



DEUTSCHER  
TEE & KRÄUTERTEE  
VERBAND

# Tea Report 2023

Tea: savoured by many.  
Trusted by all.



## Committed to every cup

For all the recent successes the German tea industry has enjoyed, major challenges remain. Producer nations are having to grapple with climate change and its impact on people, surrounding nature, harvests and supply chains. Legislators, meanwhile, are finding it equally testing to regulate the new status quo.

As the German Tea & Herbal Infusions Association, we advocate for tea industry issues in multiple ways. We support the sustainability initiatives of our member companies. And we listen to all stakeholders when lobbying for the right legislation. In doing so, we communicate with all stakeholders, particularly in the interest of consumers and partners in the countries of origin.

In fact, sustainability issues are more of a top priority than ever when it comes to our own commitment to tea and that of our members. Collectively, one of the key goals is to establish international benchmarks for quality and social standards, to ensure our teas, fruit and herbal infusions consistently excel.

Once a year, our association issues the Tea Report you are reading to give tea industry achievements and commitment, both in Germany and worldwide, the recognition they deserve. We appreciate your interest and hope you find it a stimulating read. Best enjoyed, of course, with a cup of tea!

# 69,1 L

# 41,3 L

Fruit and herbal infusions

# 27,8 L

Black and green teas

## Tea still leads the way

In 2022, German sales of teas, fruit and herbal infusions not only remained healthy but continued to outperform pre-pandemic figures. Nationwide, tea drinkers consumed a total of 69.1 million litres of tea varieties overall, 27.8 million of which were black and green and the remainder, fruit and herbal. That equates to 59,929 tonnes of tea across the country: 132 million cups a day or around 5.5 million an hour. Pleasing sales figures by any measure- and just 3% down on the previous record-breaking year.

The trend speaks volumes. Now, more than ever, consumers value and cherish the manifold benefits of teas and related infusions and for the long term too. Amid the prevailing sense of crisis, lockdowns and working from home and as values like mindfulness, personal wellbeing, positivity and relaxation take centre stage, a fresh appreciation for tea is emerging. For many, over and above a healthy beverage that brightens the mood, it is a cornerstone of their sustainable lifestyle. These values resonate with younger target groups in particular. And that's precisely why an ever-growing number are now discovering and enjoying tea.

German tea fans, meanwhile, remain as uncompromising as ever when it comes to their favourite beverage. Many insist on buying organic, for example, which is why tea makers are extending and expanding their product range.

In this Tea Report 2023, we focus on the latest Germany-wide trends and developments in all things tea.

## The new tea culture

As social norms evolve, consumers adapt accordingly. Climate change, the trend of working from home and greater awareness of health have seen more and more people turn to and appreciate natural foods like tea.

And why not? Lower in calories than many alternatives, teas and infusions of all kinds enjoy soaring popularity among consumers. And not just dieters either – the myriad range of tastes and the „functional benefits“ the individual teas deliver also help seal the deal.

A bracing brew to start the day, fruity notes for a daytime refresh, an icy cold brew tea to beat the heat, or a relaxing evening blend. Whatever the moment or occasion, teas and infusions fit. No wonder they have become go-to beverages at any time for so many people.

In recent years in particular, buyers of all kinds have embraced the long list of positive properties and become loyal fans of the leaf, as surging consumption shows. And if any more incentive were needed, the constant stream of new product ideas from the German tea industry, from „fancy“ to seasonal to functional, rounds things off compellingly. Some venerate tea, others champion tea culture. Quite simply, an ever-growing proportion see tea as a way to further enrich and enjoy life.



## Positive signs

The Tea Report 2023 brings with it ample evidence of positive and sustainable progress for the German tea industry. National consumption of teas, fruit and infusions remained high, recording an increase of 1.1 litres compared to the pre-COVID level. Even the organic share is largely stable despite increased price sensitivity due to inflation. A slight overall decline in sales was ascribed to many households stocking up on tea as a precaution in years of crisis, then using them up. Moderate price increases generally remained below the level of inflation.

Many companies saw 2022 as a time to move on from the pandemic years, replenish depleted stocks and ensure security of supply. Alongside came many innovative new developments, abundant fresh product ideas and consistently high quality. All of which proved a compelling recipe for winning a new cohort of tea fans and retaining existing ones.

Ongoing tea industry challenges include raw material and energy prices that continue to spiral, the EU Green Deal, encompassing the EU Commission's aim to be the first climate-neutral continent, additional legislative hurdles like the Act on Corporate Due Diligence Obligations in Supply Chains and the scarcity of natural resources in countries of origin due to climate change. Collectively, this explains why managing and acting sustainably is such a top priority for the German Tea & Herbal Infusions Association and its members.

## Tea: a daily staple

Across Germany, post-pandemic consumption of tea remained high, at 69.1 litres per capita. Many people began to really embrace the beverage, which often saw it go from an occasional treat to a daily feelgood ritual. What also emerged were very wide-ranging personal tea preferences. As well selecting between black or green tea, herbal or fruit infusions, single or blended varieties, bagged or loose, the spectrum also went from everyday convenient choices to rarer speciality teas. Buyers of black and green teas, however, preferred loose-leaf varieties.

55%



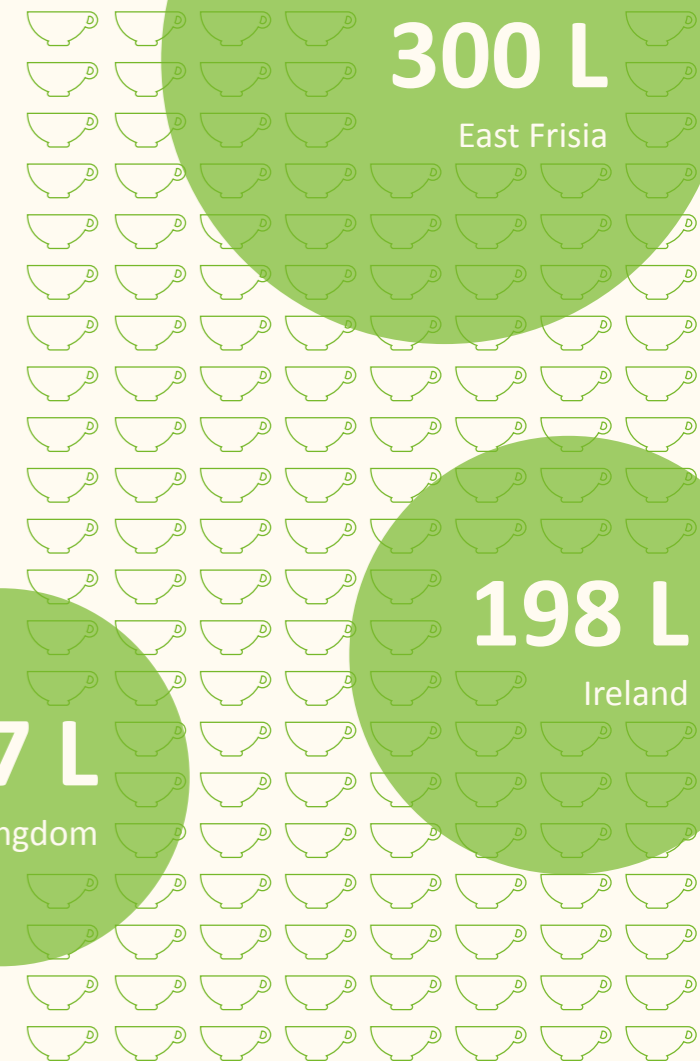
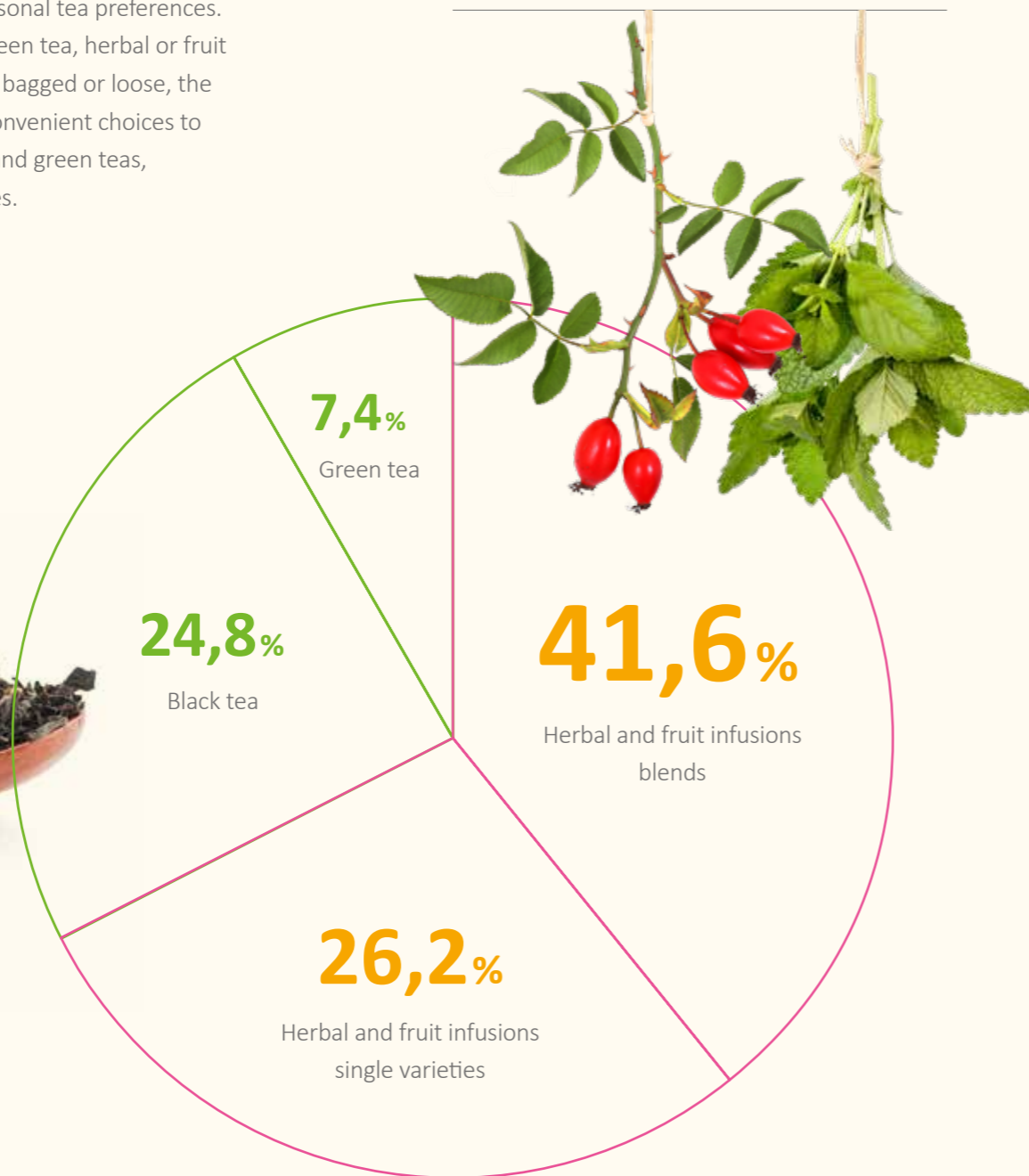
Bagged or loose-leaf? For herbal and fruit infusions, the ratio was 10% loose to 90% bagged. For black and green teas, conversely, it was 55% loose to 45% bagged respectively, unchanged from 2021

45%



## No such thing as too much tea

An annual consumption of 27.8 litres of tea would leave East Frisians heartily underwhelmed. As the undisputed tea world champions, they consume an impressive 300 litres per capita each year. Following them in the tea ranking tables are Ireland with 198 litres, then the UK with 167 litres. A look at our near neighbours in Europe reveals a figure of 119 litres for Poland, 54 litres in the Netherlands and 24 litres in France.





## Hot and Cold Love for Herbal and fruit infusions

After bumper figures for years, sales of herbal and fruit infusions fell slightly for the first time in 2022. Even so, at 40,601 tonnes, the total remained well above that of pre-COVID times. One reason for the 3.2% decline in sales was previous stockpiling, as more and more tea fans have come to dearly love their favourite beverage hot or cold as everyday treat.

Blend trends, meanwhile, showed a clear shift in favour of non-flavoured varieties. Single-variety classics like peppermint, chamomile and fennel remained as popular as ever with consumers. In fact, when the numbers for peppermint, chamomile, fennel and rooibos were compared, only the latter showed slight decline. The herbal and fruit market sector is also becoming a hotbed for new and groundbreaking cold-brew teas and ready-to-drink varieties. These resonate with the younger target audience in particular and help awaken their interest in tea.



**37,4%\***  
Flavoured blends



**24,0%**  
Non-flavoured blends



**12,7%**  
Peppermint



**9,1%**  
Chamomile



**8,7%**  
Fennel



**3,2%**  
Rooibos



**5,0%**  
Other single varieties

\* The slight discrepancy whereby the individual percentage values do not collectively total up to exactly 100% is due to rounding each value to a single decimal place.

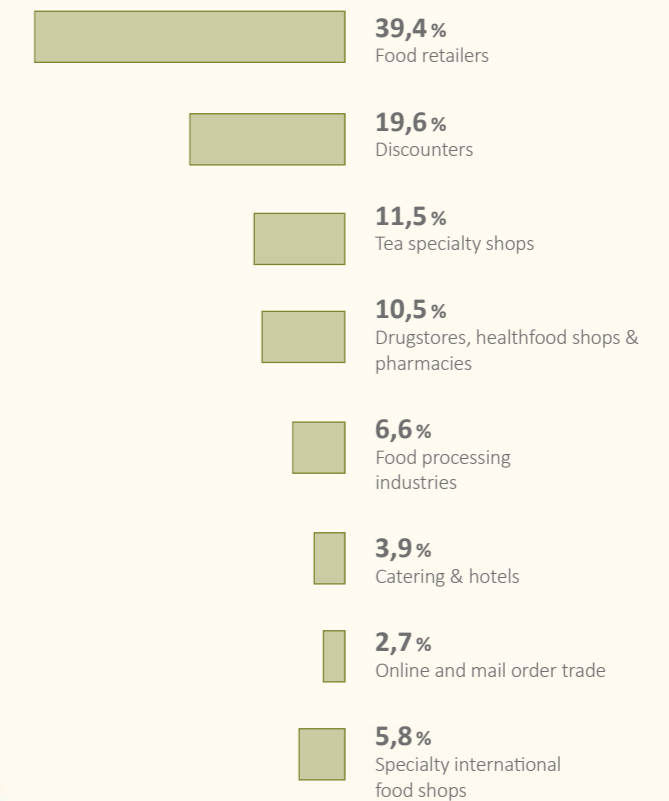
## A cup of tea from Germany? Yes please!

Tea produced and sold by makers in Germany has long been a watchword for high quality and abundant product creativity. And the glowing global reputation of the German tea industry is reflected in its healthy sales.

In 2022, 21,655 tonnes of black and green teas from German manufacturers were exported to 107 countries. But the biggest fans are also the closest to hand – with around 14,500 tonnes of the total going to 26 neighbouring EU nations.

## Tea: here, there, everywhere

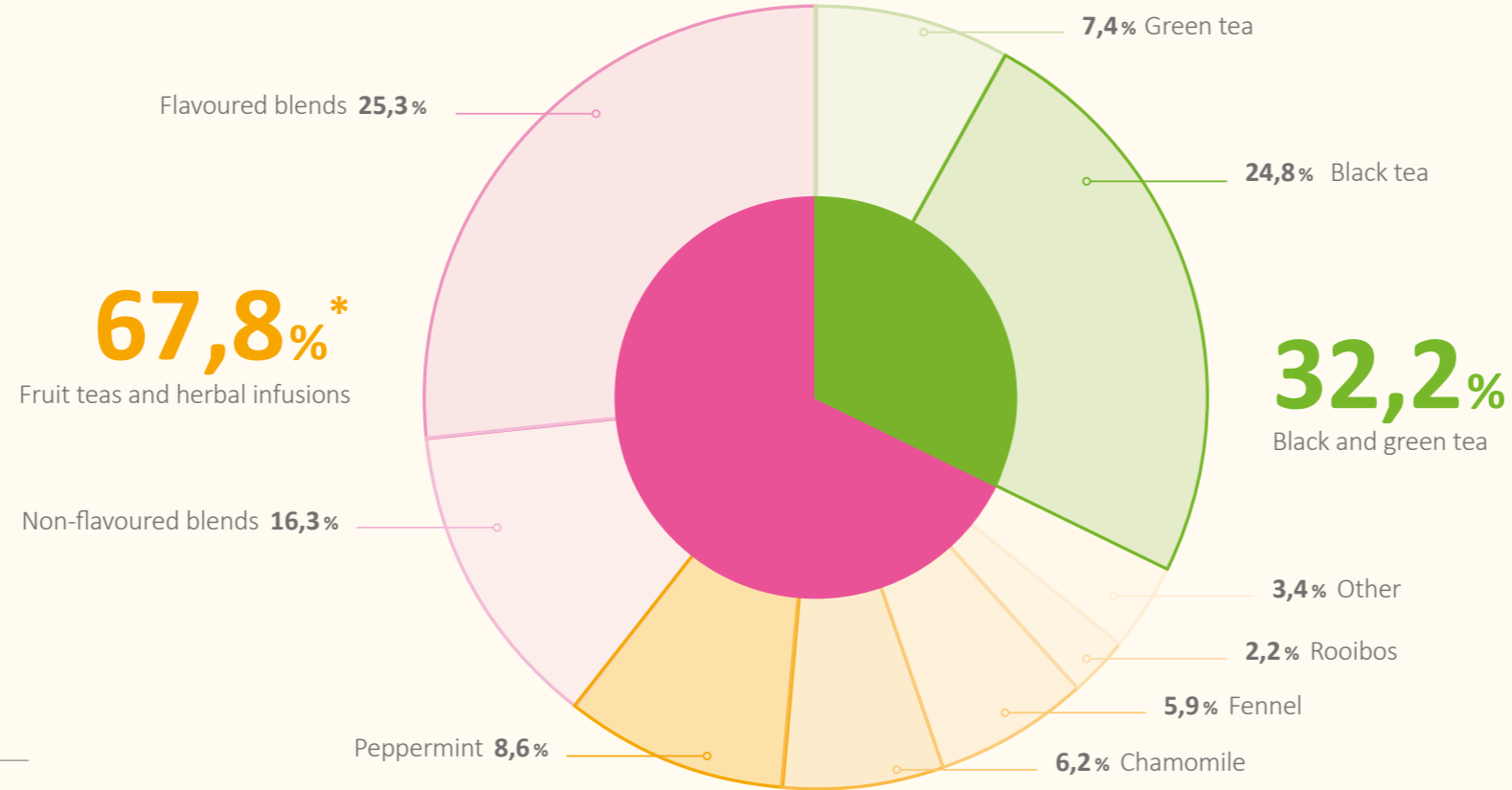
Tea comes in numerous varieties – and is sold in almost as many different places. From grocery retailers and discounters to drugstores, specialist tea specialty shops and online retailers – buyers of teas, fruit and herbal infusions are spoiled for choice. Outlets enjoying growth in 2022 included specialist tea specialty shops with their advisory expertise, as well as online retailers and drugstores. The demand for tea in fine-dining in catering and hotels also rose.



\* Proportional market shares of the total market volume of 59.929 tons in 2022.



## Germany-wide tea market



\* The slight discrepancy whereby the individual percentage values do not collectively total up to exactly 100% is due to rounding each value to a single decimal place.

## Quality and innovations



The German tea industry remains a fountain of new product ideas, which – time and again – have successfully sparked fresh interest and a willingness to buy among consumers. Innovative examples include cold-brew teas, functional teas or ready-to-drink varieties, all of which offer people the same enticing invitation to discover the large and myriad range of teas for themselves. From the buyer perspective, teas, fruit and herbal infusions are more than merely natural foods. They have matured into trendy lifestyle products, exemplifying a more sustainable attitude to life. In fact, they have once again reinvented the image of tea, in a process propelled by the COVID-19 pandemic.



## A keen intuition

It's thanks to hard-working tea tasters that we can enjoy a daily brew in cups, mugs and drinking flasks and tea in recipes of such exceptional quality, again and again. Collectively, this exclusive circle of tea specialists is the gatekeeper, deciding whether or not each new batch of raw materials gets the green light when purchasing tea. Only genuine experts can blend together natural raw materials flawlessly and with fresh inspiration, despite the fact no two harvests are alike. And this is one of the secrets of German tea manufacturers' success.

## Organic an ever-popular choice

Demand for organic teas, fruit and herbal infusions remained high in 2022, following the boom of the previous year. And even though prices have climbed, many consumers continue to go the extra mile to seek out organic varieties of their favourite beverage.

**15,6%**  
Organic market share



## Germany importing more tea

Healthy import figures reflect Germany's enduring love affair with tea (*Camellia sinensis*). Following the record growth in 2021 (+15.9%), the volume of tea imports in 2022 grew by a further 7.4%, namely 3,531 tonnes. This put the overall volume of tea imports above pre-COVID levels. At least 51,000 tonnes of black and green teas were imported to Germany from a total of 82 different countries (as opposed to 47,500 tonnes in 2021). And after a similar boom for green tea in the previous year, imports of this variety declined slightly in 2022. In short, therefore, growing imports are keeping the German tea economy on the up.



## Top suppliers for the German tea industry

- Green tea
- Black tea



**China** back on top! After six years of India leading the way, tea imports from China topped the pile in 2022, with 11,170 tonnes shipped from the country to Germany. The overall market share of 21.9% makes China now the largest single supplier of the German market, with its green tea the stand-out. The market share for this variety is 65%.



Ranking second and close behind, **India** has a market share of 21.4%. For black tea, however, India leads the way with a market share of just under 26%.



**Sri Lanka** is gaining ground. 2022 saw it increase its market share by four percentage points to 18.5% overall. Sri Lankan imports comprised 25% of the market for black tea in particular.



And tea from **Africa** is increasingly coming into favour with German importers. The market share for African teas from Kenya, Malawi and other African nations was a respectable 13%. For black teas alone, this comprised a market share of just under 17%.



## Delight in diversity

Tea manufacturers process 400 different plant parts from around 300 plants to produce the herbal and fruit infusions we enjoy so much day after day, as part of a healthy and balanced diet. Speciality tea products on offer range from the familiar classics like chamomile, peppermint or fennel, often embraced since childhood, to new and refreshing creations and blends that never fail to surprise or arouse curiosity.

From crop to cup, people the world over thrive on these teas. It's worth remembering that only a fraction of the ingredients come from large-scale farming – most are still wild-harvested or handpicked. In other words, herbal and fruit infusions remain a source of living diversity that connects many people sustainably and secures their livelihood in many countries worldwide.

## Embark on a voyage of variety

Having a choice ... is reason to rejoice! And this was never truer than for fruit and herbal infusions. German manufacturers delight us with low-calorie beverages that not only enrich our balanced daily diet and quench our thirst but also reflect and even set new trends. From refreshing cold-brew teas perfect for summer sipping to functional teas brimming with fun and feel-good

vibes – some teas help you relax, while others give the non-morning people among us that crucial caffeine boost. These products, so cherished by consumers, span a vast spectrum, as diverse as the original fruits and herbs they are crafted from. It is a world of wondrous variety that continues to wow tea fans, Germany-wide.



## German tea exports

Exported speciality tea products made in Germany are in high demand and 2022 was no different. Over the year, 21,655 tonnes of the imported tea refined in this country (42.4%) were exported to 107 different countries worldwide. While black tea exports climbed slightly, the figures for green tea showed a slight dip. In total, just under 14,500 tonnes of black and green teas were exported to 26 EU countries. The top customer within the EU, for the fifth time in a row, remained France, with 3,931 tonnes. The largest export market outside the EU in 2022 was once again the USA. And the stand-out statistic: exports to perhaps the most famous tea-loving country, the United Kingdom, grew considerably.



## Exports and domestic consumption in countries of origin

After a record year in 2021, world tea production stabilised at a high level of just under 6.5 million tonnes in 2022, marking a fractional increase of 7,191 tonnes (+0.1%). However, a strong resurgence in domestic demand has seen the export share in all tea-producing countries continuously decline.

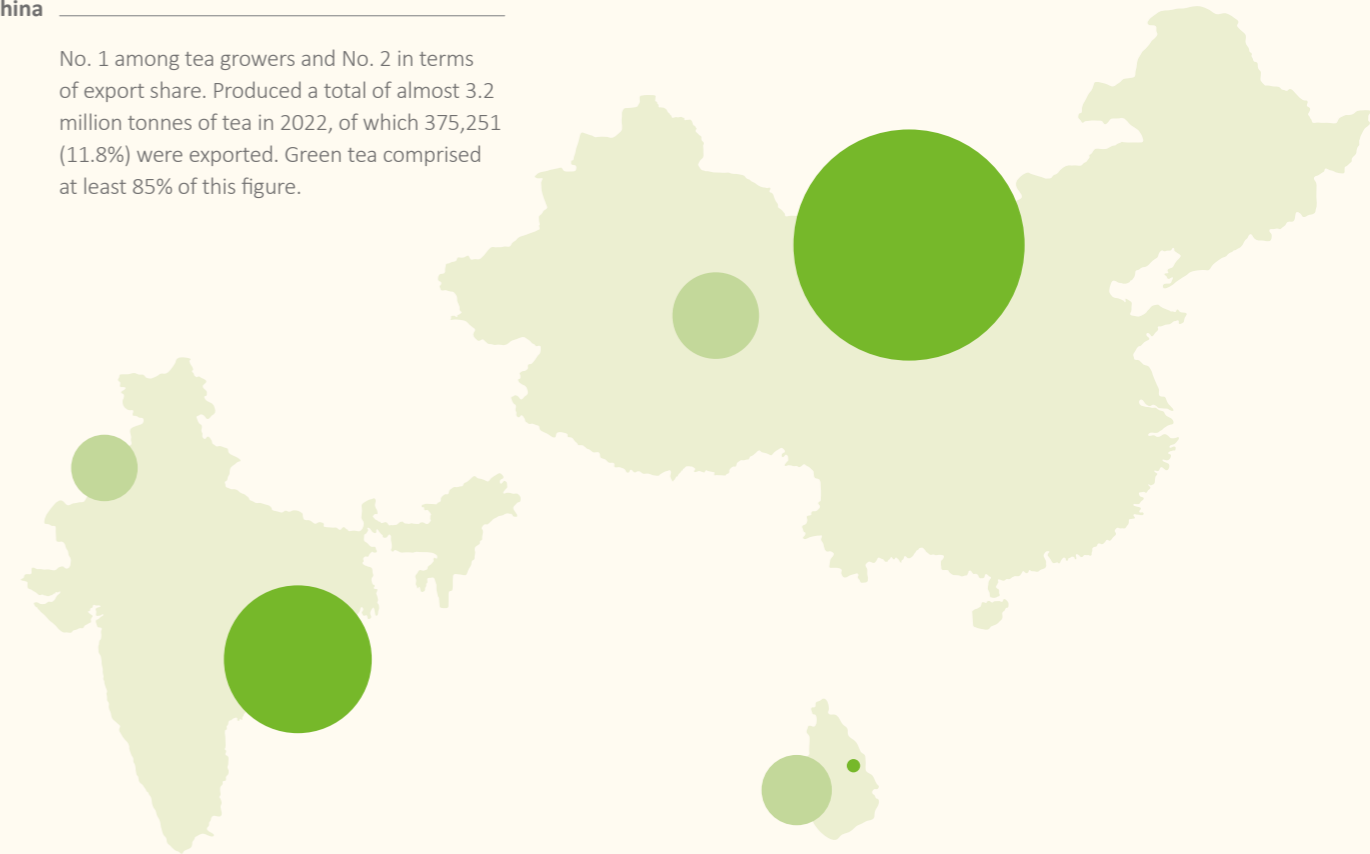


**Kenya**

In 2022, as previously, Kenya remained the largest tea exporter by some distance, shipping a total of 450,334 tonnes of tea, almost all of which was black tea. However, Kenya's 2022 exports did decline slightly from the „all-time record high“ recorded the previous year.

**China**

No. 1 among tea growers and No. 2 in terms of export share. Produced a total of almost 3.2 million tonnes of tea in 2022, of which 375,251 (11.8%) were exported. Green tea comprised at least 85% of this figure.



**India**

Three challenging years later, India rebounded to boost its export share once again for the first time in 2022. It produced over 1.3 million tonnes of tea nationwide, of which just under 220,000 tonnes went for export. The increase in exports equates to 26,000 tonnes.

**Sri Lanka**

Sri Lanka also consolidated its position as the third-largest tea exporter after Kenya and China in 2022. The country exported a total of 247,148 tonnes of tea. At least 4,200 tonnes of the total was green tea. Compared to the previous year, exports in Sri Lanka also declined.

## Four of the best: the tea quartet

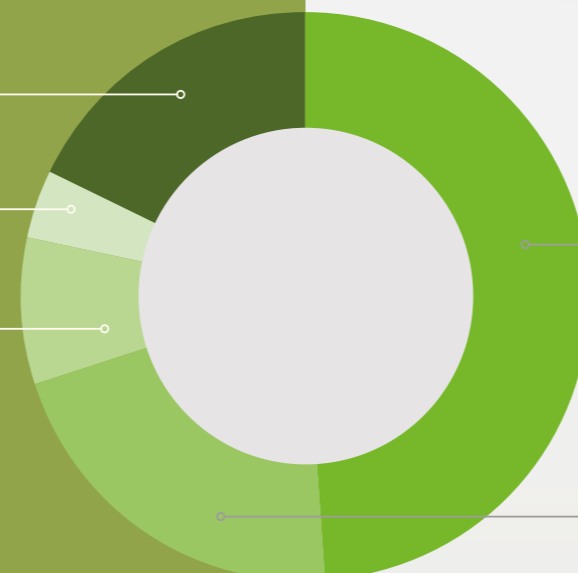
It is very much 'as you were' at the top with rankings for the world's top tea-growing countries unchanged. Leading the way is China, followed at quite a distance by India, Kenya and Sri Lanka. Except for Sri Lanka, production quantities increased across the board in 2022.



**Other countries 17,6%**  
1.143.911 tonnes

**Sri Lanka 3,9%**  
251.499 tonnes

**Kenya 8,3%**  
535.043 tonnes



**China 49,1%**  
3.181.039 tonnes

**India 21,1%**  
1.365.230 tonnes



## Tea: the love affair continues unabated

We announce the current top 5 black and green tea varieties, which also takes flavoured varieties of fruit and herbal infusions into account. Japanese teas include specialities like bancha (late-harvested robust green tea), gyukoro (premium green tea) and matcha (finely powdered green tea). The so-called „chai tea“ varieties include fruit or spice chais.

### Top 5 Camellia sinensis

- 1 – Darjeeling
- 2 – Earl Grey
- 3 – Sencha
- 4 – Japan teas
- 5 – Jasmin tea



## Tea: overflowing with trends

Manufacturers draw on the huge natural diversity of teas, fruit and herbal infusions to roll out a head-turning array of fresh product ideas – an area where Germany in particular thrives. At the time of writing, the following four trends are prevailing

### Cold-brew Teas

A quick and practical alternative to hot infusions. Many tea producers already include fruit and herbal infusions that can be easily prepared with cold water. They are also ideal low-calorie and sugar-free alternatives to soft drinks or water alone.

### Functional Teas

Increasingly, today’s consumers tend to go for ‚brews with a bonus‘. Whether it’s a caffeine kick, a dose of vitamins or tea for wellness or beauty – teas, fruit and herbal infusions that offer that little „extra“ are soaring in popularity.

### Fun without Alcohol

Gen Z knows how to make merry- without any wine-, spirit- or beer-assisted help. More and more often, non-alcoholic mocktails are prevailing over classic cocktails on menus. And teas and herbal infusions of all kinds are often at the heart of such recipes.

### Nearly natural

Tea aficionados want to delight in each drop. And they care about everything: where the tea comes from, how it is produced or processed- even how it is transported and packaged. All of which explains why sales of sustainable teas of natural origin are rocketing.

### Top 5 Fruit and herbal infusions

- 1 – Ginger
- 2 – “Chai”
- 3 – Peppermint
- 4 – Chamomile
- 5 – Tumeric



## „Sustainability is now a business bedrock for our members.“

Already for decades, the tea industry has had sustainability on its radar. Now however, amid climate change, extinction of species and increasingly scarce natural resources, the media, politicians and public can no longer ignore the elephant in the room. Indeed, those in the political firing line are trying to turn the ship around, with the intensified reporting requirements for companies just one example. Recently, developments like these have also seen the German Tea & Herbal Infusions Association handle an ever-growing number of enquiries on sustainability from member companies and the media. We sat down with Secretary General, Maximilian Wittig, to hear just how the Association is responding

Mr. Wittig, just how significant is the topic of sustainability for the German Tea & Herbal Infusions Association?

As an industry, sustainability has been on our agenda for many years, since most of our member companies maintain very close partnerships with their raw material suppliers worldwide. Their employees, for example, often go in person to the partners to advise and exchange ideas and doing so gives them a chance to see and feel the impact of climate change up close. Their job includes face-to-face contact with people who do important work for us in so-called developing countries, among others. So our companies have been well aware of the relevant issues mentioned for many years already. They are striving to live up to their ecological, social and corporate responsibility by launching various projects and initiatives on the ground or via very direct aid.

Another reason why this topic remains top of mind for us is that any change in climate impacts directly on the crops which supply our raw material worldwide. As an industry, if we want to keep delivering products of the highest quality in sufficient quantities and sustainably, reinventing our approaches to help slow climate change and mitigate its effects, which industry cannot ignore, is non-negotiable. In Kenya, for example, work is under-

way to plant and cultivate tea varieties better able to withstand the changed climate. Some of our companies are also collaborating with their raw material partners on holistic adaptation strategies as a way forward, not only to minimise the manifold risks of climate change, but also capitalise on possible opportunities. And all this is why I feel.

Within your association, how do you approach the topic of sustainability? How do you see your role here?

Because our members have been addressing the topic already for some time and given its crucial importance for our industry, it has also become one of the core components of our association strategy. Supporting our members comes first. And that is why, for example, we work together with companies in the Sustainability Working Group to find ways to help counter the current challenges or draw up common standards like our Code of Conduct. We believe the latter underpins industry-wide efforts to ensure a responsible attitude and commitment by all companies. We see our role not only as hosting a platform to promote exchange among our



members, but also advising and helping when it comes to providing information or tools to address the growing sustainability to-do list.

How are you handling topical issues like the Act on Corporate Due Diligence Obligations in Supply Chains?

Both the association and its members fully support the goals of the Supply Chain Act. For us, it goes without saying that companies must assume social, ecological and corporate responsibility for their actions and demonstrate their commitment with their actions accordingly. Having said that, however, we realise that implementing the legal requirements is no easy task, so we support industry where we can. We have developed a questionnaire for sector-specific risk assessment for example and work continues apace on further instruments and sectoral approaches.

Can you describe the challenges the industry faces in implementing due diligence and reporting obligations in detail?

Our industry sources around 400 raw materials from about 80 countries worldwide. Some of the suppliers we work with are large tea plantations that are professionally organised as companies. But a large proportion of the plants, herbs and fruits, like rosehip and hibiscus, are collected and obtained in the wild. In other words, the people who turn up day after day to work in the collections are paid in the evening for what they have gathered in their baskets. And the legal safety net we developed cannot entirely encompass all these smallholder and family structures. Even so, our members are doing all in their power to provide social support, such

as fair wages and ecological measures, in these structures as

well. Going forward, stopping issues like that from falling through the cracks is a must, not just a nice-to-have. And that is not just because we value the end products so much but above all because without this collecting, a significant income source for the smallholders and their families would disappear, making their situation even more critical.

At the same time, we notice that although many of our suppliers prioritise the environment and personal wellbeing of employees and strive to improve, there is increasing reluctance to handle the red tape that goes with it. We have noticed a shift in favour of countries that require less of a paper trail on their side. So one of our key tasks is convincing suppliers that meeting the ever-more stringent requirements is ultimately worth their while, e.g. by agreeing on purchase guarantees. Unless we do so, raw material procurement on the global market will become increasingly difficult for German and European tea companies.

In the face of such challenges, how does your industry shore up its supply chains?

Well, different companies deal with it in different ways – there is no one-size-fits-all approach. And with this in mind, I think dialogue with politicians becomes even more important. We have to reconcile two things: firstly, the need to document our commitment and the great social, ecological and corporate responsibility we have gladly embraced for many years. And secondly, to practice what we preach: offering the finest teas, fruit and herbal infusions at all times.





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