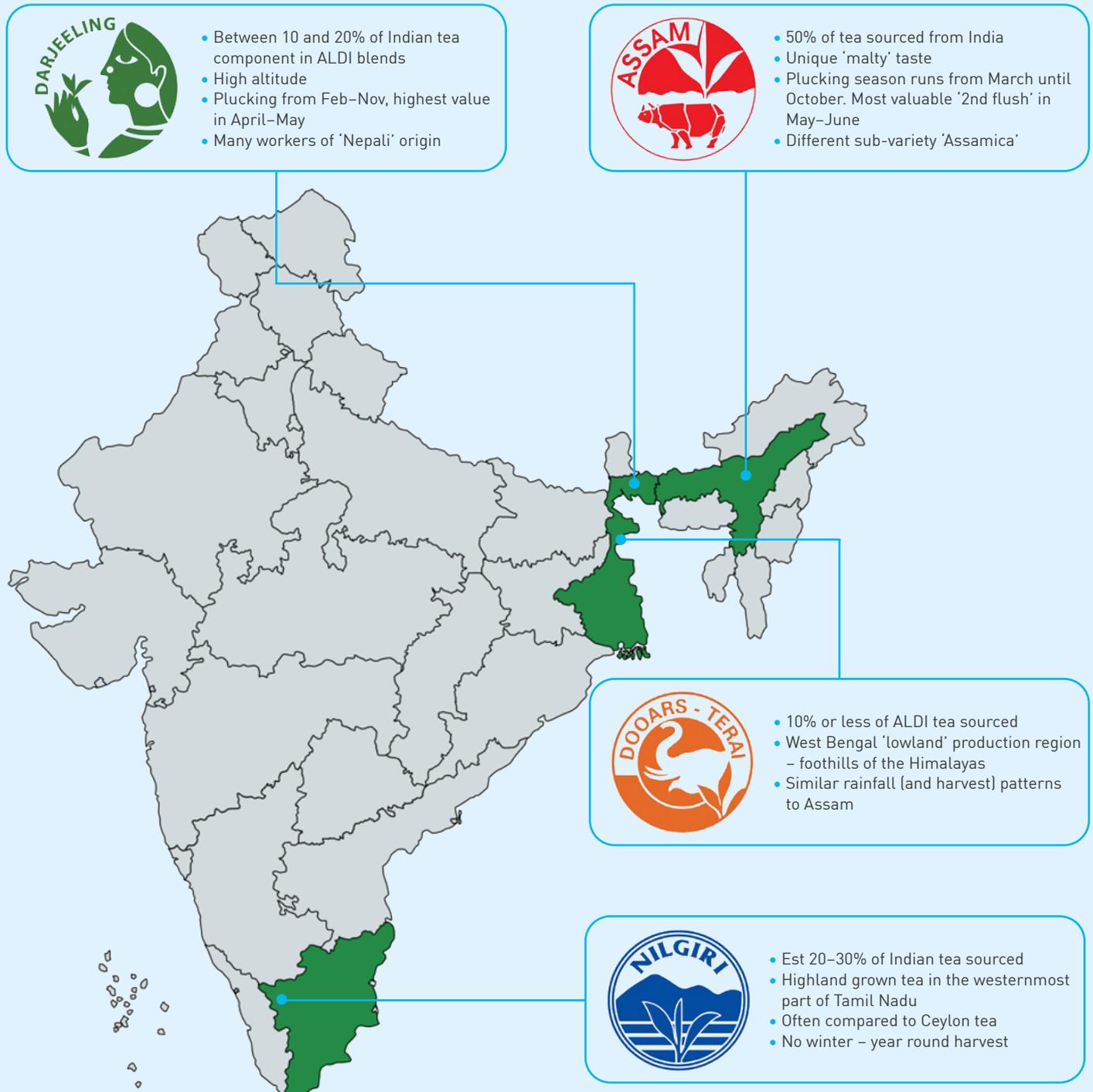
Worker housing village (Assam)

3.6 How ALDI buys tea

ALDI suppliers and sourcing locations

ALDI's suppliers source Indian Tea from three key states and four distinct production regions. The key regions and designations in ALDI's supply chain are:

- Assam (inclusive of both Brahmaputra Valley and Barak Valley)
- West Bengal: Darjeeling, Dooars
- Tamil Nadu: Nilgiris



Buying practices

Selecting and working with business partners

- The main black tea products ALDI sells in stores are not sourced directly from producers, rather from the ALDI exclusive, Germany-based first-tier supplier MARKUS Kaffee and two second tier suppliers who are tea companies responsible for commissioning import and manufacture of blended, packaged bagged tea products (See below Westminster Schwarzttee Mischung).
- MARKUS Kaffee sources from two main suppliers (tea blenders), based in Germany. These two suppliers work with sourcing agents in Hamburg and Rotterdam to purchase and import raw material, and arrange for the manufacturing of tea blends (blending, bulk packaging). The final packaging for the consumer takes place at MARKUS Kaffee.
- ALDI and its first- and second tier suppliers have long-term working relationships. Its main second tier supplier, accounting for 80% of production, has been a regular supplier to ALDI for 40 years.



Product specification

- ALDI buys black tea products as finished, packaged and wrapped units which arrive in warehouses and stores ready for sale.
- Contracts with suppliers generally prescribe the specific packaging to be used, teabag type and volume/weight requirements as well as standards pertaining to raw material quality:
 - ALDI's International Tea Purchasing Policy regulates the sourcing of all raw tea volumes for tea (including black, green, herbal and fruit teas). This sets out ALDI commitments to increase volumes of certified (Rainforest Alliance/Fairtrade) teas (see below)
 - ALDI suppliers must also ensure the product meets the standards of the "Guidelines for Tea, Tea-like products, their Extracts and Preparations" (binding requirements From the German Federal Ministry of Food and Agriculture) as well as the German Tea Association (THIE) Code of Conduct requirements. This is mainly important for pesticide residues and absence of other contaminants.
- Suppliers report ALDI is vigilant about pesticide residues and quality specifications and has been willing to pay for additional costs related to testing and quality assurance where needed. ALDI's requirements set higher standards than national law. 95% of Indian tea reportedly is sent to the lab for assessment before shipment. Additional checks are performed when the product arrives in Germany.

Contractual arrangements with suppliers

- MARKUS Kaffee issues one-year fixed-price contracts to its suppliers based on an annual tender.
- Tenders are usually issued in April or May of each year. This generally involves one large purchase under the contract in July, though additional purchases may be undertaken throughout the year. Additionally, there are also "special buy" offers wherein ALDI seeks to commission a different product for promotion (often found on the 'middle aisle' of ALDI stores). These may result in a different product (e.g. 'Darjeeling single origin') but will be subject to the same terms of the contract unless a variation is agreed.
- Although the contractual relationships last for only one year at a time, both ALDI and its key supplier report that the relationship is continuous in practice.

Volumes

- An open (no fixed volume) one-year contract is offered to the larger of the two second tier suppliers in the category.
- Where the main second tier supplier produces volumes which are not in turn delivered to ALDI, it is common practice (though not contractually specified) that ALDI will offtake this surplus stock and roll it into the next contract to avoid the supplier incurring any losses.
- A fixed-volume contract is used in relation to the smaller of ALDI's second-tier suppliers in the category. In practice, these are usually spot purchases.

Pricing

- Contracts specify a fixed price for the full contract period. Price is proposed by suppliers with reference to the previous year's price, meaning suppliers are expected to base tender prices on previous prices quoted with increases normally justified through citing new developments such as forecasted changes to local market prices, energy prices, freight, weather/climate etc.
- Suppliers assume the bulk of the market risk and rely on their upstream partners (traders, exporters) to mitigate the financial risk. There is typical price amplitude of around 10-20% at origin according to suppliers. If raw material prices increase 15%, suppliers report this is likely to affect profitability.
- In general, suppliers believe tea to be undervalued as a consumer product - retail prices are consequently considered to be too low. Yet, suppliers also report that prices quoted to and accepted by ALDI for black tea blends do not differ substantially from prices other retailers pay for similar products.
- Suppliers are not required to include a minimum amount of Indian tea in the final product. When prices are high for the grades and specifications they need in India, suppliers report they must purchase greater volumes from other locations such as East Africa.

Business relationships along the value chain

- ALDI does not prescribe which producers or estates its supply chain partners must purchase through. Yet, ALDI's second-tier suppliers and their agents maintain regular contact with a selection of key producers through phone calls, periodic visits and tastings. Key producers according to ALDI's main suppliers are those which can be relied upon to produce teas which meet ALDI requirements.
- In 2021, ALDI and its suppliers sourced most of its Indian black tea from three key traders and in turn from 38 known estates. These change year to year. Most tea estates in ALDI's supply chain are part of larger groups (companies) based in cities such as Kolkata and Bengaluru. Many of these companies are also traders themselves, selling both their own estate-produced stock as well as that of other producers.
- Traders/exporters fit ALDI's blend requirements by purchasing a range of tea grades including mainly fannings, dust and some higher-value broken leaf grades. While ALDI does not prescribe the grades of tea to be purchased, the final product must meet ALDI requirements in terms of colour, aroma and taste.
- Three key regions sourced from – volumes vary year on year. Estimate based on reported sourcing volumes from key suppliers:
 - Assam (est. 50%)
 - Tamil Nadu (est. 20-30%)
 - West Bengal (est. 20%-30%)
- Roughly 1/3 of tea bought for use in ALDI blends is bought through auction, usually Guwahati, Kolkata or Coimbatore auction centres. This involves connecting with brokers who auction tea in one of these centres.

ALDI's ethical trade and social commitments

Transparency and traceability requirements

- ALDI has committed to increased transparency and is in the process of mapping its supply chain with a view to soon making this information available to the public. ALDI has visibility down to tier 3 of its supply chain (India-based traders and exporters) through information requested from its suppliers, though some -albeit incomplete- information about specific estates can be discerned from the data ALDI has received.
- ALDI does not systematically track each individual estate from which the tea is sourced, though it plans to do so. Although some supply chain information related to the identity of producers is available within the supply chain, these are not systematically requested or verified. This means that beyond the 38 estates considered likely to be supplying into ALDI's supply chain, there are potentially others in the supply chain that are not currently accounted for. This is particularly the case where supply chain origin does not extend past local brokers and traders. While not knowingly bought from STGs currently, there exists the potential for STG tea to enter ALDI's supply chain through large estates purchasing from small growers to fill capacity in their factories.
- ALDI is exploring possibilities to extend the ALDI Transparency Code (ATC) to tea. The ATC is a QR code which can be read by a smartphone or a computer. Upon scanning, the user will receive further online information on the product or detailed information on the production process.

ALDI Standards for Tea

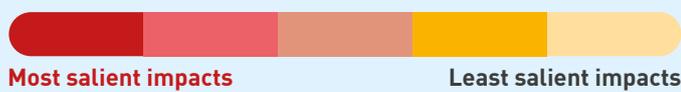
- ALDI has informed its private label tea suppliers of its International Tea Purchasing Policy. All suppliers of tea products are contractually obliged to comply with these requirements upon receipt of orders. Among other provisions, it entitles ALDI to employ independent institutions to carry out spot checks of its product specifications at the suppliers' premises.
- The most important standards for suppliers are those which require black tea sourced at origin to progressively include higher volumes of certified tea in the product sold. The main certification standards relevant to human rights are Fairtrade and Rainforest Alliance. However, under ALDI's current policy, EU Organic certification is also currently accepted as equivalent to Rainforest Alliance or Fairtrade, despite including no requirements on human rights performance. While Fairtrade entails a minimum price and a premium payment for all purchases, suppliers report that there is now no difference in price between Rainforest Alliance and conventionally produced Indian tea, even though Rainforest Alliance certification formerly commanded a premium on the marketplace. In future, Rainforest Alliance has announced mandatory sustainability differential and sustainability investment premia paid on top of the market price of made tea. This is expected to apply to all certified product in future.
- ALDI is not currently a participant or supporter of any multi-stakeholder platforms focusing on tea from India. However, in the near future, ALDI plans to explore collaborative opportunities with the membership organisation Ethical Tea Partnership (ETP).
- Research and engagement along the Indian tea value chain revealed a general lack of acknowledgment of the scale of the social challenges in the tea industry among commercial actors. While some challenges were acknowledged such as low pay, gender discrimination and poor housing and medical care, there was found to be a considerable first mover disadvantage for producers, traders, or other actors in the supply chain to disclose the full scale of the problems, and the resultant likelihood of adverse human rights impacts in their own supply chains.

4. IMPACT FINDINGS

This section sets out the key impact findings arising from the study, based on background research and stakeholder engagement. The impact findings are separated into sections relating to each supply chain activity in scope.

The impact rating is based on a saliency assessment for each impact. This takes into account whether the impact is positive or negative, whether it is directly attributable to the activity in question, its duration (or “remediability”), its likelihood and its magnitude.

The table below displays all the impacts assessed for this study. Each box represents an impact finding in relation to the supply chain activity (columns) and the rights category (rows). The most salient impacts appear red or pink, and the least salient impacts are pale yellow. No positive impacts were identified by this study.



	Field operations	Factory operations	Transportation: shipping	Blending and packaging
Working conditions (incl wages)	●	●	●	●
Occupational health and safety	●	●	●	●
Freedom of association and collective bargaining	●	●		●
Forced labour	●			●
Child labour	●			
Access to grievance/remedy (labour)	●	●	●	●
Non-discrimination and equal opportunities (labour)	●	●	●	
Right to life, liberty and security	●	●		
Freedom of association (civic)	●	●	●	
Right to privacy	●	●	●	
Freedom of information	●	●	●	
Right to participation	●	●		
Right to adequate standard of living (livelihoods, housing, water)	●	●		
Right to food	●	●		
Right to social security	●	●		
Right to education	●	●		
Right to health	●	●		
Right to an effective remedy	●			
Non-discrimination	●	●		
Ethnically marginalised people	●	●		

4.1 Field operations

Labour rights

Rights issue	Rightholder(s)	Key issues	Impact Rating
Working conditions	Tea plantation workers; Women; Adivasi	<ul style="list-style-type: none"> • Low wages set by sectoral wage CBAs and state-level wage orders (estate sector exempt from higher minimum wages posted for unskilled agriculture). • Cash wages in Assam and West Bengal are estimated to be roughly 1/5 of the basic needs of a typical worker and their families (Oxfam 2021). • Payment below minimum wage linked to unlawful wage deductions and withheld pay is a concern on organised estates in all tea growing regions. • Risk of low pay and poor conditions highest in Assam (wages are lowest). • Uneven delivery of income support to workers during COVID-19 • Long hours of work and rigid working patterns • Low pay linked to issues such as malnutrition and vulnerability to human trafficking 	
Occupational health and safety	Tea plantation workers	<ul style="list-style-type: none"> • Death, permanent disability and chronic illness are associated with carrying heavy loads on uneven ground as well as the use of chemical pest, weed and parasite control in Indian tea. • Assam & Dooars (WB) higher risk - more harmful chemicals in greater volumes used in lower elevations • Low worker awareness of risks • Insufficient mitigation measures by employers, such as provision of personal protective equipment and training – as well as medical cover 	
Non-discrimination and equal opportunities	Women	<ul style="list-style-type: none"> • Women workers are disproportionately represented in plucking roles in the estate sub-sector and are over-represented in 'temporary worker' categories • Inadequate provision for pregnant workers and (particularly women) workers with young children (e.g., creche, nursing breaks) • Piece-rate payment, that disadvantages pregnant and nursing women, as well as women with disabilities and older women • Disproportionate burden for household chores that falls on women (child and elder care, plus water and firewood collection, for instance) means women are particularly affected by under-provision of welfare measures on estates • Discriminatory allocation of rations – women do not receive rations for dependents, unlike men (Assam) • Sexual harassment, sexual violence and lack of means of reporting abuse (e.g., ICC/POSH committees) 	
Forced labour	Tea plantation workers	<ul style="list-style-type: none"> • Multiple indicators of potential forced labour on tea estates (linked to 'Badli' system of labour inheritance, loans & debt held by employers) • High risk that individual worker debts and personal circumstances leave workers vulnerable to forced labour according to the ILO definition • Reports of corporal punishment and harsh treatment as coercive pressure on workers • Workers feel contractually bound not to leave estates without permission • Migrant workers (mostly present in the south) often recruited through labour providers 	
Child labour	Children Communities in tea growing areas	<ul style="list-style-type: none"> • Children drop out of education and working on estates to support parents to achieve piece rate targets, especially in the context of informal side-work in the organised sector. • Risk exacerbated by insufficient/inadequate provision of educational facilities on estates – particularly during COVID-19 when many children were not able to participate in education. • Potential risk in relation to family labour used on STG farms as the sub-sector is less regulated. This would be a risk requiring mitigation. 	

Rights issue	Rightholder(s)	Key issues	Impact Rating
Freedom of association and collective bargaining	Tea plantation workers	<ul style="list-style-type: none"> Lack of effective representation by some trade unions perceived to be too close to management Fragmented trade union movement – weak bargaining power with employers Male-dominated trade union representation and leadership 	●
Access to grievance mechanism/remedy	Tea plantation workers	<ul style="list-style-type: none"> Lack of effective grievance resolution channels No trust between workers and management Workers generally do not use or trust the existing avenues for grievance resolution through trade unions, government complaints mechanisms and the justice system. Prevention of sexual harassment (POSH) committee or a viable grievance mechanism rarely exist according to workers and trade union leaders. 	●

Civil and political rights

Rights issue	Rightholder(s)	Description of issues	Impact Rating
Right to life, liberty and security	Workers; Communities in tea growing areas; Women	<ul style="list-style-type: none"> Maternal mortality and infant mortality are key concerns. There is also a key risk that deaths are not investigated and reported upon to a sufficient degree. Death, disability or chronic illness as a result of agro-chemical handling Human trafficking: Poverty and localised deprivation among children has made some tea growing areas (particularly in Assam), a source location for human trafficking for sexual and other purposes Preventing freedom of movement on and off the estates – workers report feeling contractually bound not to leave the estate without permission. 	●
Right to privacy	Tea plantation workers; Blending/processing facility workers	<ul style="list-style-type: none"> Employee surveillance – workers report a “culture of surveillance” on some tea estates 	●
Freedom of information	Communities in tea growing areas	<ul style="list-style-type: none"> Key information about housing, infrastructure, health and education facilities and water and sanitation are controlled by management. Disclosure is normally at the discretion of management. 	●
Right to participation	Communities in tea growing areas	<ul style="list-style-type: none"> Particularly in Assam, integration with the surrounding population is low and Adivasi reportedly face discrimination in public life outside the estates 	●
Freedom of association (civic)	Communities in tea growing areas	<ul style="list-style-type: none"> Access restrictions for workers, NGOs and tea garden community advocates as access to tea estates is often tightly controlled by tea companies and estate managers. While lower saliency than other issues, this impact is also a root cause of several other impacts identified in this study. 	●

Economic and social rights

Rights issue	Rightholder(s)	Description of issues	Impact Rating
Right to adequate standard of living (livelihoods, housing, water)	Tea plantation workers; Blending/processing facility workers; Communities in tea growing areas	<ul style="list-style-type: none"> Substandard, insufficient, overcrowded housing; lack of clean drinking water and adequate sanitation facilities Maintenance / repair work not carried out with sufficient frequency Inadequate sanitation: untreated sewage, lack of waste disposal and lack of safe, clean drinking water Low wages trap many workers in poverty and indebtedness Risk of estate abandonment leading to shocks to worker and community livelihoods Risks exacerbated by climate change which is already having a significant impact on tea production: Assam is the most climate vulnerable state in the country, and in 2021 the “second flush” harvest was severely impacted by lack of rainfall, linked to climate change. 	●

Rights issue	Rightholder(s)	Key issues	Impact Rating
Right to food	Tea plantation workers; blending/processing facility workers; communities in tea growing areas	<ul style="list-style-type: none"> Malnutrition of workers and families is widely reported. It is common for households to have a diet limited to two meals of rice and roti bread per day – with fruit and meat eaten only very rarely In-kind benefits / rations provision through estates (with or without government backing) vary significantly in quality Issues related to food safety/nutritional value reported by workers on estates in all 3 key tea growing regions 	●
Right to health	Tea plantation workers; blending/processing facility workers; communities in tea growing areas	<ul style="list-style-type: none"> Challenges with medical facilities include poor cleanliness standards, no doctors, lack of available medicines or lack of referral channels for serious medical issues. Several workers report that medical bills (including in relation to COVID-19) for employees who are not afforded treatment by the estate's own facilities are not covered by their employers Assam tea estates linked to exceptionally high rates of maternal and infant mortality associated with under-equipped medical facilities and staff and lack of pre- and post-natal care. 	●
Right to education	Children; tea plantation workers; blending/processing facility workers; communities in tea growing areas	<ul style="list-style-type: none"> Estate schools have been widely observed by civil society observers to be poor quality and unlikely to meet the Indian government's Right to Education standards. Issues include: Poor infrastructure - school buildings with critical structural defects and lack of transport to and from school, teacher absenteeism, lack of books, teaching and learning materials, lack of provision for e-learning during COVID-19 lockdowns. 	●
Right to social security	Tea plantation workers; blending/processing facility workers; communities in tea growing areas	<ul style="list-style-type: none"> Housing provision is tied to employment on estates. Workers cannot afford housing outside of estates when they retire. They do not own their own homes because of the structure of tea plantation work. Reports (in Nilgiris) of workers making social security contributions not sent on by their employers. 	●

Cross-cutting rights (i.e. rights that apply in combination with other rights)

Rights issue	Rightholder(s)	Description of issues	Impact Rating
Non-discrimination (ethnicity, social groups)	Adivasi	<ul style="list-style-type: none"> Lack of Adivasi representation within the management of tea companies or regulation of the industry perpetuates social exclusion and marginalisation. Tea community members, particularly Adivasi, are reportedly discriminated against in applications for other jobs in the local labour markets 	●
Minority rights: Marginalised ethnic groups & right to self determination	Adivasi	<ul style="list-style-type: none"> Adivasi tribes enjoy virtually no economic self-determination in tea growing areas. The estate sector in parts of Assam, West Bengal and Nilgiris has perpetuated a dependency of Adivasi communities on their employers for all the basic facets of life (food, housing, education). This is a structural risk affecting nearly all Adivasi communities living on tea plantations. 	●

4.2 Factory operations

Labour rights

Rights issue	Rightholder(s)	Key issues	Impact Rating
Occupational health and safety	Blending/processing facility workers	<ul style="list-style-type: none"> Some inherent OHS risks, which may be exacerbated by inadequate risk management / mitigation systems - i.e. training, provision of protective equipment etc. Lack of consistent enforcement of OHS laws in factory settings 	
Non-discrimination and equal opportunities (labour)	Blending/processing facility workers; women	<ul style="list-style-type: none"> Gender discrimination in allocation of roles (women favoured for field work and men for factory work) Risk of sexual harassment of women workers in male-dominated workforce 	
Access to grievance/remedy (labour)	Blending/processing facility workers	<ul style="list-style-type: none"> Lack of effective grievance resolution channels No trust between workers and management 	

Civil and political rights

Rights issue	Rightholder(s)	Description of issues	Impact Rating
Right to life, liberty and security	Blending/processing facility workers; communities in tea growing areas	<ul style="list-style-type: none"> Factory workers more likely than not living in the same or similar estate housing as field workers so risks related to the estate context remain, despite higher wages and better working conditions overall in factory settings Issues include: under-investigation/reporting of deaths occurring on estates; maternal and infant mortality; machine / OHS related accidents; human trafficking risk related to poverty and deprivation of tea communities; restrictions on freedom of movement on and off the estates 	
Freedom of information	Communities in tea growing areas	<ul style="list-style-type: none"> Key information about housing, infrastructure, health and education facilities and water and sanitation are controlled by management. Disclosure is normally at the discretion of management. 	
Right to participation	Communities in tea growing areas	<ul style="list-style-type: none"> Particularly in Assam, integration with the surrounding population is low and Adivasi reportedly face discrimination in public life outside the estates 	
Right to privacy	Blending/processing facility workers	<ul style="list-style-type: none"> Employee surveillance – workers report a “culture of surveillance” on some tea estates This applies to all residents (i.e. factory and field workers) however the comparatively higher status of factory workers mean this impact is somewhat lessened 	
Freedom of association (civic)	Communities in tea growing areas	<ul style="list-style-type: none"> Access restrictions for workers, NGOs and tea garden community advocates as access to tea estates is often tightly controlled by tea companies and estate managers. While lower saliency than other issues, this impact is also a root cause of several other impacts identified in this study. The situation is worse for field workers (reflected in the higher impact score), who are more likely to be disadvantaged by lack of access to outside organisations and individuals who might be able to offer remediation / mitigation 	

Economic and social rights

Rights issue	Rightholder(s)	Key issues	Impact Rating
Right to adequate standard of living (livelihoods, housing, water)	Blending/processing facility workers	<ul style="list-style-type: none"> Substandard, insufficient, overcrowded housing – factory workers are sometimes housed in separate labour lines, though housing is still widely substandard Maintenance / repair work not carried out with sufficient frequency Inadequate sanitation: untreated sewage, lack of waste disposal and lack of safe, clean drinking water Low wages trap many workers in poverty and indebtedness Risk of estate abandonment leading to shocks to worker and community livelihoods 	●
Right to health	Blending/processing facility workers; communities in tea growing areas	<ul style="list-style-type: none"> Challenges with medical facilities include poor cleanliness standards, no doctors, lack of available medicines or lack of referral channels for serious medical issues. Several workers report that medical bills for employees who are not afforded treatment by the estate's own facilities are not covered by their employers Assam tea estates linked to exceptionally high rates of maternal and infant mortality associated with under-equipped medical facilities and staff and lack of pre- and post-natal care. 	●
Right to education	Blending/processing facility workers; communities in tea growing areas	<ul style="list-style-type: none"> Estate schools have been widely observed by civil society observers to be poor quality and unlikely to meet the Indian Government's Right to Education standards. Issues include: Poor infrastructure/ school buildings with critical structural defects, teacher absenteeism, lack of books, teaching and learning materials, lack of provision for e-learning during COVID-19 lockdowns. 	●
Right to social security	Blending/processing facility workers; communities in tea growing areas	<ul style="list-style-type: none"> Housing provision is tied to employment on estates. Workers do not own their own homes because of the structure of tea plantations. Reports (in Nilgiris) of workers making social security contributions not sent on by their employers. 	●
Right to food	Blending/processing facility workers; communities in tea growing areas	<ul style="list-style-type: none"> Malnutrition of workers and families is widely reported. Wages fall well short of nationally and internationally recognised cost of living benchmarks It is common for households to have a diet limited to two meals of rice and roti per day – with fruit and meat eaten only very rarely In-kind benefits / rations provision through estates (with or without government backing) vary significantly in quality Issues related to food safety/nutritional value reported by workers on estates in all 3 key tea growing regions Lower impact ranking for factory workers as compared to field workers based on higher wages of the former, which may help to mitigate the impact (though unlikely to entirely) 	●

Cross-cutting rights (i.e. rights that apply in combination with other rights)

Rights issue	Rightholder(s)	Key issues	Impact Rating
Non-discrimination (ethnicity, social groups)	Adivasi	<ul style="list-style-type: none"> Lack of Adivasi representation within the management of tea companies or regulation of the industry perpetuates social exclusion and marginalisation. Tea community members, particularly Adivasis are reportedly discriminated against in applications for other jobs in the local labour markets 	●
Minority rights: Marginalised ethnic groups & right to self determination	Adivasi	<ul style="list-style-type: none"> Adivasi tribes enjoy virtually no economic self-determination in tea growing areas. The estate sector in parts of Assam, West Bengal and Nilgiris has perpetuated a dependency of Adivasi communities on their employers for all the basic facets of life (food, housing, education). This is a structural risk affecting nearly all Adivasi communities living on tea plantations 	●

4.3 Transportation: shipping

Labour rights

Rights issue	Rightholder(s)	Key issues	Impact Rating
Non-discrimination and equal opportunities	Shipping workers	<ul style="list-style-type: none"> • Advocates report there are continuing barriers to women's inclusion in the maritime transport sector (Human Rights at Sea, 2018) • Isolated environment and male-dominated workforce make sexual harassment and abuse a risk 	
Occupational health and safety	Shipping workers	<ul style="list-style-type: none"> • Management of safety and worker welfare (including mental health) are persistent concerns 	

4.4 Blending and packaging (Europe/ Germany)

Labour rights

Rights issue	Rightholder(s)	Key issues	Impact Rating
Forced labour	Blending/processing facility workers; migrant workers	<ul style="list-style-type: none"> • Some risk of forced labour – especially in relation to migrant workers – in food processing in Western Europe. Recruitment is often outsourced to labour providers, with some indicators of forced labour recently reported in the German agri-processing sector (e.g. withholding of migrant workers passports) (see Open Society Foundations, 2020). 	

5. UNDERSTANDING ROOT CAUSES, LINKAGE AND SCOPE FOR ACTION

5.1 Identifying drivers and root causes

Root causes are the underlying structural or contextual factors which are considered by experts and ALDI's stakeholders to drive human rights impacts and affect the enjoyment of human rights by rightsholders. The root cause analysis is important for the development of appropriate actions to mitigate or remedy impacts, as well as to prevent further impacts.

The root cause analysis also demonstrated that human rights impacts are frequently driven by multiple factors or root causes, and these root causes often contribute to or drive multiple impacts. Where there are multiple factors driving these impacts, this may also compound or exacerbate specific impacts, such as the influence of the COVID-19 pandemic on the sector (see section 3).

These are categorised under three main categories: sectoral and business drivers, legal and institutional framework and other contextual drivers (although there may be some overlap between categories).

Sectoral and business drivers

Root cause	Description
Inadequate price discovery mechanisms	<ul style="list-style-type: none"> • Sales prices for producers (factories/estates)– despite intermittent upticks – remain stagnant or declining, across most sections of the market – particularly the segment producing CTC black tea for use in teabags. Producers must contend with market mechanisms that suppress price growth. • Low prices are a consequence of price discovery mechanisms and processes which concentrate market information and power with traders. Pricing decisions are based on historical trends which do not reflect the true costs of production and shift the cost burden onto producers, threatening their financial viability. • Consequentially, especially in the context of rising costs of production, producers feel they have little scope to negotiate or otherwise achieve higher prices. Producers are being asked to do more (i.e. certification and stricter social and environmental standards) without corresponding increase in earnings.
Lack of transparency	<ul style="list-style-type: none"> • Lack of transparency across the industry is an issue which can obscure the severity and prevalence of issues, according to several stakeholders. • At producer level, key issues are restrictions on external actors such as civil society accessing estates, which can preclude meaningful engagement between rightsholders and external parties and therefore obscure real understanding of issues from the perspective of rightsholders.
High costs of production (including social and labour compliance)	<ul style="list-style-type: none"> • Several of ALDI's stakeholders and suppliers have concluded that the cost of meeting basic legal obligations to workers and communities is likely to be in excess of revenue received from tea sales at current prices. • This has led to abandonment or closure of many tea estates by plantation managers – in many cases leaving workers essentially stranded on estates, lacking income and access to basic provisions such as food, which are a legal obligation for plantation managers to provide.
Use of third-party labour providers	<ul style="list-style-type: none"> • Recruitment of workers is sometimes carried out through labour contractors in Assam and Nilgiris. Use of outsourced labour reduces employer accountability for and oversight of labour conditions, and can exacerbate risk of forced labour. • In Nilgiris, it was reported that these contractors are generally informal and not part of the official Contract Labour Act system, meaning workers are likely to be excluded from most or all formal labour protection systems and mechanisms.

Legal and institutional drivers

Root cause	Description
Broken, outdated model of plantation organisation serving neither companies, nor their workforce	<ul style="list-style-type: none"> • The legal regime governing the structure and organisation of labour on estates creates relationship of near- complete dependency of workers on management for their most basic needs, including food, housing, medical care and children 's education • Plantation managers struggle to provide adequate services in the context of increasing price pressures, yet the legal obligation of employers to provide extensive welfare measures to the workforce (and estate residents) continues to be used to justify the significantly lower legal wage floor in tea as compared to other sectors. • Although the PLA is currently undergoing reform, this process is unlikely to fundamentally change this model (according to current plans).
Inadequate wage-setting mechanisms	<ul style="list-style-type: none"> • Wages for field workers on tea estates are set by sectoral CBAs and state-level wage orders. This is an established practice accepted by regulatory authorities, even though it currently sits in a legal grey area, as in Assam and West Bengal. In these states, there are separate, higher minimum wages posted for unskilled agriculture, from which the estate sector has been exempted. • The low cash wage level is typically justified by the tea industry referring to the in-kind benefits they are legally obliged to provide workers, as per the PLA, such as rations, housing, sanitation, health facilities and primary schools/crèche facilities. However, the quality of these benefits is highly variable.
Heavy use of harmful agro-chemicals for pest and weed control	<ul style="list-style-type: none"> • The Indian tea industry, particularly low-elevation growing regions (e.g. Assam, Dooars), is associated with heavy reliance on harmful pesticides, herbicides and other chemicals. • Some controls are in place to restrict or ban use of the most toxic chemicals through Plant Protection Codes (PPC) published by the Tea Board of India. These include: Acephate, Endosulfan, Monocrotophos and 2,4 -D. Nevertheless, several compounds which are either carcinogenic or acutely toxic are still in use and approved by the PPCs such as Paraquat, Glyphosate, Dicofol and Carbendazim. • Weak oversight of the sector may drive non-compliance with regulations / restrictions that are in place. This in turn stands to cause chronic health challenges for workers and potentially death from chemical exposure.

Other contextual drivers

Root cause	Description
Marginalised status for Adivasi workers	<ul style="list-style-type: none"> Adivasi & tribal tea workers form a distinct population of tea growing communities in the Northeast (particularly Assam and West Bengal). These communities have been pressing for recognition as a Scheduled Tribe (ST) by the state, which has not yet been granted. Adivasis enjoy virtually no economic self-determination in tea growing areas. The estate sector in parts of Assam, West Bengal and Nilgiris have perpetuated a dependency of Adivasi communities on their employers for all the basic facets of life (food, housing, education). This is a structural risk affecting nearly all Adivasi communities living on tea plantations.
Absence of worker voice or representation	<ul style="list-style-type: none"> While many trade unions are important channels for worker voice, some unions are perceived as being politicised and ineffective in their representation of workers - especially female workers. Trade unions are often seen as being too close to management, and not able to effectively advocate for workers. The absence of effective worker representation is a key driver of a range of impacts across all categories, due to the lack of pressure on producers from unions to improve wages and conditions and the lack of accountability, in the absence of unions as an effective channel for worker grievances.
Physical nature of work under piece-rated payment systems	<ul style="list-style-type: none"> Tea plucking is physically demanding work, which requires workers to carry heavy loads on their back for several hours per day. The piece-rate system further incentivises the carrying of heavy loads without rest. Workers are also exposed to the elements, and snake and insect bites are common. A lack of sufficient mitigation measures by tea estate management in this regard is a further driver of impacts.
Societal gender norms	<ul style="list-style-type: none"> Traditional gender norms have an impact on the composition of the workforce at different levels, with women highly concentrated in the lowest status, lowest paid roles (plucking) and reportedly directly discriminated against in recruitment for other roles (i.e. office-based or supervisory roles). Women are expected to take on the vast majority of caring and household responsibilities alongside their work as pluckers, which can exacerbate some of the challenges they face.
Isolated nature of tea estates	<ul style="list-style-type: none"> The topographical and climatic conditions required for tea growing means that most tea estates are in isolated areas with poor infrastructure, such as roads, schools and hospitals. The remoteness of tea estates may drive impacts through lack of government oversight, as well as practical issues such as distance to hospitals – contributing to poor health outcomes and high maternal mortality rates among tea workers, for instance.
Climate change	<ul style="list-style-type: none"> Climate change is already having a significant impact in the tea sector, with lower yields linked to erratic weather patterns impacting producer earnings, and therefore producers' ability to pay for wages and welfare provisions.

5.2 Linkages to ALDI

The UN Guiding Principles outline three ways that a human rights impact can be attributed to a specific company: causation, contribution and linkage. The latter is most relevant to supply chain impacts because they are generally not a direct result of an action or inaction on the part of a retailer. Rather, they are the consequences of behaviours and influences cascaded down the supply chain through multiple actors.

While many of the identified impacts are associated with fundamental ways in which the tea sector in India operates, the study identified areas of ALDI's commercial activity that could link ALDI to salient human rights impacts and their root causes (where these have a business driver). Primarily these are:

- **Supplier selection:** The criteria by which ALDI's first tier supplier MARKUS Kaffee selects its suppliers, as well as the decision factors related to how it awards contracts can play a major role in shaping the conditions that exist within ALDI's supply chain. The requirements – or lack of requirements – placed on selected suppliers (e.g., relating to supply chain transparency, human rights due diligence, social auditing, certification) can all potentially impact on rightsholders.
- **Prices paid to suppliers:** Prices paid by ALDI (and other buyers) are passed down the supply chain and can impact estate managers' ability to ensure good management practices and working conditions - including pay.

The assessment also considered whether purchasing practices – i.e. the frequency, volume specification and timings of orders could influence working conditions down the supply chain. However, the nature of the tea supply chain is such that this area was not considered to link ALDI to impacts at production level. The structure and dynamics of the supply chain are not such that an increased demand from a retailer at short notice would have an impact on conditions on any one estate, for example.

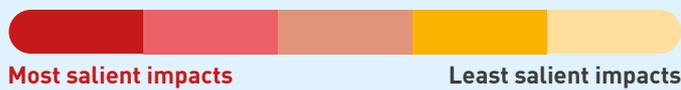
5.3 Linkage, leverage and scope for action

Linkage is closely tied to leverage, meaning the capabilities and constraints of a brand and buyer such as ALDI to be able to influence conditions in the supply chain. Understanding linkage and leverage helps ALDI to understand the best types of actions that can be deployed to bring about the strongest positive effects on rightsholders in the shortest timeframe.

However, linkage is not a prerequisite for action. ALDI is committed to acting not only in areas where linkages to its activities are clear, but also in areas where it can support positive change. These include working collaboratively with peers, experts and MSIs (multi-stakeholder initiatives) to address structural and/or systemic issues and developing new relationships as necessary for issues where a collaborative approach is more relevant.

Identified impacts with linkage

The table below displays all the impacts and where they are deemed to be linked to ALDI (marked with a cross).



	Field operations	Factory operations	Transportation: shipping	Blending and packaging
Working conditions (incl wages)	⊗	⊗	●	⊗
Occupational health and safety	⊗	⊗	●	⊗
Freedom of association and collective bargaining	●	●		⊗
Forced labour	●			●
Child labour	⊗			
Access to grievance/remedy (labour)	⊗	⊗	●	⊗
Non-discrimination and equal opportunities (labour)	⊗	●	●	
Right to life, liberty and security	●	●		
Freedom of association (civic)	⊗	⊗	●	
Right to privacy	●	●	●	
Freedom of information	●	●	●	
Right to participation	●	●		
Right to adequate standard of living (livelihoods, housing, water)	⊗	⊗		
Right to food	●	●		
Right to social security	⊗	●		
Right to education	⊗	⊗		
Right to health	⊗	⊗		
Right to an effective remedy	⊗			
Non-discrimination	●	●		
Ethnically marginalised people	●	●		

6. VULNERABLE GROUPS

6.1 Women

Women in the tea supply chain

This assessment identified a significant gendered division of labour in the tea supply chain. Women are disproportionately represented in the lowest-status plucking roles, while men are much more likely to be in supervisory, management or factory roles.

Integrating gender in the HRIA methodology

Women were included as a distinct group of rightsholders throughout the HRIA process. Early research identified the plucking workforce to be highly feminised, and the potential for impacts specifically affecting women to occur. These factors supported the inclusion of women as a specific group of rightsholders in the HRIA methodology. Where possible and relevant, engagement with stakeholders sought to clearly identify differentiated impacts for women compared to men. This included discussions focusing on discrimination (e.g. in relation to allocation of rations, pay and access to different jobs), maternal / pregnancy provisions and healthcare and sexual harassment and abuse.

Overview of impacts

Distinct key impacts on women were identified in relation to field operations, factory operations and shipping.

Field operations

Due to the highly feminised workforce in field operations, the identified impacts on rights for workers in relation to this activity should also be understood to apply to women – for example working conditions, and occupational health and safety. However, as these impacts are not distinctly different for male and female field workers, they are not characterised as gender-specific impacts.

Rights issue	Rightholder(s)	Key issues	Impact Rating
Labour rights			
Non-discrimination and equal opportunities	Women	<ul style="list-style-type: none"> • Women workers are disproportionately represented in plucking roles in the estate sub-sector and are over-represented in 'temporary worker' categories • Lack of opportunities for training, promotion or recruitment of women into roles traditionally considered 'male' • Inadequate provision for pregnant workers and (particularly women) workers with young children (e.g., creche, nursing breaks) • Disproportionate burden for household chores that falls on women (child and elder care, plus water and firewood collection, for instance) means women are particularly affected by under-provision of welfare measures on estates • Discriminatory allocation of rations – women do not receive rations for dependents, unlike men (Assam) • Sexual harassment, sexual violence and lack of means of reporting abuse (e.g., ICC/POSH committees) 	
Civil and political rights			
Right to life, liberty and security	Workers; Communities; women	<ul style="list-style-type: none"> • Maternal mortality and infant mortality are key concerns. There is also a key risk that deaths are not investigated and reported upon to a sufficient degree. 	

Factory operations

Rights issue	Rightholder(s)	Key issues	Impact Rating
Labour rights			
Non-discrimination and equal opportunities (labour)	Factory workers; women	<ul style="list-style-type: none"> Gender discrimination in allocation of roles (women favoured for field work and men for factory, supervisory and administrative work) Risk of sexual harassment of women workers in male-dominated workforce 	●

Transportation: shipping

Rights issue	Rightholder(s)	Key issues	Impact Rating
Labour rights			
Non-discrimination and equal opportunities	Ship workers	<ul style="list-style-type: none"> Advocates report there are continuing barriers to women's inclusion in the maritime transport sector (Human Rights at Sea, 2018) Isolated environment and male-dominated workforce make sexual harassment and abuse a risk 	●

Root causes

Root causes identified as contributing particularly to impacts specifically affecting women on tea estates are: discrimination against women and societal gender norms, the isolated nature of tea estates and absence of worker voice or representation. In transportation (shipping) impacts on women are primarily driven by the male-dominated workforce and isolated environment.

Intersectionality

It is important to consider that impacts affecting a specific category of rightholders can affect individuals and groups within that broad category differently. For instance, a female worker who is also Adivasi may be differently impacted to a female worker who is not. Other relevant factors to consider in relation to intersectionality in this context are age and (dis)ability.

6.2 Adivasi



Tea pluckers (Assam)

Adivasi tea garden workers

Most tea field workers in ALDI's supply chain, particularly in Assam, are likely to identify as "Adivasi", a designation with multiple tribal origins. According to the latest 2011 Census, Adivasi tea garden communities represented approximately 18% of the population of Assam.

Adivasi tea workers have developed into a distinct social class forming the largest section of the labour force on which the industry relies. Beginning in the 1840s and 1850s, British tea planters, and the East India Company, recruited tribal workers from central India (e.g. Jharkhand, Bihar, Chhattisgarh, Odisha) under terms that would now amount to indentured or bonded labour. Recruitment drives of tribal workers from elsewhere in India persisted until the 1970s and Adivasi tea garden labourers now form a distinct community with unique cultural traditions. Multiple languages are in use among Adivasi tea garden workers: Nagpuri and Sadri are commonly spoken, along with Assamese and Hindi. Despite becoming a mainstay of the tea industry and its key production states, members of the Adivasi community frequently continue to be regarded as 'migrants' or 'outsiders' and various forms of social exclusion persist. Marginalisation of Adivasi tea communities in India, ALDI's study reveals, is both a human rights impact in itself as well as a root cause driving several other adverse human rights impacts.

Integration of Adivasi workers and communities in the HRIA methodology

Adivasi and tribal workers comprise the majority of the tea estate workforce in India. As Adivasi comprise the majority of the workforce, Adivasi workers and communities are potentially impacted by all of the impacts identified in relation to field and factory operations. However, Adivasi people have only been considered as a distinct group of rightsholders in relation to impacts that affect them specifically, on the basis of being Adivasi, as opposed to impacts that affect (for instance) workers as a category (who are majority Adivasi).

Overview of impacts

Impacts affecting Adivasi specifically relate to the category of "cross-cutting rights" in field and factory operations.

Field operations

Rights issue	Rightholder(s)	Key issues	Impact Rating
Non-discrimination (ethnicity, social groups)	Adivasi	<ul style="list-style-type: none"> Lack of Adivasi representation within the management of tea companies or regulation of the industry perpetuates social exclusion and marginalisation. Tea community members, particularly Adivasis are reportedly discriminated against in applications for other jobs in the local labour markets 	
Minority rights: Marginalised ethnic groups & right to self determination	Adivasi	<ul style="list-style-type: none"> Adivasi tribes enjoy virtually no economic self-determination in tea growing areas. The estate sector in parts of Assam, West Bengal and Nilgiris has perpetuated a dependency of Adivasi communities on their employers for all the basic facets of life (food, housing, education). This is a structural risk affecting nearly all Adivasi communities living on tea plantations. 	

Factory operations

Rights issue	Rightholder(s)	Key issues	Impact Rating
Non-discrimination (ethnicity, social groups)	Adivasi	<ul style="list-style-type: none"> Lack of Adivasi representation within the management of tea companies or regulation of the industry perpetuates social exclusion and marginalisation. Tea community members, particularly Adivasis are reportedly discriminated against in applications for other jobs in the local labour markets 	
Minority rights: Marginalised ethnic groups & right to self determination	Adivasi	<ul style="list-style-type: none"> Adivasi tribes enjoy virtually no economic self-determination in tea growing areas. The estate sector in parts of Assam, West Bengal and Nilgiris has perpetuated a dependency of Adivasi communities on their employers for all the basic facets of life (food, housing, education). This is a structural risk affecting nearly all Adivasi communities living on tea plantations. 	

Root causes

Absence of worker voice or representation and lack of Scheduled Tribe (ST) status were identified as the key root causes of the impacts on Adivasi specifically.

Additional details on relevant root causes can be read in Section 5.

7. SUMMARY AND CONCLUDING REMARKS

As a leading retail company, ALDI is committed to protecting human rights and preventing human rights violations. ALDI's commitment encompasses its own operations, business operations and impacts indirectly caused by its actions. Based on this HRIA, ALDI was able to identify potential and actual impacts on human rights in the Indian tea supply chain and gain sound knowledge of what the main impacts and the underlying causes are. This knowledge will enable ALDI to initiate change as part of its Human Rights Action Plan, which it has developed independently, based on the findings and recommendations of the HRIA conducted by Ergon.

ALDI believes that long-term economic success is only possible if human rights are recognised and respected. Its engagement aims to identify and address negative human rights impacts that ALDI can influence. As such, actions are taken in areas where linkages were found. Those actions are prioritized based on leverage, feasibility and severity of the potential human rights risks.

The HRIA shows that ALDI has only limited leverage to influence many of the issues and root causes of human rights risks at the beginning of the supply chain. ALDI is nevertheless committed to taking action in areas where change can be initiated. Developing a Human Rights Action Plan that includes time-bound, strategic actions to mitigate key impacts in the supply chain is essential, while recognising the existence of contextual and legal challenges.

8. HUMAN RIGHTS ACTION PLAN

Building on the HRIA's pivotal insights, this section sets out concrete actions, based on the recommendations of Ergon and on conversations with experts and stakeholders throughout the course of the HRIA. The actions were developed by ALDI to mitigate and prevent the most significant negative impacts within the Indian tea supply chain.

ALDI aims to embed the Human Rights Action Plan (HRAP) for Indian Black Tea in its overarching CR strategy. The strategic goals which are connected to the objectives of the HRAP are:

- Partner with key suppliers to consolidate supply chain around tea producers
- Continue working with certification to evolve programs
- Collaborate with external partners and advocate for stronger labour protections and decent income
- Increase transparency and leverage
- Strive to strengthen gender equality in the tea supply chain
- Strengthen the opportunities for tea communities by supporting quality childcare and education for children

For significant change, the identified root causes should be addressed.

Further, low prices and other commercial challenges are a central concern for the Indian tea sector. Tea estates are unable to cover the costs of meeting the needs of whole populations of workers, ex-workers and their families at acceptable standards. Tea prices at market levels are unable to sustain the cost of meeting the needs of estate workers for decent wages and estate communities for decent livelihoods. However, price is only one part of the equation. Certain organisational models and customary practices in the large farm/estate sub-sector have to be reformed or abandoned to ensure sustainable change within the sector. Additionally, collaboration and support between buyers, suppliers and producers is key to charting a new way forward.

ALDI will use its leverage and its strengthened approach to human rights due diligence in the Indian tea supply chain to work collaboratively with partners on systemic issues, which are beyond ALDI's immediate ability to influence as a single company.

ALDI is committed to monitoring the effectiveness of the measures included in the Human Rights Action Plan. For this reason, individual measures may be adapted and/or enhanced if new insights become available.

Addressing root causes of gender discrimination

The assessment identified a significant gendered division of labour in the tea supply chain. Women are disproportionately represented in the lowest-status plucking roles, while men are much more likely to be in supervisory, management or factory roles. Due to the highly feminised workforce in field operations, the identified impacts on rights for workers in relation to this activity should also be understood to apply to women – for example working conditions, and occupational health and safety.

In 2021, ALDI published a [Gender Equality Action Plan](#) to address root causes of gender inequality. The policy sets out general measures for ALDI to do its part towards overcoming gender norms and structures which contribute to discrimination against women. The human rights action plan incorporates some measures designed to directly address gender issues. We will also integrate a gender lens into the implementation of all the other measures set out in our Human Rights Action Plan.

This Human Rights Action Plan will be regularly updated to reflect ALDI's progress and new areas for action based on analysis and learnings from the ongoing work. Based on these, ALDI will adjust any measures where necessary and reasonable.

Objective: Partner with key suppliers to consolidate supply chain around tea producers		
Root causes addressed:	Rights categories impacted:	
<ul style="list-style-type: none"> • Lack of transparency • Inadequate wage-setting mechanisms • High costs of production • Use of third-party labour providers • Heavy use of agro-chemicals • Inadequate price discovery mechanisms • Isolated nature of tea estates • PLA plantation model 	<ul style="list-style-type: none"> • All human rights impacts potentially addressed through working more selectively with producers 	
Key measures:		Timeline:
Identifying suppliers and producers who are willing to work hands-on on improvements in the supply chain		2023
Consult external partners such as trade unions, civil society and sector experts to verify selection of partner opportunities/ confirm ethical credentials of potential key producer-partners (tea estates & smallholders)		2023
Assess rollout of ALDI's CR Supplier Evaluation to tea suppliers to support them in improving their CR performance and to monitor progress and encourage them to build long term direct trade partnership with key producers		2024
Review and strengthen purchasing practices based on the Common Framework of Responsible Purchasing Practices (CFRPP)		2023
Participate in the "Learning and Implementation Platform", run by the Multi Stakeholder Initiative of the CFRPP, to enable the improvement of ALDI's purchasing practices		2023
Publishing and implementation of a Responsible Purchasing Practices Policy		2024
Objective: Continue working with certification to evolve programs		
Root causes addressed:	Rights categories impacted:	
<ul style="list-style-type: none"> • Inadequate wage-setting mechanisms • Inadequate price discovery mechanisms • Isolated nature of tea estates 	<ul style="list-style-type: none"> • Working conditions • Rights to remedy 	
Key measures:		Timeline:
Commitment to purchase 100% certified black, green and white tea		2022
Use membership and/or participation in certain certification programmes to press for improvements to the systems and to explore new ways of using certification's coordination power		Permanent
Objective: Collaborate with external partners and advocate for stronger labour protections and decent income		
Root causes addressed:	Rights categories impacted:	
<ul style="list-style-type: none"> • Lack of transparency • Inadequate wage-setting mechanisms • Inadequate price discovery mechanisms • Isolation • Absence of worker voice or representation • High costs of production • PLA plantation model 	<ul style="list-style-type: none"> • All human rights impacts; especially: • Working conditions (wages) • Right to health • Livelihoods/ adequate standard of living • Right to education • Working conditions • Right to social security • Right to self-determination 	
Key measures:		Timeline:
Explore and develop social dialogue and collaborative working relationships with expert partners, local NGOs and trade unions to increase ALDI's knowledge and capability to drive change		Permanent
Collaborate with partners and/or existing stakeholder initiatives to communicate to the government the desire to reform the PLA (Plantation Labour Act)		2027
Identify ways to improve occupational health and safety and addressing other known human rights deficits		2023
Work with partners to analyse wage costs and to identify gaps towards a living wage		2024
Work towards the implementation of living wages in the tea supply chain		2030

Objective: Increase transparency and leverage		
Root causes addressed:		Rights categories impacted:
<ul style="list-style-type: none"> Lack of transparency 		<ul style="list-style-type: none"> All human rights impacts
Key measures:		Timeline:
Establishing greater transparency throughout the supply chain and consider using technology platforms and tools which can support or enhance traceability		2024
Making ALDI's tea supply chains transparent, by publishing a list of producers currently known to sell into ALDI's supply chain		2025
Objective: Strive to strengthen gender equality in the tea supply chain		
Root causes addressed:		Rights categories impacted:
<ul style="list-style-type: none"> Societal gender norms Isolated nature of tea estates and absence of worker voice and representation 		<ul style="list-style-type: none"> Non-discrimination and equal opportunities Right to life, liberty and security Occupational health and safety
Key measures:		Timeline:
Engage in a tea project focusing on women's safety and women's empowerment		2023
Discuss and share learnings with standard setting organisations and aim to strengthen criteria regarding gender equality		2024
Objective: Strengthen the opportunities for tea communities by supporting quality childcare and education for children		
Root causes addressed:		Rights categories impacted:
<ul style="list-style-type: none"> Societal gender norms Isolated nature of tea estates 		<ul style="list-style-type: none"> Most human rights impacts; especially: <ul style="list-style-type: none"> Working conditions (wages) Right to health Livelihoods / adequate standard of living Right to education Working conditions Right to social security Right to self-determination Non-discrimination and equal opportunities
Key measures:		Timeline:
Facilitating access to education for children living in tea communities		2023
Improving tea community-based childcare		2023

9. REFERENCES

- Accountabilitea, 2017, Is the World Bank keeping its promises to Indian tea workers?
- Accountability Counsel, 2019, World Bank Group Absolute Immunity Ends in Landmark U.S. Supreme Court Decision, at: <https://www.accountabilitycounsel.org/2019/02/world-bank-group-absolute-immunity-ends-in-landmark-u-s-supreme-court-decision/>
- Banerji, Sabita; Willoughby, Robin (Oxfam), 2019, Addressing the human cost of Assam tea: An agenda for change to respect, protect and fulfil human rights on Assam tea plantations at <https://www.oxfam.org/en/research/addressing-human-cost-assam-tea>
- Biggs, Eloise M., Gupta, Niladri, Saikia, Sukanya D. & Dunca, John M.A., 2018, The tea landscape of Assam: Multi-stakeholder insights into sustainable livelihoods under a changing climate, Environmental Science and Policy No.82, at: <https://reader.elsevier.com/reader/sd/pii/S1462901117312406?to-ken=5A22C3ACB3AFAEE997FA7929B345BC63CDCCCF980980020DF00118DBB852DB53E58BB-80C97C1FA49D801F3E9C48471F5>
- Biswas, Debasish, 2016, Wage determination machinery of tea industry in India: a case of West Bengal State, Journal of Tea Science Research, Vol. 6:8, at: <https://hortherbpublisher.com/index.php/jtsr/article/html/2715/>
- CAO, 2019, Compliance Monitoring Report – IFC Investments in Amalgamated Plantations Private Limited (APPL), India Project Numbers 25074 and 34562, at: [CAOComplianceMonitoringReport_APPL2019.pdf](https://www.cao-ombudsman.org/sites/default/files/downloads/CAOComplianceMonitoringReport_APPL2019.pdf) [cao-ombudsman.o https://www.cao-ombudsman.org/sites/default/files/downloads/CAOComplianceMonitoringReport_APPL2019.pdf]
- Chakraborty, Avik (The Telegraph India), 2018, Tea workers to strike for wage hike, at: <https://www.telegraphindia.com/states/north-east/tea-workers-to-strike-for-wage-hike/cid/1442973>
- Columbia University, 2014, “The More Things Change...” The World Bank, Tata and Enduring Abuses on India’s Tea Plantations
- Cousins, Sophie (New Scientist), 2015, Climate change causing a headache for Assam tea growers in India, at: <https://www.newscientist.com/article/dn27714-climate-change-causing-a-headache-for-assam-tea-growers-in-india/>
- Dey, K.R., Choudhury, P. & Dutta, B.K., 2013, Impact of pesticide use on the health of farmers: A study in Barak valley, Assam (India), Journal of Environmental Chemistry and Ecotoxicology Vol.5(10), at: <https://academicjournals.org/journal/JECE/article-full-text-pdf/8E8486841766/>
- Duncan, J.M.A., Saikia, S.D., Gupta, N. & Biggs, E.M., 2016, Observing climate impacts on tea yield in Assam, India, Applied Geography No.77, at: <https://www.sciencedirect.com/science/article/pii/S0143622816306075>
- Dutta, Indrani (The Hindu), 2018a, How 2018 offered a mixed bag to the tea industry, at: <https://www.dnaindia.com/business/report-whose-cup-of-tea-2671713>
- Ethical Tea Partnership & Oxfam International, 2013, Understanding Wage Issues in the Tea Industry <https://oxfamilibrary.openrepository.com/bitstream/handle/10546/287930/rr-understanding-tea--industry-wage-020513-en.pdf;jsessionid=C770BB862337108D6E724D9B3EFE5477?sequence=1>
- Ethical Tea Partnership, 2021, Country Plan – India, at: <https://www.ethicalteapartnership.org/wp-content/uploads/2021/09/Country-plan-India.pdf>
- Ergon Associates, 2018-2019, Original, privileged research for multiple clients
- FIAN (GNRTF) International, 2016, A life without dignity – the price of your cup of tea: Abuses and violations of human rights in tea plantations in India, at: https://fianat-live-7318544636224c40bb0b0af5b09-745b6a8.divio-media.net/filer_public/86/15/8615d9ec-8c5e-45ff-8ad6-0e6ea9fe1505/ffm_report_india_tea_plantations.pdf
- Global Living Wage Coalition, 2020, Living Wage Report – Rural Nilgiris (Tamil Nadu) https://www.globallivingwage.org/wp-content/uploads/2020/06/Update-Report_Nilgiris-India_2020.pdf
- Greenpeace, 2014, Trouble Brewing – Pesticide residues in tea samples from India, available at: <https://www.greenpeace.org/archive-india/Global/india/image/2014/cocktail/download/TroubleBrewing.pdf>

- ILO & Fairtrade, 2018, Improving Conditions in Tea Plantations in Assam, at: https://www.ilo.org/wcmsp5/groups/public/---ed_emp/---emp_ent/---ifp_seed/documents/publication/wcms_619601.pdf
- Indian Tea Association (ITA), Tea Research Association (TRA) Ethical Tea Partnership (ETP), Initiatief Duurzame Handel (IDH). 2016, TEAM UP INDIA: Challenges opportunities, and ways forward for the Indian tea industry, at: http://www.ethicalteapartnership.org/wp-content/uploads/TEAM-UP-India_V3_LR_final.pdf
- Kalita, Prabin, 2018, Maternity leave, compensation for pregnant Assam tea workers, at: <https://timesofindia.indiatimes.com/city/guwahati/maternity-leave-compensation-for-pregnant-assam-tea-workers/articleshow/66012883.cms>
- Lebaron, Genevieve (Sheffield University), 2018, Report of Findings – The Global Business of Forced Labour, at: <https://respect.international/wp-content/uploads/2018/06/The-Global-Business-of-Forced-Labour-Report-of-Findings-University-of-Sheffield-2018.pdf>
- Macdonald, Kate & Balaton-Chrimes, Samantha, 2016, Human Rights Grievance-Handling in the Indian Tea Sector, at: http://corporateaccountabilityresearch.net/s/NJM06_tea.pdf
- Mazumdar, Simanta, 2017, Sexual Harassment of Women Tea Garden Workers: Case Study in Barpani Tea Estate, Assam, at: https://www.marthafarrellfoundation.org/uploads/pdf_files/1606135528_Sexual%20Harassment%20of%20Women%20Tea%20Garden%20Workers_%20Case%20Study.pdf
- Nazdeek Trust, 2018, A Matter of Life and Death: Surviving Childbirth on Assam's Tea Plantations, at <https://indd.adobe.com/view/aaf00c7a-8407-4ea0-982c-ca8b3555168a>
- Open Society Foundations, 2020. Are agri-food workers only exploited in Southern Europe? <https://www.opensocietyfoundations.org/uploads/d953836c-8b9a-4cb5-bd48-0060f17cfeb5/are-agrifood-workers-only-exploited-in-southern-europe-20200715-report.pdf>
- Oxfam India, 2021, In defense of Living Wages for Tea plantation workers—Evidence from Assam <https://oxfamuploads.s3.ap-south-1.amazonaws.com/oxfamdata/images/LivingWage.pdf>
- Panwar, Tripti, 2017, Living Conditions of Tea Plantation Workers, International Journal of Advance Research and Development Vol. 2:8, at: <https://www.ijarnd.com/manuscripts/v2i8/V2I8-1138.pdf>
- Prasad, Kiran K., 2014, Use of the Term 'Bonded Labour; is a Must in the Context of India, Anti-Trafficking Review No.5, at: <http://www.antitraffickingreview.org/index.php/atrjournal/article/view/142/149>
- Rane et. Al, 2019, Epidemiological study of maternal death in Assam, Clinical Epidemiology and Global Health 7 (2019) 634–640; [https://cegh.net/article/S2213-3984\(19\)30001-6/fulltext](https://cegh.net/article/S2213-3984(19)30001-6/fulltext)
- Rao, Bernaz, 2020, Corporate Responsibility for Human Rights in Assam Tea Plantations: A Business and Human Rights Approach: Sustainability. 2020, 12, 7409; doi:10.3390/su12187409; <https://www.mdpi.com/2071-1050/12/18/7409>
- Rasaily, Rinju, 2014, Women's Labour in the Tea Sector: Changing Trajectories and Emerging Challenges
- Roberts, Sarah (ETP), 2018, Improving Lives in Assam, at: <http://www.ethicalteapartnership.org/improving-lives-assam/>
- Saha, Debdulal et. Al. Tata Institute for Social Sciences (TISS), 2019, Decent Work for Tea Plantation Workers in Assam, at: https://tiss.edu/uploads/files/TISS_Study_2019_Decent_Work_for_Tea_Plantation_Workers_in_Assam_Web.pdf
- Saikia, Arunabh, 2017, In Assam, a panel has been set up to fix the minimum wages of Assam's tea workers. But will it help?, at: <https://scroll.in/article/854331/in-assam-a-panel-has-been-set-up-to-fix-the-minimum-wages-of-assams-tea-workers-but-will-it-help>
- Sarkar, Kinshuk, 2015, Wages, Mobility and Labour Market Institutions in Tea Plantations: The Case of West Bengal and Assam
- Seetharaman, G (India Times), 2018, India's tea industry is struggling to move up the value chain, at: <https://economictimes.indiatimes.com/industry/cons-products/food/indias-tea-industry-is-struggling-to-move-up-the-value-chain/articleshow/65456045.cms>
- Seetharaman, G. & Singh, Bikash, 2017, Assam government's move to regularise landholdings can improve the fortunes of small tea growers, at: <https://economictimes.indiatimes.com/news/politics-and-nation/assam-governments-move-to-regularise-landholdings-can-improve-the-fortunes-of-small-tea-growers/articleshow/61083759.cms>
- Selvaraj et al, Rosa Luxembourg Foundation, 2015, Nightmares of an Agricultural Capitalist Economy: Tea Plantation Workers in the Nilgiris
- Siegmann, Karin A., 2018, Labour unfreedoms in the tea supply chains - Presentation, WUR Studium Generale, at: https://www.wur.nl/upload_mm/3/b/8/b1f8020e-21cf-40fb-90da-fae8c2264dc8_WURTea.pdf

- Srinivasan, M.G., 2016, A Study on Problems of Tea Plantation Workers in Nilgiris District, Tamil Nadu, India Vol. 5(1), 8-14, International Research Journal of Social Sciences
- Tea Biz, 2021. India's Tea Auction Mandate: <https://tea-biz.com/2021/08/19/auction-mandate/>
- Tea Board of India (TBI), TBI 2022. Executive Summary – Tea Consumption: http://www.teaboard.gov.in/pdf/Executive_Summary_Tea_Consumption_pdf9753.pdf
- Tea Board of India, 2017, Plant Protection Code (January 2017, Ver 8.0) Policy on usage of Plant Protection Formulations in Tea Plantations of India, at: <https://www.indiatea.org/uploads/downloads/PPCode-Jan2017.pdf>
- Times of India, 2022. Tea Inc. to moot floor price for auctions to pare losses: <https://timesofindia.indiatimes.com/city/kolkata/tea-inc-to-moot-floor-price-for-auctions-to-pare-losses/articleshow/89309206.cms>
- Traidcraft, 2018, The Estate They're In – How the tea industry traps women in poverty in Assam, at: <https://static1.squarespace.com/static/59242ebc03596e804886c7f4/t/5b27a6270e2e72364827f389/1529325117476/The+Estate+They%27re+In.pdf>
- UN Women, 2018, A Global Women's Safety Framework in Rural Spaces: informed by experience in the tea sector, at: <https://www.unwomen.org/en/digital-library/publications/2018/12/global-womens-safety-framework-in-rural-spaces-informed-by-experience-in-the-tea-sector>

Published by:

ALDI Einkauf SE & Co. oHG
Eckenbergstraße 16B
45307 Essen

February 2023

© ALDI Einkauf SE & Co. oHG | 2023

Contact:

Corporate Responsibility / Quality Assurance International (CRQAI)
cr@aldi-nord.de