

Tea is one of the most popular beverages in the world and its rich history and cultural significance make it a drink that is loved by millions of people.

Globally, Rwanda is known for the best tea, whose high quality is linked to the favourable geographical conditions including high altitudes, volcanic fertile soils, abundant rainfall as well as temperate climate. Its strength, bright colour, flavour and consistency in processing has gained Rwanda tea enormous global acceptability.



To maintain this premium quality, Silverback Tea Company operates three strategic tea estates at Pfunda in Rubavu District with rich volcanic soils, Rugabano in Karongi District and Gisovu Estates along the borders of Nyungwe natural forest.

The tea that the estates produce are some of the finest in the world traced to the uncompromised standards observed throughout the value chain.

According to Nzeki S. Munyao, the C.E.O of Silverback Tea Company, tea is one of Rwanda's main cash crops, and among the leading foreign exchange earner to the country and reliable source of revenue domestically.



*Nzeki S. Munyao, the C.E.O of Silverback Tea Company (Left), Veerendra Kumar Rawat, General Manager at Pfunda Tea Company*

Munyao elaborates that favorable conditions make Rwanda tea one of the finest worldwide. He stresses that tea growers and local communities, have played a key role in ensuring the company and country at large produces high quality tea, and the tea company attaches great recognition to the community as partners, to which the company has put first.

The company's corporate measure prioritizes citizen's interests rather than the management of the profits. Silverback Tea Company has contributed towards leveraging the welfare of the residents surrounding its tea estates.

Here, smallholder tea growers are provided with assistance including credit, logistics and agronomy services and buys from them directly, this approach has significantly raised their incomes.

“As a company embedded deep in the community, the senior corporate leaders actually come from the remote cooperative unions and we make sure we are part and parcel of citizen’s development,” Munyao notes.

The company directly employs more than 3,000 residents and 10,000 people indirectly from its different properties.

### **Pfunda Tea Factory in Rubavu**



Pfunda dates back to 1964 when the first tea plantations were planted on 200 hectares in Nyamyumba lowlands and tea leaves would be transported over 200km to Mulindi for processing. A small factory of 350 tonnes annual production was established in mid-1970s to serve the growing produce.

Côme Degaule Nyirurugo, the head of production at Pfunda Tea Factory explains that tea growing in north-western Rwanda was started with few unwilling farmers but has had significant impact to the surrounding communities.

The expansion of the tea production at Pfunda has been gradual and consistent, today the factory has capacity to produce 4,000 tones per annum. When Silverback bought the factory 2017, it served about 900 farmers but they have grown to more than 2,200 farmers and tea plantations increased from 737 hectares to 1,565 hectares.

This increase has had far-fetching impact on the neighboring communities, farmers own the majority of the plantations at 75% and have 10% shares in the factory.

Silverback Tea Company supports smallholder farmers with an array of services to maximise quality and yield, including supply of quality planting materials, as well as supporting smallholder greenfield expansion.

Mr. Pacifique, chairman of tea growers cooperative is happy for the good relationship he has with the General Manager Mr. Kumar and the CEO Mr. Nzeki S. Munyao.



Nyirurugo notes that the factory provides farmers with agricultural inputs like

seeds, fertilizers and all requirements for nursery beds. Farmers can be given interest free loans to purchase fertilizers.

Tea growers have access to all basic needs and their children are able to go to school easily as a result of tea proceeds. Management at the factory says, at least 50 per cent of the earnings from tea goes back to the farmers and benefits the community in general.

“We interact with the community on a daily basis and make sure that creating employment opportunities comes first,” says the C.E.O of Silverback Tea Company.

The company supports Early Childhood Development programs through which women are able to take their toddlers. Parents do not have to worry about matters regarding food, women are also able to get support in their activities.

To support local development in areas the company operates from, it has been instrumental in supporting some rehabilitation of rural roads, district development plans through JADF, genocide commemoration activities and other local community needs.

Pfunda Tea Factory pays Community Based Health Insurance for at least 4,000 vulnerable residents in Rubavu and Rutsiro districts where it operates.



There have been some sporting programs groomed by the company in the area such as cricket, basketball and football. Pfunda is also credited to have established Etincelles FC, the official football club of Rubavu which is loved by many of the residents in the district.

Information exchange and training platforms are also provided to farmers, in which 70% of farming technical know-how comes from cooperative out-growers themselves. In addition to that, the sharing of knowledge is important.

Unlike the old days, the company shares the finished products after production to farmers for their own consumption, this is done through direct distribution at factory price.

Munyao says working closely with the communities has been a fulfilling experience and recognizes the role of local authorities and institutions like the National

Agricultural Export Development Board (NAEB), who remain their main partners in making tea a strong commodity.

He revealed that in Africa, Rwanda has been the best in terms of tea out-performing its neighbors and Pfunda Tea Factory is among the top taxpayers into the country.

For a sustainable tea sector, Silverback secures and supports farmers to obtain certification for different standards. In the sector, certification is normally a major requirement as a marketing tool to penetrate different markets with premium prices and the company ensures that always there is an updated accreditation from an internationally recognized institution.

The company aspires to further boost this cash crop but sometimes it is faced with challenges like the effects of climate change.

Recently, when River Sebeya in Rubavu overflowed its banks and flooded the area, some of the tea plantations were destroyed. In response, the tea factory worked with members of the community to make improvements in which residents would also benefit.

In a nutshell, Silverback Tea Company operates on the guiding principle that good tea depends on its source – the terroir, and the people producing the tea itself.

The team at Pfunda Tea Company was grateful and greatly honoured when His Excellency, President Paul Kagame visited them following the floods in May 2023.

