SRI LANKA TEA BOARD

Newsletter

January - April 2026

Tea Promotion Division of the Sri Lanka Tea Board

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01. Top Global Consumer Trends 2026

Understanding global consumer trends is essential for businesses to stay ahead of customer needs and address pain points effectively. These insights help shape smart marketing, impactful brand activations, and innovative retail strategies. Below, we highlight three key trends shaping the market.

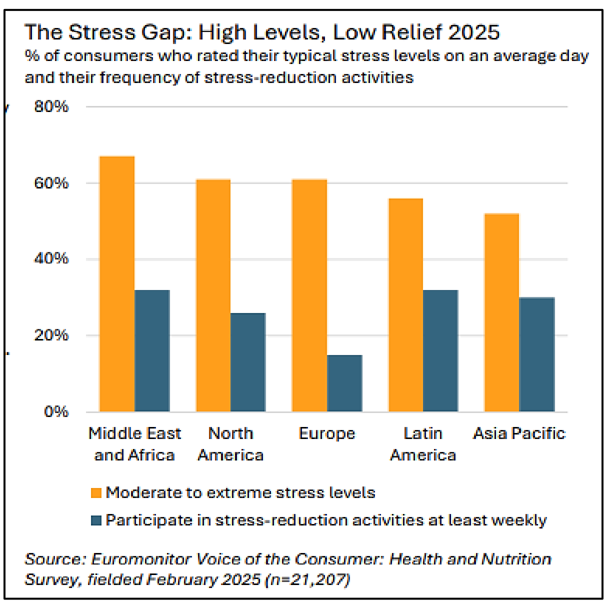
1. Comfort zone
2. Fiercely unfiltered
3. Next Asian wave

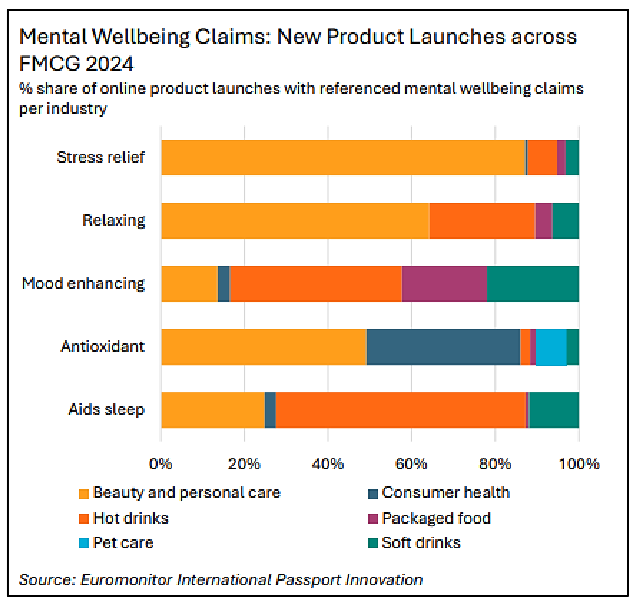
Findings

- 58% Of consumers experience moderate to extreme stress on a daily basis
- 50% Of consumers want products and services that are uniquely tailored to them
- 62% Of professionals said wellness trends and self-care will highly influence their industry over the next five years

01. Comfort Zone

Consumers in 2026 are increasingly prioritizing comfort, simplicity, and emotional well-being due to rising stress, anxiety, and global uncertainties. The trend, driven by a desire for stability, emphasizes "less but better," where people seek products that offer peace of mind, relaxation, and authenticity. The demand for natural, wholesome, and calming products is on the rise, as individuals look for ways to regain control and simplify their lives.



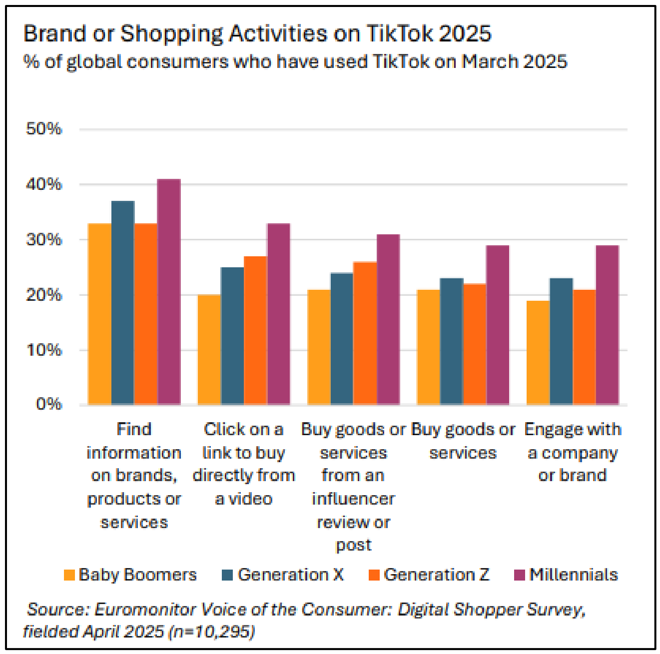


02. Fiercely Unfiltered

As global tensions rise, consumers are embracing radical self-expression and individuality, rejecting curated perfection and external expectations. In 2026, authenticity has become a social currency, with consumers valuing unapologetic self-expression and genuine connections, even if they are provocative or polarizing. This shift towards personal identity, fueled by younger generations like Gen Z and Millennials, is reshaping the consumer market. Nearly half of consumers (47%) seek to be distinct from others, with a growing demand for personalized, customizable products that reflect their unique identities. Brands are now expected to celebrate individuality and challenge mainstream narratives by offering hyper-segmented products and experiences tailored to specific demands.

03. Next Asian Wave

In 2026, the global consumer landscape is experiencing a shift towards cultural exchange, driven by the rise of Chinese brands and platforms like TikTok, SHEIN, and Temu. Japanese and Korean cultures have been leading the way in global cultural exchange, with influential exports such as Anime, K-beauty, and K-pop gaining widespread international recognition. These brands are successfully blending affordability, innovation, and cultural relevance, capturing the attention of consumers who are eager to engage with culturally-rooted products in a digital-first, mobile-centric world. Consumers are no longer just passive fans of Asian culture but are actively purchasing products influenced by their favorite cultural trends. This trend highlights the importance of cultural storytelling, digital fluency, and personalized shopping experiences, all of which contribute to the growing influence of East Asian cultural exports across various sectors.



(*Euromonitor International*)

02. Global Tea Industry Spotlights

01. China's Tea Industry Shifts from Volume to Value

China's tea industry is undergoing a major transformation, shifting its focus from sheer production volume to high-value, premium tea products. With the goal of creating a tea industry worth around 1.5 trillion yuan by 2030, China's new strategy emphasizes branding, product diversification, and modern supply chains. This change is driven by the growth of consumer demand for specialty products like matcha and innovative tea beverages. While China remains the world's largest green tea exporter, the shift to value-added products will help boost its competitiveness on the global market, positioning the country not just as a supplier, but as a leader in premium tea.

To learn more about how China is reshaping its tea industry for the future, read the full article here: China's Tea Industry Shifts from Volume to Value

02. Global Tea Industry Moves Toward Quality and Market Diversification

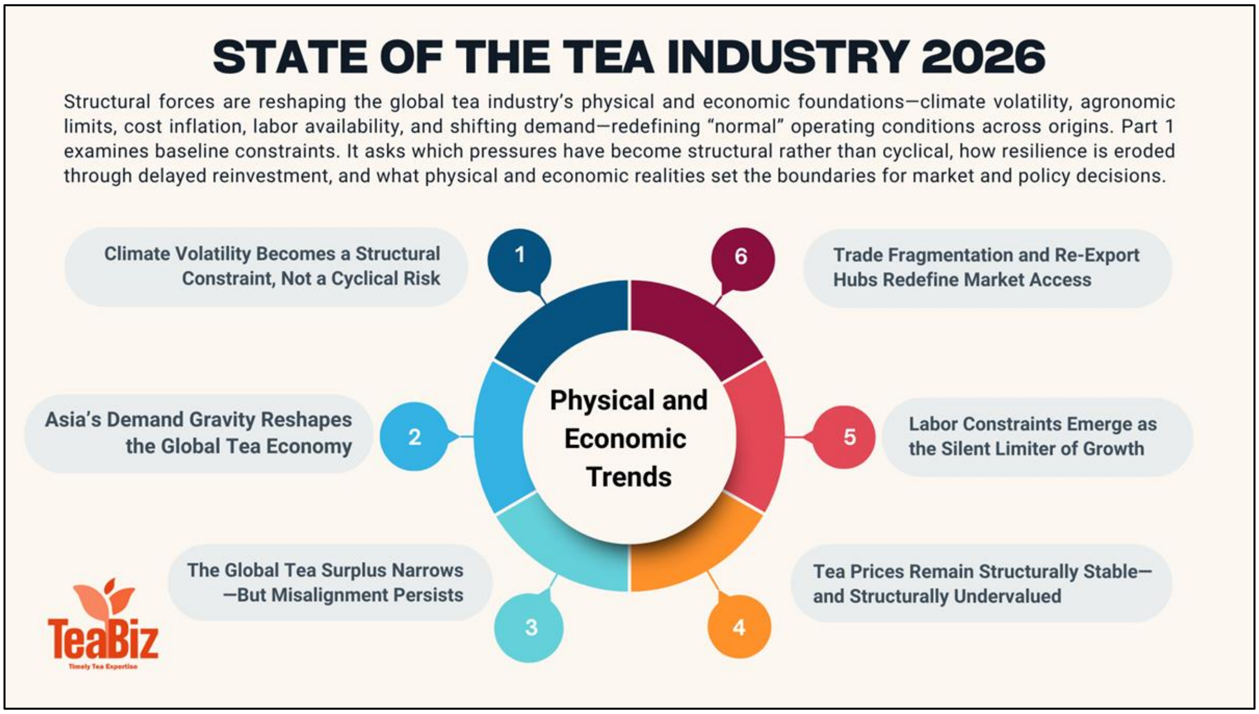
Vietnam's tea industry is gearing up for a strategic shift over the next five years by focusing on quality improvement, product diversification, and market expansion to move away from bulk exports and capture higher value in global markets. Experts highlight the need for stronger value chains linking farmers, processors, and exporters, adoption of digital traceability and sustainability standards, and deeper processing with enhanced packaging and branding to meet tightening requirements in major markets. There is rising global demand for ready-to-drink, herbal blends, and health-oriented tea products, while free trade agreements present export opportunities that require certification and origin traceability. To strengthen Vietnam's position, the industry is encouraged to diversify into white, black, fermented teas, and kombucha and pursue organic and premium credentials to build a distinctive national tea brand and boost export value.

Read the full article here: Global Tea Industry Moves Toward Quality and Market Diversification

03. Tea Industry Faces Structural Challenges Despite Growing Data

The "State of the Global Tea Industry 2026 Forecast" article highlights that the global tea sector is being fundamentally reshaped by structural pressures such as climate volatility, economic constraints, labor shortages, and fragmented markets that prevent coordinated strategic action across regions and supply chains. Despite abundant data on production, trade, pricing and sustainability, the industry struggles to turn that information into unified decisions, with persistent issues like undervalued prices, limited resilience, and disjointed trade access; the forecast calls for clearer integration of intelligence and deeper alignment between stakeholders to strengthen long-term planning, improve price signals, and build resilience in the face of evolving global demand and operational challenges.

Read the full article here: [Tea Industry Faces Structural Challenges Despite Growing Data]



04. Tea Emerges as a Calm Energy Alternative to Coffee

As 2026 unfolds, the article argues that tea may finally attract dedicated coffee drinkers, not by replacing coffee but by offering a different kind of sensory and energy experience that appeals to those seeking steady focus and mindful routines alongside their morning espresso. It highlights how tea's complexity — especially in premium styles like oolong, matcha, and pu'er — can bridge the palate of coffee enthusiasts, and how the combination of caffeine with L-theanine delivers calm alertness rather than a sharp energy spike, making tea a compelling complement to coffee throughout the day. This shift reflects broader cultural trends toward slower rituals and nuanced flavour appreciation, suggesting that 2026 could be the year of a more integrated coffee-and-tea lifestyle among beverage lovers.

Read the full article here: [Tea Emerges as a Calm Energy Alternative to Coffee]

(*European Speciality Tea Association*)

03. From Tradition to Trend: The New Era of Tea Shops in Asia Pacific

The tea landscape in the Asia Pacific region is undergoing rapid evolution, driven by increasing consumer sophistication and a growing demand for unique experiences. This shift is being fueled by the rise of tea shops, changing consumer behaviors, and the emergence of luxury tea brands. As a result, the region's tea market is set for significant transformation, offering new opportunities for growth and innovation.

Key Findings

- Lifestyle-Led Growth

  Tea consumption in the Asia Pacific is increasingly focused on wellness, mood, and self-expression, with consumers seeking bold flavors, personalization, and shareable experiences.

- Gen Z's Influence

  The demand for tea in foodservice is driven by Gen Z's preference for dining out, seeking novel and social experiences like milk tea, particularly in large, affluent populations in India and China.

- Luxury Tea Shop Competition

  Luxury tea shops face stiff competition from more affordable options. To stand out, they must focus on innovation, bold packaging, and social media marketing to reinforce their brand's value.

- Global Expansion of Chinese Tea Brands

  Leading Chinese tea brands differentiate themselves through signature creations, pricing discounts, and targeted marketing, while expanding into Southeast Asia and the US to become global brands.

- Unique Selling Proposition

  Tea shops need to go beyond price and flavor, emphasizing value-added functionality and unique experiences, including potential expansion into non-tea categories, to achieve long-term profitability and success in international markets.

High tea consumption in Asia Pacific reflects its deep integration across daily occasions

1. 183 billion litres - Total brewed volume sales of tea in Asia Pacific, 2025

2. 63% Share of volume consumption derived from China and India, 2025

3. USD45 billion - Foodservice value sales of specialist coffee and tea shops in Asia Pacific, 2025

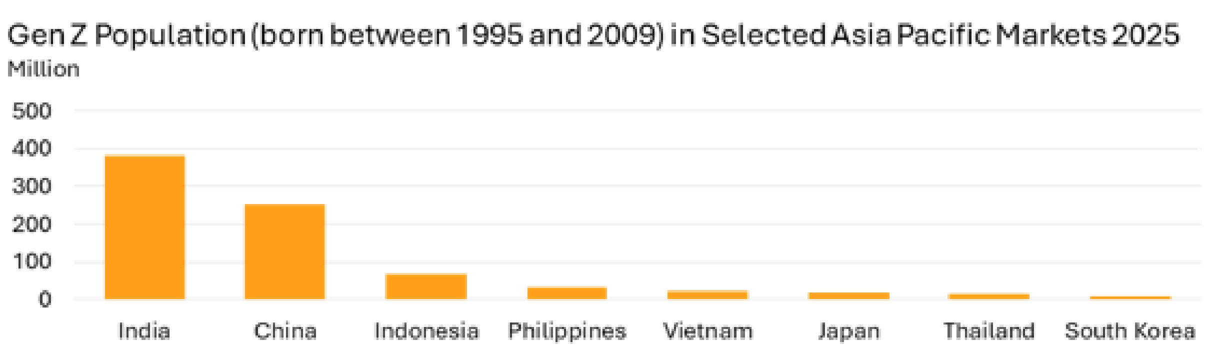
Tea Consumption of Leading Markets in Asia Pacific 2025 and CAGR 2020-2025

	Brewed volume (million litres) 2025	Per capita consumption (litres) 2025	Historic CAGR (volume) 2020-2025
China	70,630	50.2	1.3
India	45,496	31.1	5.0
Indonesia	12,380	43.3	1.4
Japan	6,814	55.3	-0.9
Malaysia	2,006	58.3	3.8
Vietnam	1,631	15.8	1.3

Source: Euromonitor International Hot Drinks Research 2026ed

Rising disposable income levels and young consumer base propel tea growth

Tea consumption in Asia Pacific is growing, fueled by a 3% CAGR in urban disposable income in Southeast Asia and India (2020-2025). Despite high living costs, tea shops are adjusting prices. Gen Z's preference for dining out and social milk tea drives foodservice growth, with long-term opportunities in India and China.



Source: Euromonitor International Consumers and Economies Data

Boba tea has undergone various waves of development between 1990 and 2025

Over the last 20 years, tea consumption has shifted from traditional loose-leaf preparation to innovative drinks like boba milk tea, which appeals to young consumers with various flavors. Originating in Taiwan in the 1990s, boba tea expanded to China and Southeast Asia, often combined with tapioca pearls, milk, and honey. By the 2010s, it became a global sensation, boosted by social media and lifestyle trends. Chinese tea chains like Heytea and Nayuki grew rapidly, offering convenience, taste, and affordability, further accelerated by food delivery discounts. Today, Chinese brands are expanding into Southeast Asia and the US, applying for IPOs, and focusing on health-oriented innovations, such as low-sugar and dairy-free options. Future trends may include health benefits like mood management and beauty.

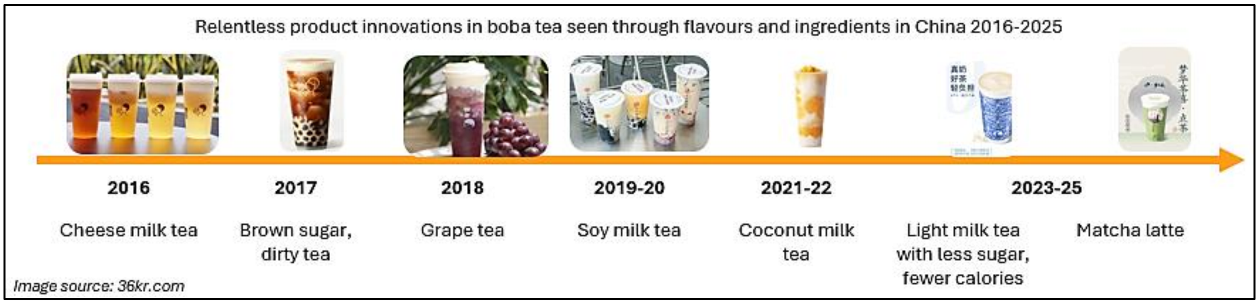
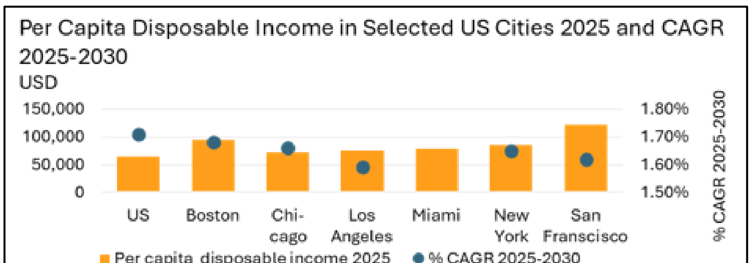


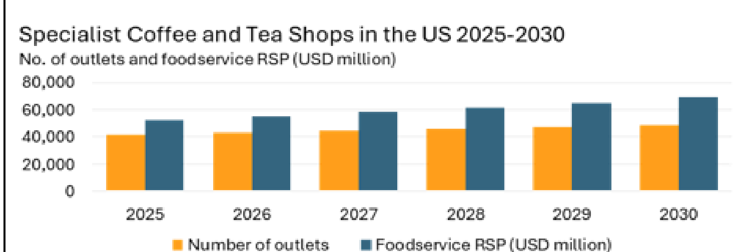
Image source: 36kr.com

US as new market and new strategy for Asian chained specialist tea shops

Asian specialist tea shops are rapidly expanding into the US, driven by growing disposable incomes and the need for new markets as Southeast Asia saturates. With cities like Los Angeles and New York emerging as key locations, brands like Heytea and Mixue are capitalizing on the trend. US per capita disposable income is projected to rise by 6% from 2025 to 2030, boosting demand for specialty tea. The market is expected to continue rising, driven by a growing consumer base seeking convenience, unique flavors, and wellness benefits associated with drinks like milk tea. Social media has played a key role in elevating milk tea as a lifestyle choice, helping these brands grow rapidly across the US.



Source: Euromonitor International Consumers and Economies Data



Source: Euromonitor International Consumer Foodservice 2026ed

(*Euromonitor International*)

04. U.S. Tea Imports — January 2026

The U.S. tea market opened 2026 with a +2.5% increase in total tea imports year-over-year (YoY). This growth is driven primarily by a +5.7% rise in black tea imports. However, green tea declined sharply by −21.2%, and organic tea categories also contracted further.

- Total Tea Imports : 17,717.6 MT (+2.5% YoY)
- Black Tea : 16,131.5 MT (+5.7% YoY)
- Green Tea : 1,586.1 MT (−21.2% YoY)
- Organic Tea : 342.1 MT (−33.6% YoY)

Black tea now constitutes 91.0% of all tea imported to the U.S., with organic tea making up only 1.9%.

Black Tea | Top 10 Origins by Volume

Origin	Jan 2025	Jan 2026	YoY	Share
Argentina	4,028.0	**3,660.5**	**−9.1%**	48.1%
India	1,297.5	**752.9**	**−42.0%**	9.9%
Malawi	232.9	**723.2**	**+210.5%**	9.5%
Vietnam	364.5	**455.1**	**+24.9%**	6.0%
China	821.8	**361.9**	**−56.0%**	4.8%
Indonesia	209.8	**270.4**	**+28.9%**	3.6%
Sri Lanka	351.7	**252.2**	**−28.3%**	3.3%
United Kingdom	110.1	**142.4**	**+29.3%**	1.9%
Pakistan	263.8	**123.4**	**−53.2%**	1.6%
Zimbabwe	72.6	**100.8**	**+38.8%**	1.3%

Argentina continues to be the leading supplier, contributing 3,660.5 MT, despite a 9.1% decline. The biggest change comes from Malawi, which saw a remarkable 210.5% increase, reaching 723.2 MT and moving up to third place. Meanwhile, India and China experienced significant drops, with declines of 42% and 56% respectively. On a positive note, Vietnam and Indonesia both saw steady growth in their exports.

Green Tea | Top 5 Origins by Volume

Origin	Jan 2025	Jan 2026	YoY	Share
China	942.9	**569.2**	**−39.6%**	35.9%
Japan	296.2	**439.4**	**+48.3%**	27.7%
Sri Lanka	70.9	**89.1**	**+25.7%**	5.6%
Taiwan	69.1	**78.6**	**+13.7%**	5.0%
Canada	209.6	**77.8**	**−62.9%**	4.9%

China remains the leading supplier of green tea, although its exports fell by 39.6% to 569.2 MT. Japan, on the other hand, experienced a strong 48.3% growth, reaching 439.4 MT and closing the gap with China. Meanwhile, Canada's re-export volume dropped significantly by 62.9%.

Organic Tea

Regarding organic tea, total imports decreased by 33.6%, amounting to 342.1 MT. Organic black tea saw a 25.3% decline (22.7 MT), while organic green tea dropped by 34.1% (319.4 MT).

(*Tea Association of the U.S.A*)

05. Canadian Tea Imports - February 2026

Through the first two months of 2026, Canadian tea imports totaled 2,927.8 MT, up +3.6% year-over-year. Green tea drove the gain with +17.3% growth, while black tea was essentially flat (+0.1%). Organic tea represents 6.1% of total volume and grew +47.4%.

- Total Tea Imports : 2,927.8 MT (+3.6% YoY)
- Black Tea : 2,251.0 MT (+0.1% YoY)
- Green Tea : 678.8 MT (+17.3% YoY)
- Organic Tea : 178.2 MT (+47.4% YoY)

Black Tea | Top 10 Origins by Volume (YTD)

Origin	YTD 2025	YTD 2026	YoY Change	Share
India	516.2	690.7	+33.8%	30.7%
United Kingdom	608.5	685.3	+12.6%	30.4%
United States	349.6	212.1	-39.3%	9.4%
United Arab Emirates	152.8	173.1	+13.3%	7.7%
Kenya	117.3	79.3	-32.4%	3.5%
Sri Lanka	135.3	66.4	-50.9%	2.9%
China	74.3	61.7	-17.0%	2.7%
Poland	51.2	56.0	+9.4%	2.5%
Indonesia	38.5	38.4	-0.2%	1.7%
Argentina	12.2	24.8	+102.5%	1.1%

India and the United Kingdom are running neck and neck as the top two black tea suppliers through February, with India at 690.7 MT (+33.8%) and the UK at 685.3 MT (+12.6%). The United States continued its sharp decline, falling -39.3% to 212.1 MT. Kenya (-32.4%) and Sri Lanka (-50.9%) saw significant contractions. Argentina doubled to 24.8 MT.

Green Tea | Top 5 Origins by Volume (YTD)

Origin	YTD 2025	YTD 2026	YoY Change	Share
China	158.7	300.2	+89.2%	44.4%
United States	164.1	127.8	-22.1%	18.9%
Japan	69.0	95.8	+38.8%	14.2%
India	41.1	23.7	-42.5%	3.5%
Morocco	18.1	21.9	+21.4%	3.2%

China has firmly established itself as the leading green tea supplier, surging +89.2% to 300.2 MT and commanding a 44.4% share. Japan posted strong +38.8% growth to 95.8 MT. The United States declined -22.1% to 127.8 MT. Morocco rose +21.4% to 21.9 MT on a massive February shipment.

Organic Tea

Total organic imports grew +47.4% to 178.2 MT through February. Organic green tea rose strongly from 64.6 to 106.1 MT (+64.3%), driven by China which surged to 73.4 MT (+289.7%). Organic black tea also grew, rising from 56.3 to 72.1 MT (+28.1%), led by a dramatic increase from India (1.9 to 37.5 MT). The United States declined sharply in both organic categories.

(*Tea and Herbal Association of Canada*)

06. Gold Medal Tea Competition & Sustainability Awards – Submissions Now Open!

The **Gold Medal Tea Competition** and the **Sustainability Awards** are now open for submissions! These prestigious awards will be presented at the North American Tea Conference in September 2026. This is a fantastic opportunity for tea producers and industry professionals to showcase their best work and sustainability efforts.

Gold Medal Tea Competition

This competition will recognize the **Best Cup** per Origin across white, green, oolong, black, purple, scented teas, and herbals. Whether you are a seasoned producer or an emerging tea brand, this competition offers a platform to highlight your exceptional teas.

- **Deadline for Samples & Registration Forms: August 21, 2026**

Tea Sustainability Awards

These awards aim to recognize impactful sustainability initiatives that align with the UN Sustainable Development Goals. It's a chance to showcase your commitment to environmental and social sustainability within the tea industry.

- **Deadline for Applications & Supporting Materials: August 21, 2026**

For any questions regarding the competitions, please contact Priscilla at pobeada@teausa.com .

(*Tea Association of the U.S.A / Tea and Herbal Association of Canada*)

07. Sri Lanka Tea Board's Participation at PRODEXPO 2026 in Moscow, Russia (9-12 February, 2026)

Introduction

The PRODEXPO 2026 trade exhibition was held from 09rd to 12th February 2026 in Moscow, Russia and Sri Lanka Tea pavilion organized by Sri Lanka Tea Board with the help of Embassy of Sri Lanka in Moscow. This is one of the major trade events hosted by the Russian government as an annual trade fair in Moscow that showcases Russia's commitment to global trade. It provides a platform for international companies to exhibit their products and services, fostering economic cooperation.

The following Sri Lankan tea exporting companies participated with SLTB for representing the tea sector under the SLTB's 50% annual trade fair subsidy scheme. A Ceylon Tea pavilion organized to accommodate the following 07 private sector tea companies and SLTB at the exhibition while accompanying an exhibition area of 72 sq. Sri Lanka Tea board disbursed EURO 27,902.14 as 50% subsidy for the seven exporters.

1. Ceylon Tea Land (Pvt) Ltd
2. Jafferjee Brothers (Pvt) Ltd
3. Nature Ceylon Trading (Pvt) Ltd
4. Gemi Teas (Pvt) Ltd
5. Ceylon Fresh Teas (Pvt) Ltd
6. Stassen Exports (Pvt) Ltd
7. Millenium Teas (Pvt) Ltd

In addition to the above seven companies, Finlays Colombo (Pvt) Ltd, Basilur Tea (Pvt) Ltd, Dilmah Tea, Empire Teas, Venture Teas, and Imperial Teas participated the fair paying full cost to the fair organizer. Being a larger area occupied, Ceylon Tea dominance in hot beverage sector hall compared to other origin teas.

Key points highlighted in post-show report

- 2,017 companies (+11.4 % compared to 2025) from 37 countries, including: 1,461 Russian companies (+19.3 % compared to 2025)
- 556 foreign companies (+27.8 % compared to 2025)
- 48 regions of Russia arranged regional pavilions and group stands (+23 % compared to 2025)
- 13 national pavilions
- 90,296 sq. m of floor space (+19 % compared to 2025)
- 300+ retail chains hold talks about deliveries
- 66 333 professionals' visitors (the exact number will be published at the official website after the event audit)
- 110,113 visits in total

Activities organize and participated during PRODEXPO 2026 Trade exhibition

1. Arranged seven region tea tasting and maintained information desk to explain uniqueness of multiple orthodox Ceylon tea grades, CTC tea and specialty tea grades for visitors during the fair period.

2. Upon request of the SLTB, the Embassy of Sri Lanka in Moscow organized a Buyers' Networking Meeting in collaboration with the RusTeaCoffee Association (Tea & Coffee Importers/Traders Association in Russia) parallel to Prodexpo Trade Fair 2026, with the objective of strengthening trade linkages and promoting Ceylon Tea among key Russian importers. The event was held on 10th February 2026 from 7.00 p.m. to 10.00 p.m. at the Official residence of H.E. the Ambassador of Sri Lanka in Moscow, followed by a stand-up dinner. The gathering comprised 38 participants with Russian tea importers, Sri Lankan tea exporters.

   Topics discussed

   - "HONEST Mark" application in Russian market effect from APRIL 1st 2026.
   - Pros and Cons about the PRODEXPO 2026 exhibition and pre-preparations on next year participation or move to other F & B exhibitions.
   - How to overcome payment barriers due to sanctions.
   - Tea and tea tourism.
   - Future country promotional activities planned by the Embassy of Sri Lanka in Moscow.

3. Market Survey
   Most of the review foreign tea brands in supermarkets packed in Russia to overcome higher tax rate on tea. In addition to the Russia packing, Poland packed tea dominated. Greenfield, Tess, Richard, Ahmed brands are dominated in shelves while Dilmah, Akbar,Basilur, and Mlesna brands offered variety of flavors of black teas at a higher price compared to other blended foreign brands. The market showed highly competitive and observed many brands including Russian tea brands. Tea bags account for 69% of sales in volume terms. 93% of the market accounts for domestic producers. Generally, the Russian tea market is characterized by strong traditional consumer preferences. Black tea is the most popular drink in Russia, occupying about 80% of the market.
   - Available Ceylon Tea brands – Dilmah, Basilur, Mlesna, Hyleys, Akbar, Hyleys, Impra, etc
   - Fast selling popular brands- Greenfield, Tess, Lipton Yellow label, and Ahmed Tea.
   - Popular tea grades and packing – OP, OPA in orthodox tea and tea bags
   - Fast moving packaging: 100 tea bags
   - Fast moving loose tea packaging 400grms- 450Grms
   - Lowest average sale price Per Kg –
   - Average sales price range per Kg–
   - Highest sale Per Kg –

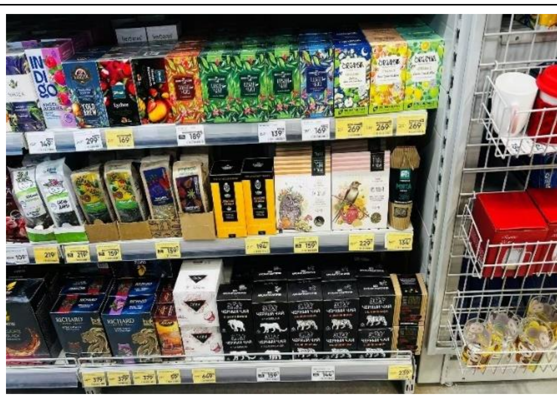
4. Grand Coffee and Tea factory visit – “Honest Mark” labelling process inspection

   The Commercial officer of the Embassy of Sri Lanka in Moscow arranged visits of Grand Coffee and Tea Company visit to get knowledge of “Honest Mark” labelling process. Grand company is a notable Russian branding, packaging, and distribution company, established in 1994, focusing on the economy segment of the coffee and tea market. The visit was a very important opportunity to get the knowledge of software requirement, registration eligibility, cost components, factory faults recognition, and current procedures following.

5. Summary of response of participants (7+1) under 50% subsidy scheme
   - General inquiries: 187
   - Serious orders following: 56
   - Value of order finalized: U$D 20,000/=
   - Location of the pavilion at hall: Satisfied
   - Period of the exhibition: Satisfied
   - Sri Lanka tea board support- Mix response

6. Suggestion of SLTB officer:
   - It is proposed to participate PRODEXPO 2027 in next year due to strong responses from Russian and neighboring countries buyers.
   - Established joint venture Ceylon tea packaging warehouse near black sea to cater markets of Eurasian region. The Black Sea is bordered by six countries: Turkey to the south, Bulgaria and Romania to the west, Ukraine to the north, and Russia and Georgia to the east. It acts as a major, strategically vital junction between Eastern Europe and Western
   - Indian and East African teas flooded all super markets. Proposed re-established Tea Promotion Unit in Moscow to strengthening the Ceylon tea presence in CIS (Armenia, Azerbaijan, Belarus, Kazakhstan, Kyrgyzstan, Moldova, Russia, Tajikistan, and Uzbekistan) region.
   - There is an opportunity to start Russian fertilizer vs. Ceylon tea barter trading system to increase Ceylon tea exports to Russia.

Photos at the Exhibition

Group photo with H.E Ambassador	Ceylon Tea pavilion
	
B2B discussion at a stall	Networking Session conducted at Embassy
	
Tea Brands at shelves- Survey	“Honest Mark” labeling factory visit- GRAND, Moscow
	

08. Swedish Market Report for Tea and Herbal Infusions

The National Board of Trade of Sweden has published a market report titled **'The Swedish Market - tea and herbal infusions'** in February 2026. The full report is attached as ***Annex I***. This report is a comprehensive market study providing insights and guidance for entering the Swedish market for tea and herbal infusions. It provides a comprehensive overview of Sweden's tea and herbal infusion market, including consumption, imports, market structure, trends, and regulations.

Sweden's tea market, though modest with a per capita consumption of 0.23 kg per year, is shifting toward quality-driven, premium, and functional teas. Mass-market black tea brands like Lipton are losing popularity, while organic, wellness-focused, and herbal teas are growing. Swedish consumers prioritize origin, sustainability, ethical sourcing, and health benefits, driving demand for high-end, single-origin varieties and functional teas targeting digestion, immunity, and stress relief.

Sweden's retail grocery market is dominated by ICA, Coop, and Ax Food, controlling 85-90% of sales. These chains source tea through specialized importers and private-label manufacturers, so new exporters must go through intermediaries. In addition to mainstream retail, specialty tea shops, organic stores, gourmet delis, food service distributors, and e-commerce cater to various consumer segments at different price points.

There are several key trends in the market that exporters need to be aware of and adapt to.

1. Premiumization is the dominant theme; consumers are treating tea more like specialty coffee, seeking single-origin varieties, artisanal blends and high-end packaging.
2. Functional teas targeting sleep, digestion, immunity and stress relief are a fast-growing segment. However, Claims related to botanical ingredients are under regulatory scrutiny; EFSA has yet to evaluate many health claims.
3. Organic certification is increasingly expected rather than optional.
4. Sustainable packaging, compostable tea bags, recyclable boxes, minimal plastic, is rapidly becoming a baseline requirement rather than a differentiator.
5. Traceability and transparency are also now major buying criteria for Swedish retailers and consumers alike.
6. Growing multicultural influences lead to demand for global flavors like chai, matcha, hibiscus, and herbal blends.

Sri Lanka stands out as a major supplier to Sweden, already one of the largest non-EU black tea exporters and well-recognized for private-label tea production. Companies like Bogawantalawa Tea Ceylon and Eswaran offer complete end-to-end private-label services, which is a key entry strategy for Sri Lankan exporters. Additionally, Sri Lankan producers like Tekompaniet produce organic-certified teas under Swedish brand identities. This model of brand partnership is a realistic entry strategy for further growth.

To succeed in the Swedish market, Sri Lanka should focus on sustainable packaging, stronger brand storytelling, and meeting strict EU regulations. Expanding into functional and wellness blends, including certified herbal and infusion lines, offers significant growth potential, especially as Sweden shifts towards premium, organic, and story-driven tea products.

09. Gender-Responsive Tea Value Chain: Pilot Self-Assessment Report - Sri Lanka

The Sri Lanka Tea Board conducted research titled **"Gender-Responsive Tea Value Chain: Pilot Self-Assessment Report - Sri Lanka."** This report aimed to identify key gaps and opportunities for improvement in gender equity within tea factories. The assessment, conducted with 24 factory managers, reveals critical insights into workplace safety, financial equity, and opportunities for women.

Overview

The Workplace Environment and Safety section highlights strong basic facilities such as clean toilets, drinking water, and rest areas in all factories, though challenges persist in menstrual hygiene management, housing conditions, and access to water. Notably, many women bear the extra burden of unpaid care work, affecting their attendance and well-being. The report emphasizes the need for gender-sensitive planning, especially for sanitation, menstrual health products, and water access.

Financial Equity findings show progress toward wage equality, with 21 out of 24 factories confirming equal pay for the same work. However, informal gendered expectations still affect workloads and advancement opportunities. There is also a significant gap in financial literacy programs for women, which limits their economic empowerment.

Opportunities for Women are gradually improving, but the report underscores the need for structured programs and better integration of gender-responsive practices into daily operations. Challenges in migration, mechanization, and skill development are hindering women's retention in the sector. The lack of childcare facilities and education support remains a barrier, despite recognition of their importance by factory managers.

For more information, please find the full research attached as ***Annex II***.