



AGRICULTURE AND FOOD AUTHORITY

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KENYA TEA INDUSTRY PERFORMANCE HIGHLIGHTS FOR AUGUST 2020

PRODUCTION

Tea production for the month of August increased slightly to 38.52 Million Kgs compared to 36.55 Million Kgs recorded in July this year and 37.2 Million Kgs recorded during the month of July 2019. Improved production follows the cessation of the cold weather conditions coupled with gradual increase in amounts of rainfall in the West of Rift especially in Nandi, Kericho and Bomet counties. Within the West of Rift, Nandi recorded the highest precipitation averaging 24 to 65 mm with temperatures averaging 10°C to 24°C daily. Bomet received 12 to 22 mm of rainfall while Kericho reported sunny intervals in the mornings followed by afternoon precipitation of between 16 to 18 mm for the first half of the month that was enhanced to 80mm in the third and fourth weeks. Consequently, production in the West of Rift was higher by 9.31% from 27.15 Million Kgs recorded during the same month of 2019 to 29.67 Million Kgs.

In the East of Rift, rainfall was much lower averaging less than 20mm daily with average temperatures of between 13°C to 26°C. Decline in rainfall was more pronounced in tea growing areas of Meru and Kiambu counties. Resultantly, East of Rift recorded 11.96% reduction in output from 10.05 Million Kgs to 8.84 Million Kgs.

Across the sub-sectors, production within Plantation sub-sector was higher by 13.76% from 17.87 Million Kgs to 20.33 Million Kgs while that of the Smallholder sub-sector was lower by 5.87% from 19.32 Million Kgs to 18.18 Million Kgs. Cumulatively, production for the first eight months of the year (January-August) was higher by 33.59% to stand at 375.75 Million Kgs against 281.26 Million Kgs recorded during the same period of 2019.

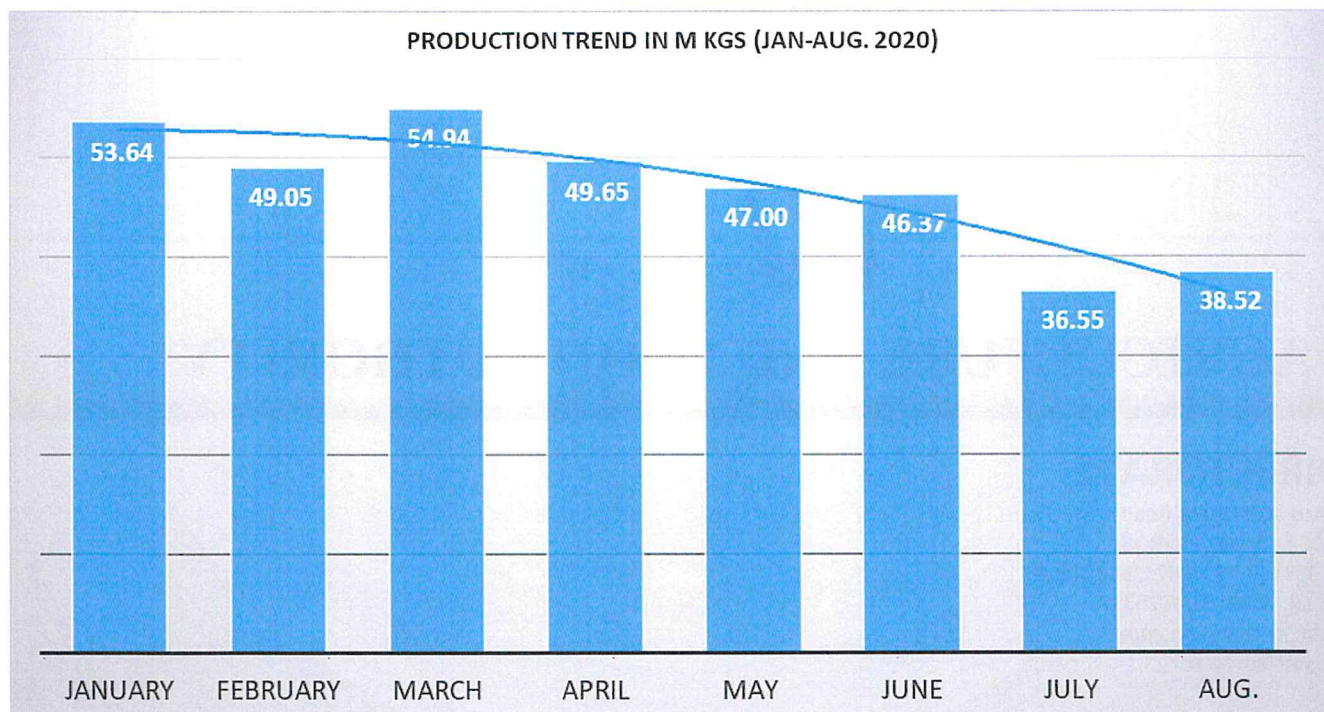


Table 1: Production by Sub-Sector and Region (2020 vis-à-vis 2019)

Sub-Sector	Region	August 2020	August 2019	Variance	Var.(%)	Jan - August 2020	Jan - August 2019	Variance +/-	Var.(%)
Plantation	West of Rift	19,288,061	16,607,802	2,680,259	16.14%	144,565,096	113,446,761	31,118,335	27.43%
	East of Rift	1,046,908	1,267,504	-220,596	-17.40%	12,548,200	9,331,133	3,217,067	34.48%
	Total	20,334,969	17,875,306	2,459,663	13.76%	157,113,296	122,777,894	34,335,402	27.97%
Smallholder	West of Rift	10,388,728	10,542,240	-153,512	-1.46%	99,028,020	73,926,498	25,101,522	33.95%
	East of Rift	7,801,084	8,782,673	-981,589	-11.18%	119,615,058	84,562,531	35,052,527	41.45%
	Total	18,189,812	19,324,913	-1,135,101	-5.87%	218,643,078	158,489,029	60,154,049	37.95%
Plantation & Smallholder	West of Rift	29,676,789	27,150,042	2,526,747	9.31%	243,593,116	187,373,259	56,219,857	30.00%
	East of Rift	8,847,992	10,050,177	-1,202,185	-11.96%	132,163,258	93,893,664	38,269,594	40.76%
	Total	38,524,781	37,200,219	1,324,562	3.56%	375,756,374	281,266,923	94,489,451	33.59%

Notably, the remaining part of the year is expected to register much lower production compared to the same period of last year on account of expected dry and hot weather conditions prior to the onset of the "short Rains" season in October. Further, the "short Rains" are expected to fall below normal seasonal amounts according to projection by the meteorological department.

TEA SALES

AUCTION

During the month of August 2020, higher sales volume amounting to 33 Million kgs was sold through Mombasa Auction compared to 21.70 Million kgs sold during the same period of 2019. The sales were however lower in comparison with 34.2 Million kgs sold in July and 42.9 Million kgs during the month of June this year. The average auction price for Kenyan tea

during the month of August recorded improvement to USD 2.00 per Kg compared to USD 1.81 per Kg in July and USD 1.86 per Kg in June. The Average Auction price for the period January-August 2020 stood at USD 2.02 per Kg compared with 2.17 for the same period of last year and 2.68 recorded in 2018. Depressed prices to-date are attributed to higher supply during the first quarter coupled with the effects of COVID-19 Pandemic on access to global markets. Apart from supply chain disruptions, the Pandemic has also led to global economic recession, which has impacted negatively on consumer purchasing power. This trend is expected to change in the third quarter of the year following the gradual decline in production due to changes in weather pattern and anticipated increase in demand.

EXPORTS

The total export volume for the month of August 2020 was 34.03 Million Kgs, 24% lower compared to 44.67 Million Kgs recorded during the same period of last year. Export volume was also lower compared to 38.55 Million Kgs sold in July 2020.

During the month, Kenya tea was shipped to forty nine (49) export destinations as was the case during the same period last year. Pakistan maintained the leading export destination for Kenyan tea having imported 13.73 Million Kgs, accounting for 40% of the total export volume. Other key export destinations for Kenyan tea were UK (3.66 Million Kgs), Russia (2.33 Million Kgs), Jordan (1.95 Million), Egypt (1.47 Million Kgs), Yemen (1.43 Million Kgs), Sudan (1.34 Million Kgs), Kgs), India (1.03 Million Kgs), UAE (0.971 Million Kgs), and Nigeria (0.913 Million Kgs). During the month, there was significant increase in exports to traditional markets such as Russia, Jordan, India, Nigeria and China. Seasonal and emerging markets that recorded increased export volumes include Uzbekistan, Switzerland, Sri Lanka, Australia, Ghana and Eritrea.

Notably, access to some markets is still a challenge due to the effect of COVID-19 Pandemic on commodity distribution and trading logistics across the globe.

The total export volume for the period January-August 2020 was lower by 4% at 323.19 Million Kgs compared to 337.29 Million Kgs recorded during the same period of last year.

LOCAL SALES

Local tea sales for August stood at 2.96 Million Kgs Kgs against 3.85 Million Kgs for the same period of 2019 while cumulative tea sales for the first eight months of 2020 was 27.35 Million Kgs against 27.97 Million Kgs for the same period of last year.

27th September 2020

Table 2: Kenya Tea Exports by Destination (August 2020 vis-à-vis August 2019)

DESTINATION	2020 - QUANTITY KGS	2019 - QUANTITY KGS	QUANTITY DIFF	%AGE VARIANCE
PAKISTAN	13,712,139.50	13,738,627	-26,487	0%
UK	3,661,861.50	4,188,679	-526,818	-13%
RUSSIA	2,337,781.00	1,673,716	664,065	40%
JORDAN	1,959,880.00	130,000	1,829,880	1408%
EGYPT	1,476,765.00	10,104,232	-8,627,467	-85%
YEMEN	1,403,316.00	1,574,290	-170,974	-11%
SUDAN	1,341,019.35	2,795,245	-1,454,226	-52%
INDIA	1,035,425.00	127,849	907,576	710%
UAE	971,096.00	1,601,144	-630,048	-39%
NIGERIA	913,244.00	248,228	665,016	268%
CHINA	590,507.00	318,762	271,745	85%
POLAND	508,428.00	727,680	-219,252	-30%
KAZAKHSTAN	486,001.00	1,228,268	-742,267	-60%
SAUDI ARABIA	400,544.00	397,163	3,381	1%
IRELAND	351,412.00	457,206	-105,794	-23%
SOMALIA	312,209.00	436,393	-124,184	-28%
JAPAN	257,288.00	370,000	-112,712	-30%
AFGHANSTAN	244,792.00	1,257,574	-1,012,782	-81%
UZBEKISTAN	228,700.00	71,700	157,000	219%
SWITZERLAND	222,052.00	93,700	128,352	137%
INDONESIA	197,932.00	193,284	4,648	2%
TURKEY	143,145.00	260,256	-117,111	-45%
USA	133,756.00	331,924	-198,168	-60%
SRI LANKA	128,117.00	52,240	75,877	145%
AUSTRALIA	123,300.00		123,300	
CANADA	110,300.00	95,400	14,900	16%
GHANA	85,320.00	76,800	8,520	11%
ERITREA	78,160.00		78,160	
IRAN	66,708.00	534,534	-467,826	-88%
GERMANY	65,353.00	36,020	29,333	81%
NETHERLANDS	64,712.00	463,193	-398,481	-86%
SOUTH AFRICA	62,600.00	67,772	-5,172	-8%
MALAYSIA	54,348.00	336,919	-282,571	-84%
TAIWAN	53,760.00	18,000	35,760	199%
UKRAINE	47,440.00	212,388	-164,948	-78%
ISRAEL	34,996.00	24,000	10,996	46%
DJIBOUTI	32,000.00	14,000	18,000	129%
MYANMAR	26,000.00		26,000	
OMAN	23,228.00	40,008	-16,780	-42%
MAURITIUS	20,000.00	5,500	14,500	264%
CHAD	18,196.00	4,378	13,818	316%
IVORY COAST	15,522.00		15,522	
NEW ZEALAND	12,800.00		12,800	
GUINEA	5,472.00		5,472	
CAMEROON	5,174.00		5,174	
MALTA	5,174.00		5,174	
KUWAIT	3,900.00		3,900	
CHECH REP	100.00		100	
ARGENTINA				
AZERBAIJAN		3,544	-3,544	-100%
BANGLADESH				
BEIGIUM		24,800	-24,800	-100%
BRAZIL				
BURKINA FASO				
CHILE		40,256	-40,256	-100%
EPZ				
GIBRALTAR				
GREECE		10,210	-10,210	-100%
HONG KONG		21,147	-21,147	-100%
ITALY				
KYRGYZSTAN		4,559	-4,559	-100%
LITHUANIA				

MACAU				
MOROCCO		11,109	-11,109	-100%
MOZAMBIQUE				
PALAU				
QATAR		185,580	-185,580	-100%
SINGAPORE		14,000	-14,000	-100%
SOUTH SUDAN				
TOGO		5,174	-5,174	-100%
VIETNAM		44,000	-44,000	-100%
TOTAL	34,031,973.35	44,671,451	-10,639,478	-24%

Table 3: Kenya Tea Exports by Destination (Jan-August 2020 vis-à-vis Jan- August 2019)

DESTINATION	2020 - QUANTITY KGS	2019 - QUANTITY KGS	QUANTITY DIFF	%AGE VARIANCE
PAKISTAN	111,120,364.50	119,524,576	-8,404,212	-7%
EGYPT	57,523,837.00	67,160,215	-9,636,378	-14%
UK	33,524,401.30	30,783,059	2,741,342	9%
UAE	16,519,780.03	16,676,800	-157,020	-1%
RUSSIA	15,527,914.87	12,051,460	3,476,455	29%
SUDAN	14,148,175.01	15,625,429	-1,477,254	-9%
YEMEN	9,906,949.00	10,110,900	-203,951	-2%
KAZAKSTAN	6,932,256.00	6,011,533	920,723	15%
JORDAN	6,261,897.00	1,916,933	4,344,964	227%
POLAND	5,323,436.00	3,643,825	1,679,611	46%
SAUDI ARABIA	4,716,958.87	4,189,067	527,892	13%
AFGHANSTAN	3,851,177.00	8,166,352	-4,315,175	-53%
NIGERIA	3,053,625.00	3,012,155	41,470	1%
CHINA	3,024,369.10	1,685,718	1,338,651	79%
INDIA	2,810,805.30	2,310,688	500,117	22%
IRELAND	2,681,507.50	2,932,120	-250,613	-9%
TURKEY	2,395,671.00	1,761,724	633,947	36%
USA	2,324,442.75	1,601,387	723,056	45%
NETHERLANDS	2,115,587.00	2,587,969	-472,382	-18%
INDONESIA	1,778,351.00	1,615,080	163,271	10%
MALAYSIA	1,738,406.00	1,418,018	320,388	23%
UZBEKISTAN	1,632,611.00	464,164	1,168,447	252%
IRAN	1,624,742.00	4,756,240	-3,131,498	-66%
SWITZERLAND	1,430,617.00	3,531,504	-2,100,887	-59%
SOMALIA	1,308,230.00	2,378,874	-1,070,644	-45%
JAPAN	1,237,731.80	1,753,202	-515,470	-29%
CHILE	1,180,961.13	1,165,972	14,989	1%
UKRAINE	1,043,456.00	1,148,700	-105,244	-9%
QATAR	797,408.00	710,439	86,969	12%
SOUTH AFRICA	786,962.00	652,228	134,734	21%
SRI LANKA	589,109.00	500,623	88,486	18%
OMAN	425,148.00	492,263	-67,115	-14%
CHAD	420,571.00	755,436	-334,865	-44%
CANADA	394,562.00	650,364	-255,802	-39%
GERMANY	387,749.00	455,688	-67,939	-15%
AUSTRALIA	342,913.00	17,190	325,723	1895%
GHANA	325,320.00	226,232	99,088	44%
TAIWAN	258,960.00	95,790	163,170	170%
DJIBOUTI	241,872.00	197,375	44,497	23%
BANGLADESH	176,278.00	874,627	-698,349	-80%
MAURITIUS	173,746.00	185,000	-11,254	-6%
MYANMAR	143,581.00	112,143	31,438	28%
ERITREA	131,040.00	259,920	-128,880	-50%
SINGAPORE	82,816.00	140,995	-58,179	-41%
VIETNAM	69,308.00	132,000	-62,692	-47%
AZERBAIJAN	59,844.00	31,447	28,397	90%
BELGIUM	58,799.00	107,600	-48,801	-45%
NEW ZEALAND	53,064.00	101,360	-48,296	-48%
MOROCCO	51,840.00	19,180	32,660	170%
PERU	48,000.00		48,000	
ISRAEL	45,344.00	24,000	21,344	89%
IVORY COAST	42,864.00	5,174	37,690	728%
FRANCE	38,400.00		38,400	
BURKINA FASO	36,288.00	20,696	15,592	75%
LEBANON	31,044.00		31,044	
ZAMBIA	26,840.00		26,840	
HONG KONG	25,870.00	77,847	-51,977	-67%
ISLE OF MAN	25,025.00		25,025	
KYRGYZSTAN	22,500.00	28,368	-5,868	-21%
ITALY	21,160.40	32,200	-11,040	-34%
BRAZIL	20,564.00	21,000	-436	-2%
FINLAND	18,400.00		18,400	
MALI	13,230.00		13,230	
GABON	13,200.00		13,200	
LITHUANIA	10,348.00	8,986	1,362	15%
TOGO	10,348.00	5,174	5,174	100%
MEXICO	7,579.00		7,579	

GUINEA	5,472.00	16,416	-10,944	-67%
CAMEROON	5,174.00		5,174	
MALTA	5,174.00		5,174	
SPAIN	4,896.00		4,896	
KUWAIT	3,900.00		3,900	
CZECH REP.	2,734.00	300	2,434	811%
SOUTH SUDAN	2,450.00		2,450	
GREECE	100.00	10,210	-10,110	-99%
ARGENTINA		12,000	-12,000	-100%
EPZ		74,034	-74,034	-100%
GIBRALTAR		20,696	-20,696	-100%
MACAU		10,000	-10,000	-100%
MOZAMBIQUE		7,800	-7,800	-100%
PALAU		15,332	-15,332	-100%
SOUTH SUDAN		200,357	-200,357	-100%
TOTAL	323,196,054.56	337,292,154	-14,096,099	-4%

