Tea Production in Malaysia: Culture versus Challenges and Prospect to Malaysian Economics

Kasim Mansur

Universiti Malaysia Sabah

Abstract:- **Tea has been grown in Malaysia (than Malaya) for over 500 years, but commercial success has, until recently, eluded a succession of plantation entrepreneurs despite the favorable climate setting. The labor-intensive nature of tea cultivation and processing, combined with high costs of fertilizer prices, required a daunting creativity. The Malaysian market is dominated by three brands namely BOH tea, Sabah Tea and Lipton. From economic perspectives, there is a growing market demand for herbal and fruit teas. In spite of the challenges of tea production in Malaysia, the nation tea industry still holds a great potential in significantly contributing to not only the nation's economy, but also the lifestyle and enjoyment of its people.Since most Malaysians nowadays has become increasingly health awareness this in turn altering consumer behavior and tastes. New lifestyle is due to increasing health conscious factor that leads consumers to drink more tea, as tea helps to boost the immune system and to reduce cholesterol and blood pressure.**

I. INTRODUCTION

Malaysia has a strong foundation for agricultural sectors, with it being the third engine of growth after the manufacturing and services sectors. The nation has around 4.06 million hectares of agricultural land distributed throughout 14 states. Being the world leader in the production of several industrial crops, like oil palm, rubber, cocoa, pepper and tropical timber, Malaysia has a strong agriculture base. Historically Tea was introduced to Malaysia by Chinese traders for more than 500 years. Tea is the most popular and cheapest beverage, next to water, in the world (Alastair Hicks. 2001).

In term of employment agricultural sectors provides employment roughly about 40% of Malaysia's population. It is projected in the 11th Malaysia Plan that 300,000 new jobs will be created annually; of which 50,000 will be university graduates who will be involved in agriculture activities. The career prospects of agriculture includes employment in the industries downstream activities related to food, environmental control, waste-treatment and manufacturing.

II. TEA PRODUCTION IN MALAYSIA

Tea production in Malaysia is produced all year-round due to the conducive climate, and is harvested every three to four weeks, when the new shoots flush.Malaysia produces only 0.45 percent of the world's total tea production, in 2011, the Food and Agriculture Organization of the United Nations ranked Malaysia as the 18th largest producer of tea in Asia. World statistic shows that China is the country with the largest planting of tea.

Ranking of Statistics – Tea - Production (Tons)

The 5 highest records for sovereign countries (1 per country) since 1961:

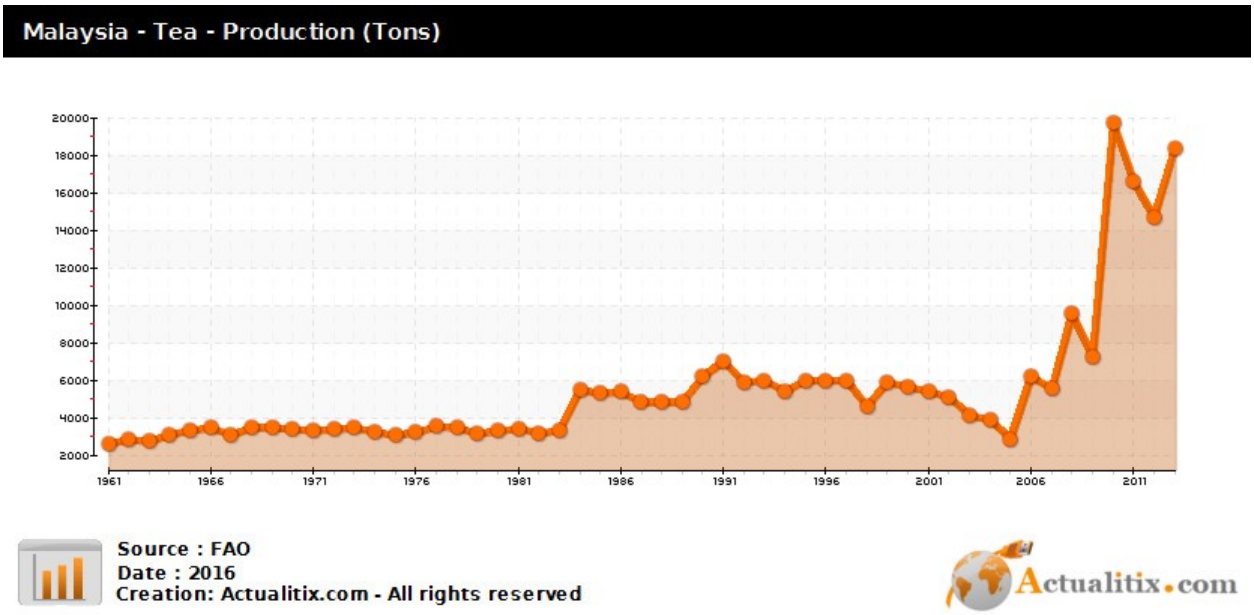
1 - ***China*** - Tea - Production (Tons) was 1,939,457 Tons in 2013
2 - ***India*** - Tea - Production (Tons) was 1,208,780 Tons in 2013
3 - ***Kenya*** - Tea - Production (Tons) was 432,400 Tons in 2013
4 - ***Sri Lanka*** - Tea - Production (Tons) was 340,230 Tons in 2013
5 - ***Turkey*** - Tea - Production (Tons) was 235,000 Tons in 2010

Export from Malaysia is minimal as it produces only 3.8 kilograms annually compared to its consumption of 23 kilograms. Malaysia is blessed with fertile soil, abundant rainfall and suitable climate for food production.The Malaysian tea primarily produced in the Cameron Highlands region, sometimes referred to as Malaysia's "Green Bowl". It is located 1,500 meters above sea level. This fertile agricultural region is situated on the scenic Titiwangsa Mountain Range, which is also a popular destination for local as well as international tourists. Most of its 712 square kilometers is dedicated to agricultural farms, vegetable and fruit orchards.

Malaysia's tea industry began in 1929 businessman and entrepreneur named J.A. Russell.

There after mass tea plantations was initiated by a British government surveyor, William Cameron in 1885. Cameron Highlands was initially a retreat center for colonial officers because this place is suitable for it cool climate at the range of between 12 to 20 degree Celsius all the year round. The first tea garden is known as BOH Plantations. The 86-year-old company known as BOH Plantations grew to become the largest highland tea producer in Malaysia. BOH remains the largest tea producer in Malaysia, with nearly 47 percent of the landmass in the country dedicated to tea production. This translates to approximately 1,200 hectares out of a total 2,533 hectares of land. Boh Plantations Sdn led tea in 2016 with a 34% value share, achieving sales of MYR90 million. BOH alone produces approximately 70 percent of the

country's total tea production of which 90 percent is reserved for local consumers. The balance is exported internationally to countries such as the United States, United Arab Emirates, Japan, Singapore and Brunei.



In August 2016, the company introduced a new product called Boh Green Tea Latte within instant tea. The company also introduced a recipe for making jelly by using Boh Green Tea Latte and shared this through social media sites such as Facebook. The brand Boh also organizes marketing activities, such as extra 25% teabags added to its pack size of 40 teabags within black tea and a free 25 teabags with every purchase of 500g Boh loose standard black tea.

The second largest tea producer in Malaysia is the Bharat Group. Bharat produces between 800,000 to 900,000 tons of tea from its plantation of 642 hectares, which is also located on Cameron Highlands. The third largest tea producer in Malaysia is Sabah Tea located in mountainous region in Kundasang Sabah.

Its hilly slopes and cooler temperatures are ideally suited to the production of teas with brisk, full-bodied flavours, which have been grown here since the early 20th century, when the first plantations were established.

III. THE PREPARATION OF TEA MAKING

In the case of Malaysian culture the Malay in particular, for generation there were no rituals around its preparation and rituals about the manner how someone has to drink tea.Malaysia's most distinctive tea product is the world-famous *tehtarik*, literally means pulled tea, which originated in the country (Bonny Tan, 2013).The preparation of *tehtarik* need special technique and it is viewed as an art form of tea making in Malaysia. Essentially a mixture of strong black tea, condensed milk and sugar, the mixture is "pulled" (or poured) at high speed between two vessels held as far as a meter apart. The mixture of tea and condensed milk is pulled back and forth repeatedly between two vessels. '*The tarik'* is the most famous variation of tea which is available across Malaysia. This serves to create a rich, sweet, frothy blend that has been cooled to the optimal drinking temperature before serving. The *'the tarik'* originated from the Indian Muslim immigrants who settled in the Malay Peninsula in the early period of Malacca empire.

In most occasions top pourers exhibiting a thrilling display of showmanship as they whip streams of milky tea through the air before their audience. Some even take part in competitions or other demonstrations designed to showcase their advanced skills. Repeated infusion between the mixtures is to blend the two thoroughly, producing an exceptional taste and aroma, *Tehtarik* is widely recognized as a significant part of Malaysia's food heritage, and is well worth trying during a visit to the coffee shops in any city or town in Malaysia.

IV. THE MALAYSIAN TEA JARGON

In Malaysia different tea jargon implies different types of tea, in term of it texture, sweetness, flavors and certain degree of warmness.

a. **Teh:** Hot tea with milk and sugar.
b. **Teh o:** Hot tea with sugar.
c. **Teh o peng:** Iced tea with sugar.
d. **Tehhalia:** *Tehtarik*with ginger added; *tehhalia*is often drank when one feels cold or sick.

V. MALAYSIAN HERBAL PRODUCTS

Eurycomalongifolia (Tongkat Ali) - Eurycomalongifolia has become popular for its alleged testosterone-enhancing properties. It has therefore been included in some herbal supplements for bodybuilders. Historically, South East Asia has utilized the herb for its suggested antimalarial, antipyretic, antiulcer, cytotoxic and aphrodisiac properties. In other studies, fractions of Eurycomalongifolia extract have been shown to induce apoptosis in breast-cancer cells and to be cytotoxic to lung-cancer cells

Centella Asiatica (Pegaga) Extracts – Centella Asiatica (also known as gotu kola, Indian pennywort, pegaga), classified as Centellaasiatica, are popular as an alternative to standard Western allopathic medicine for a variety of problems, including senility, rheumatism as well as skin conditions.Other benefits for extra vitality,increasing brain power and concentration, lowering blood sugar levels , treating poor circulation, arthritis and varicose veins

Green Tea - Green Tea Extract's main active compound are catechins, a compound from the flavonoid family. Standardized Green Tea Extract usually contains 50 percent catechins. Green Tea Extract is a popular nutraceutical used for its antioxidant properties, with recent also underlining Green Tea Extract potential slimming properties.

Andrographis (HempeduBumi)- Extracts Andrographispaniculata is used for treatment, upper respiratory infections, fever, sore throat and herpes. Other reported applications include its use in cases of malaria, dysentery and even snakebites.The herb improves gall bladder function, increases bile flow (thereby aiding digestion), and has been found to be as effective as silymarin (active

compound in milk thistle) in protecting the liver.Andrographis extracts are cytotoxic (cell-killing) against cancer cells. Positive results have been seen in relation to stomach, skin, prostate and breast cancer cells in test-tube studies.

Orthosiphon Stamineus (Misai Kucing) - Extracts*MisaiKucing* extract contains a high level of antioxidants which will inhibit the inflammatory of the joints associated with gout. Thus, the extract will reduce the pain surrounding the joints involved. In fact, the extract exhibit diuretic ability which will flush out excessive uric acid in our body to prevent them from accumulating in the joints to form harmful crystals;and also in aiding the cure of kidney stones, high blood pressure, diabetes and rheumatoid arthritis

Labisia Pothoina (Kacip Fatimah) - Labisiapumila (Myrsinaceae), popularly known as "Kacip Fatimah", has been used by many generation of the Malay women to induce and facilitate childbirth as well as a post-partum medicine. Other claimed traditional uses of the plants include used effectively to treat dysentery, rheumatism and gonorrhoea. It is also used as antiflatulence and anti-dysmenorrhoea,all these properties is due to the presence of phytoestrogens that is naturally found in the plant.

Morinda Citrifolia (Mengkudu) - Mengkudu juice helps recovery some diseases, such as: cancer, heart disease, digestive disturbances, diabetes type 1 & 2, stroke, and several other diseases. The juice contains Xeronine substances which is one of the important functions of proteins and specific cell-cell human body.

Ginseng -The generic term Ginseng includes Eleuthero or Siberian Ginseng and Panax, or Asian Ginseng. Ginseng contains several active compounds of which ginsenosides are the best-known substance group. Ginsenosides belong to the substance group of the saponins. Concentration of ginsenosides in standardized extracts range from 5 to 80 percent. Ginseng effects are due not only to the ginsenosides, but also to other substances such as the polyacetates, glycans, peptidoglycans, and g-aminobutytic acid.Ginseng is the most popular herb used to boost energy, improve stamina and resistance to stress, and it is also said to improve virility.

VI. CHALLENGES OF TEA INDUSTRY IN MALAYSIA

Main issue of Tea industry in Malaysia at the moment is the shift of Malaysia's agricultural focusing and emphasizing towards the expansion and development of oil palm plantations. It requires far less manpower to harvest a single section on an oil palm estate than it does for a section of the same size on a tea plantation.

According to the Malaysian Department of Statistics, output of green tea leaves has also fallen slightly to 16,139 metric tons in 2012, compared with 19,872 tons two-years prior. Despite the current outlook, tea production, one of Malaysia's oldest industries, has yet to realize its full potential. The local demand for tea remains steady, thereby maintaining tea's availability
at affordable prices.

Tea plantation in Malaysia depends on having an even distribution of rainfall and particularly in the past few years the so-called El Nino years, it was recorded significant occurrences of volatility in rainfall and this is not good for tea plantation. 180mm rainfall sits in the low category while 150mm is considered especially low. Protracted draughts not only have an impact on yield but will ultimately reduce the production of tea.

Another major challenge to tea industry in Malaysia due to the Malaysian Ringgit (RM) depreciation, resulting in higher input costs for the tea grower. Fertilizer prices usually move in tandem with crude oil, as rising energy prices usually increase tea production costs and freight rates. Furthermore the Malaysia tea industry's very much highly dependence on foreign labor primarily from Nepal and Indonesia. At the moment, around 80 percent of Boh Plantations' tea pluckers are foreign laborers.

VII. PROSPECTS OF TEA INDUSTRY IN MALAYSIA

In general consumer demand for tea will continue to grow over the forecast period, as Malays want to avoid too much consumption of caffeine through coffee. Existing manufacturers will continue to launch new variants to encourage consumers to drink more tea, as tea helps to boost the immune system and to reduce cholesterol and blood pressure(EuromonitorInternationa 2017).In term of pricing, arguably tea is one of the global commodities that did not responsive significantly to the pricing pressure. Commonly accepted globally tea is one of the cheapest beverages in the world where people will still drink tea even if some slight increase in the price. Thus, based on the current trend of tea industry, Malaysia's economy will not affect demand for its products.

Malaysians nowadays has become increasingly health awareness which in turn, is altering consumer behavior and tastes (*World Tea News*. 2013). These make Malaysian consumers in general drink more tea as it contains less caffeine than coffee, a drug that can result in addiction to coffee (Auhckw2012). As a result, herbal tea saw the fastest current value growth in 2011, growing by 8 percent.

From economic perspectives, there is a growing market demand for herbal and fruit teas, as well as lighter green and jasmine teas imported from China and other Asian countries like Middle East, Central Asia and South Asia. In most big cities in Malaysia many shops and cafés that cater to connoisseurs by serving a good selection of rarer loose leaf teas. Most Malaysian *kopitiams,* or coffee shops, which are also important social hubs for the local community where people gather to chat, watch sport, or simply relax with a warming brew(Mohd Rizal KismathBatcha. 2007).

VIII. CONCLUSION

As for the conclusion, due to the proper and conducive climate and geographical location of Malaysia tea production in the nation is produced throughout the year. In particular the BOH plantations which is the leading Malaysia tea growers producing about 4,000 tons of tea annually comprises of about 70% of the country's tea production. The remaining 30% of tea is produced by other tea plantations in the nation such as Bharat Tea Estate and Sabah tea Plantation are the major tea producing industries in the nation.

Culturally speaking, Malaysian has no strong rituals around its preparation and rituals about the mannerof drinking tea. Unlike the Chinese, the Japanese or the Koreans, Majority of the Malays in general drink tea as a social gesture and tradition. Malaysia's most distinctive tea product is the world-famous *tehtarik*, literally means pulled tea.In spite of the challenges of tea production in Malaysia, the nation tea industry still holds a great potential in significantly contributing to not only the nation's economy, but also the modern lifestyle and enjoyment of its people specially the young generation.

BIBLIOGRAPHY

[1]. A Frost & Sullivan Whitepaper. 2009. *Overview: Malaysian Agricultural Biotechnology: The Malaysian Agricultural Biotechnology Sector*. Kuala Lumpur: Malaysian Biotechnology Cooperate.

[2]. Alastair Hicks. 2001. Review of Global Tea Productionand the Impact on Industry of the Asian Economic Situation. *FAO Regional Office for Asia and the Pacific*, Bangkok, Thailand

[3]. Auhckw.2012.Chinese tea industry in Penang set for healthy growth. *The Star*,Saturday April 7, 2012.

[4]. Bonny Tan (2013)."Tehtarik".*National Library Board.Retrieved 30 August 2016.*

[5]. EuromonitorInternationa. 2017. Tea in Malaysia. January 2017

[6]. *FAOSTAT*. 2010. Production: Crops, Food and Agriculture Organization of the United Nations, Retrieved Jan. 29, 2010.

[7]. Mohd Rizal KismathBatcha. 2007. The Coffee Bean & Tea Leaf Malaysia industry Analysis. *First Asia Institute of Technology and Humanities.*

[8]. Remco Verwoerd & Vanessa L. Facenda. 2013. Discovering Tea in Malaysia. *Tea and Coffee Trade Journal.* July 2013.

[9]. The Tea Detective Uncovering and Exploring the Facts About Tea. Retrieve April 9, 2019. *http://theteadetective.com/TeasOfMalaysia.html.*

[10]. *World Tea News*. 2013. Discovering Tea in Malaysia. November 4, 2013