

**India Politics & Policy**

## India ethnic unrest threatens Darjeeling tea harvest

Closure of plantations during picking season expected to cause 20% price increase



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JULY 9, 2017 by: Kiran Stacey in New Delhi

Ethnic unrest in north-east India has forced the closure of Darjeeling's tea plantations at the peak of the harvest season, threatening to push prices for the crop up 20 per cent.

Growers in the Himalayan foothills should be picking the season's "second flush" of Darjeeling tea, a leaf so prized it has previously sold for as much as \$1,850 a kilogramme. This harvest provides the bulk of the 8m kilogrammes of tea that Darjeeling sells, mainly to Europe, each year.

But clashes between ethnic Gorkhas and the government that have led to three deaths and the army being deployed on the streets of Darjeeling have halted harvesting since early June.



Vinod Mohan, chairman of the Darjeeling Tea Association, said: “We have lost about 20 per cent of our high-value tea, which means about 40 per cent of our revenues. This is a big setback for the industry and it will make it harder for buyers to get the Darjeeling they want.”

Razi Khan, sales director at Apeejay Tea, which owns UK brand Typhoo, said: “Prices are at an all-time high and importers are scrambling for teas which would mean any tea produced would fetch abnormal prices and customers would not get the quality expected.”

Members of the Himalayan Gorkha community have been protesting since last month at what they see as [political encroachment by the state government](#) of West Bengal, and have forced the closure of the tea plantations since June 9.

Gorkhas have been fighting for an independent state for decades but [tensions increased](#) after the state government made Bengali language teaching compulsory in local schools.

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ANGELA PRYCE, GLOBAL TEA CONSULTANT

from the district.

Companies including Tata, Unilever and Associated British Foods — which own Tetley, PG Tips and Twinings respectively — could all be affected by the shutdown.

But while the Darjeeling leaves used in regular blends could be replaced by other high-altitude teas, anything sold as Darjeeling must emanate

This season experts are warning of scarcity, quality reductions and price increases.



“On a conservative estimate, I would expect prices of Darjeeling to rise by at least 20 per cent,” said Angela Pryce, a global tea consultant and a former buyer and blender with Twinings.

“We already had high prices for the first flush because of weather disruptions. The second flush production is the peak quality, so buyers will find it very, very difficult to source the quality of Darjeeling they need.”

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Buyers, however, are keen to play down the possible impact. Twinings told Reuters: “We have been sourcing teas for more than 300 years and disruption of all sorts, including this type, is something we have to contend with from time to time.”

For the growers, it could prove more existential — The Darjeeling Tea Association calculates its

members have lost more than \$40m in revenues.

Gorkha nationalists have said they intend to end their protests on July 18, but growers warn the impact on their crops and livelihoods could be longer lasting.

“There will be collateral damage,” said Mr Mohan. “If and when the plantations open again, it will take a while to get our fields in order. Plants have to be watered and pruned. A lot of work has to be done before they start producing again.”