



AGRICULTURE AND FOOD AUTHORITY

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KENYA TEA INDUSTRY PERFORMANCE HIGHLIGHTS FOR MARCH 2021 **PRODUCTION**

Tea production for the month of March 2021 was lower by 6.25 Million Kgs from 54.94 Million Kgs recorded during the corresponding month of 2020 to 48.69 Million Kgs. However, the output for the month was much higher compared to 43.3 Million Kgs in February and to 48.89 Million Kgs recorded in January 2021. Higher production compared to the months of January and February follows the onset of the March-May "long-rains" season. However, compared to March last year, the rainfall recorded in several parts of the country was occasional and in tea growing regions, it was only experienced in a few areas in the Highlands West of the Rift Valley, East of the Rift Valley, Southern Rift Valley, and the Central Highlands.

Notably, the effect of lower rainfall conditions on production was more pronounced in East of Rift than in the West. Within the East of Rift, tea growing areas of Embu, Meru and Kiambu Counties were the most affected as dry weather conditions were recorded in the first half of the month. However, the rest of the tea growing areas within the Region (Muranga/Nyeri/Kirinyaga) experienced moderate precipitation ranging from an average of 11 to 52 mm daily during the month. Consequently, within the East of Rift, tea output dropped by 3.61 Million Kgs from 21.70 Million Kgs recorded in March 2020 to 18.08 Million Kgs.

Within the West of Rift, production was mostly affected in Nyamira/Kisii and Bomet tea growing areas owing to lower precipitation ranging from an average of 1 to 28 mm daily. Similarly, rainfall was low in tea growing areas of Nandi County at an average of between 7 to 30 mm daily. However, in tea growing areas of Kericho County, precipitation was much more enhanced at between 8 to 54 mm daily.

Owing to low rainfall conditions in tea growing regions of Nandi, Nyamira/Kisii and Bomet, production within the West of Rift was lower by 2.62 Million Kgs from 33.24 Million Kgs recorded during the same month of 2020 to 30.60 Million Kgs.

Notably, due to wide-coverage of the Smallholder sub-sector in tea growing regions that recorded low rainfall in the East and West of Rift, respectively, the sub-sector’s production significantly dropped by 6.43 Million Kgs to 27.18 Million Kgs from 33.61 Million Kgs recorded during the corresponding month of 2020. However, the Plantation sub-sector recorded marginal increase in production of less than 1% from 21.33 Million Kgs to 21.50 Million Kgs as its coverage is more widespread in the regions that were less affected by adverse weather conditions such as Kericho County.

Cumulative production for the first quarter of the year was also significantly lower by 17.58 Million Kgs to stand at 140.98 Million Kgs against 158.56 Million Kgs recorded during the corresponding period of 2020. Notably, since the weather patterns expected this year is abit different from that of last year, lower production trend in the first quarter of the year is likely to continue throughout the rest of the year.

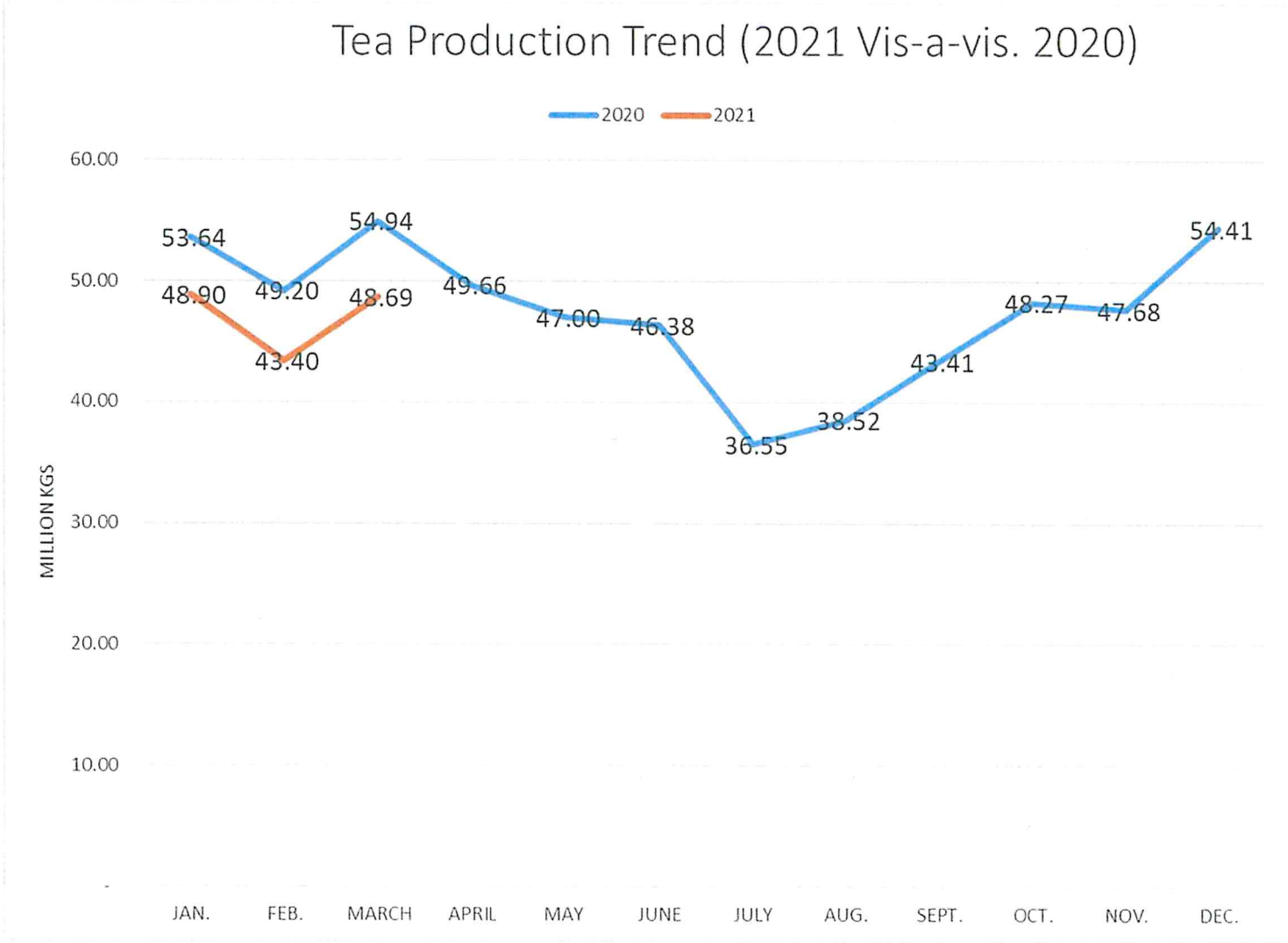


Table 1: Production by Sub-Sector and Region (2021 vis-à-vis 2020)

Sub-Sector	Region	March-21	March -20	Variance	Var.(%)	Jan - March 2021	Jan - March 2020	Variance +/-	Var.(%)
Plantation	West of Rift	19,848,088	19,353,947	494,141	2.55%	58,720,238	58,720,238	1,520,312	2.66%
	East of Rift	1,657,972	1,984,827	- 326,855	-16.47%	4,878,727	4,878,727	- 1,104,182	-18.46%
	Total	21,506,060	21,338,774	167,286	0.78%	63,598,965	63,598,965	416,130	0.66%
Smallholder	West of Rift	10,758,068	13,891,029	- 3,132,961	-22.55%	31,312,574	39,539,919	- 8,227,345	-20.81%
	East of Rift	16,428,581	19,720,119	- 3,291,538	-16.69%	46,075,948	55,846,805	- 9,770,857	-17.50%
	Total	27,186,649	33,611,148	- 6,424,499	-19.11%	77,388,522	95,386,724	- 17,998,202	-18.87%
Plantation & Smallholder									
	West of Rift	30,606,156	33,244,976	- 2,638,820	-7.94%	90,032,812	96,739,845	- 6,707,033	-6.93%
	East of Rift	18,086,553	21,704,946	- 3,618,393	-16.67%	50,954,675	61,829,714	- 10,875,039	-17.59%
	Total	48,692,709	54,949,922	- 6,257,213	-11.39%	140,987,487	158,569,559	- 17,582,072	-11.09%

TEA SALES

AUCTION

During the month, 45 Million Kgs of Kenyan tea was sold through Mombasa Auction. The Auction sales volume was higher as compared to 37.82 Million Kgs sold in February and 31.72 Million Kgs in January. However, it was lower compared with 50.6 Million Kgs sold during the corresponding month of last year. However, the average tea auction prices for Kenyan tea for the month was lower at 2.00 USD per Kg compared to USD 2.10 per Kg recorded in February and USD 2.03 in January but marginally higher in comparison to USD 1.99 per Kg recorded in March last year.

The Average Auction price for the period January - March 2021 stood at USD 2.04 per Kg, which was marginally lower compared to 2.09 for the same period of last year. Lower Auction price up to March was attributed to accumulated stocks along the value chain occasioned by good weather conditions experienced last year. Demand for tea has also been affected to some extent by reduced consumer purchasing power due to the effect of global economic recession that is being perpetuated by COVID-19 Pandemic as well as devaluation of some foreign currencies against the US dollar.

During the month, "Best" category of leaf grades fetched between USD 2.20 to 6.36 per Kg for the BP1s and 2.15 to 3.35 for the PF1s while tea prices for a similar category of the dust grades ranged between USD 2.06 to 3.03 for PDust and USD 1.85 to 2.93 for Dust1 with well sorted grades and those with brighter liquors attracting much higher prices.

During the month of March, buyers for the Pakistan and Egypt markets had more active buying at the auction compared to the rest while Kazakhstan and CIS, Yemen, other Middle Eastern countries and Sudan markets showed good support.

EXPORTS

The total export volume for the month of March 2020 was higher by 35% from 44.29 Million Kgs recorded in the same period of last year to 59.77 Million Kgs.

During the month, Kenya tea was shipped to fifty (50) export destinations compared to forty six (46) for the same period of last year. Amongst these markets, Pakistan was the leading export destination for Kenyan tea having imported 21.42 Million Kgs, accounting for 35.8% of the total export volume.

Other key export destinations for Kenyan tea were Egypt (12.78 Million Kgs), UK (5.28 Million Kgs), UAE (4.18 Million Kgs), Russia (2.67 Million Kgs), Yemen (2.25 Million Kgs), Sudan (1.71 Million Kgs), Kazakhstan (1.06 Million Kgs), Iran (0.908 Million Kgs) and China (0.853 Million Kgs). The top ten export destinations, most of which are traditional markets for Kenyan tea accounted for 89% of Kenya tea export volume. Most of these markets recorded higher tea imports from Kenya compared to the same period of last year and also imported significant volume of tea against their respective import quantity for month of February.

Significantly higher tea imports from Kenya were also recorded in non-traditional markets such as Switzerland, India, Sri Lanka, Ukraine and Japan. Exports were also made to certain seasonal markets such as Ghana, Bangladesh, Peru, Iraq, Mauritius, New Zealand, Mexico and Bahrain.

The total export volume for the first quarter of 2021 was 153.2 Million Kgs, which was 19% higher compared to 128.8 Million Kgs recorded during the same period of last year.

LOCAL TEA SALES

Local tea sales for March 2021 stood at 2.57 Million Kgs against 3.49 Million Kgs for the corresponding period of 2020 while cumulative tea sales for the first quarter of 2021 was 8.48 Million Kgs against 9.29 Million Kgs for the same period of 2020.

26TH APRIL 2021

Table 2: Kenya Tea Exports by Destination (March 2021 vis-à-vis March 2020)

DESTINATION	2021- QUANTITY KGS	2020 - QUANTITY KGS	QUANTITY VARIANCE KGS	%AGE VARIANCE
PAKISTAN	21,422,811.00	14,270,412.00	7,152,399	50%
EGYPT	12,781,222.10	7,100,198.00	5,681,024	80%
UK	5,284,856.31	4,184,167.60	1,100,689	26%
UAE	4,185,326.00	3,133,317.00	1,052,009	34%
RUSSIA	2,676,500.00	2,016,886.00	659,614	33%
YEMEN	2,250,560.00	1,981,535.00	269,025	14%
SUDAN	1,710,139.79	2,533,695.80	-823,556	-33%
KAZAKHSTAN	1,061,492.00	1,388,160.00	-326,668	-24%
IRAN	908,856.00	262,564.00	646,292	246%
CHINA	853,736.00	214,636.00	639,100	298%
SWITZERLAND	668,680.00	275,836.00	392,844	142%
POLAND	636,241.00	725,126.00	-88,885	-12%
IRELAND	576,479.00	499,286.00	77,193	15%
NETHERLANDS	562,937.00	439,914.00	123,023	28%
INDIA	425,530.00	207,153.00	218,377	105%
SAUDI ARABIA	383,551.00	739,212.00	-355,661	-48%
USA	379,314.00	459,767.70	-80,454	-17%
SRI LANKA	308,310.00	27,960.00	280,350	1003%
NIGERIA	264,517.00	213,080.00	51,437	24%
MALAYSIA	264,507.00	334,918.00	-70,411	-21%
UKRAINE	263,224.00	154,319.00	108,905	71%
JAPAN	210,826.00	98,150.00	112,676	115%
UZBEKISTAN	205,133.00	494,198.00	-289,065	-58%
GERMANY	139,400.00	70,727.00	68,673	97%
INDONESIA	129,152.00	115,960.00	13,192	11%
QATAR	127,396.00	140,530.00	-13,134	-9%
TURKEY	119,670.00	394,836.00	-275,166	-70%
GHANA	115,200.00		115,200	
SOMALIA	98,971.00	238,980.00	-140,009	-59%
BANGLADESH	96,000.00		96,000	
OMAN	87,444.00	72,334.00	15,110	21%
AFGHANSTAN	75,845.00	582,806.00	-506,961	-87%
CANADA	74,200.00	51,800.00	22,400	43%
SOUTH AFRICA	74,120.00	175,896.00	-101,776	-58%
ERITREA	61,190.00		61,190	
TAIWAN	55,320.00	37,126.00	18,194	49%
CHAD	55,136.00	39,033.00	16,103	41%
MYANMAR	25,388.00	27,800.00	-2,412	-9%
HONG KONG	23,760.00	8,744.00	15,016	172%
PERU	22,720.00		22,720	
IRAQ	20,832.00		20,832	
MAURITIUS	20,000.00		20,000	
NEW ZEALAND	12,800.00		12,800	
BRAZIL	10,580.40	6,000.00	4,580	76%
SINGAPORE	10,000.00	10,000.00	0	0%
AZERBAIJAN	9,536.00	22,500.00	-12,964	-58%
MEXICO	9,000.00		9,000	
LITHUANIA	7,224.00	7,579.00	-355	-5%
ITALY	5,460.00	4,600.00	860	19%
BAHRAIN	3,636.00		3,636	
BELGIUM		27,200.00	-27,200	-100%
CHILE		24,000.00	-24,000	-100%
DJIBOUTI		92,000.00	-92,000	-100%
JORDAN		363,000.00	-363,000	-100%
VIETNAM		22,000.00	-22,000	-100%
TOTAL	59,774,728.60	44,289,942.10	15,484,787	35%

Table 3: Kenya Tea Exports by Destination (Jan-March 2021 vis-à-vis Jan-March 2020)

DESTINATION	2021- QUANTITY KGS	2020 - QUANTITY KGS	QUANTITY VARIANCE KGS	%AGE VARIANCE
PAKISTAN	55,642,170.30	42,021,693.50	13,620,477	32%
EGYPT	28,898,054.10	25,510,013.00	3,388,041	13%
UK	13,795,849.31	12,482,749.30	1,313,100	11%
UAE	11,273,261.00	10,001,742.03	1,271,519	13%
RUSSIA	7,257,571.00	5,113,638.66	2,143,932	42%
SUDAN	5,615,777.43	6,683,368.90	-1,067,591	-16%
YEMEN	5,298,211.00	3,222,180.00	2,076,031	64%
KAZAKHSTAN	2,907,116.35	2,809,344.00	97,772	3%
POLAND	2,337,583.00	2,292,357.87	45,225	2%
IRELAND	1,763,091.00	1,045,190.00	717,901	69%
CHINA	1,721,076.00	399,704.00	1,321,372	331%
IRAN	1,700,154.00	1,013,076.00	687,078	68%
NETHERLANDS	1,427,645.00	1,248,458.00	179,187	14%
SWITZERLAND	1,356,452.00	452,740.00	903,712	200%
INDIA	1,279,216.00	515,266.00	763,950	148%
JAPAN	1,039,022.00	445,750.00	593,272	133%
SAUDI ARABIA	851,685.00	2,086,332.00	-1,234,647	-59%
SRI LANKA	816,078.00	186,213.00	629,865	338%
MALAYSIA	812,503.00	660,138.00	152,365	23%
NIGERIA	804,345.00	922,447.50	-118,103	-13%
UKRAINE	800,527.00	467,998.13	332,529	71%
INDONESIA	673,358.00	349,540.00	323,818	93%
USA	648,944.00	867,209.70	-218,266	-25%
TURKEY	625,702.00	863,629.00	-237,927	-28%
SOMALIA	532,370.00	458,462.80	73,907	16%
UZBEKISTAN	356,062.00	612,732.00	-256,670	-42%
QATAR	335,191.00	259,916.00	75,275	29%
AFGHANSTAN	313,965.00	2,051,513.00	-1,737,548	-85%
CHAD	307,109.00	227,680.00	79,429	35%
CANADA	263,910.00	131,180.00	132,730	101%
GERMANY	246,515.00	94,839.00	151,676	160%
GHANA	240,538.00	60,120.00	180,418	300%
BANGLADESH	205,200.00	144,000.00	61,200	43%
OMAN	203,326.00	191,512.00	11,814	6%
SOUTH AFRICA	145,812.00	322,348.00	-176,536	-55%
MYANMAR	107,067.00	59,803.00	47,264	79%
TAIWAN	81,960.00	78,286.00	3,674	5%
DJIBOUTI	78,846.00	124,000.00	-45,154	-36%
ERITREA	61,190.00		61,190	
SINGAPORE	50,400.00	44,700.00	5,700	13%
HONG KONG	47,612.00	21,384.00	26,228	123%
KYTRGYZSTAN	41,222.00		41,222	
IRAQ	40,994.00		40,994	
MAURITIUS	40,000.00		40,000	
VIETNAM	35,800.00	22,000.00	13,800	63%
MEXICO	27,000.00	2,634.00	24,366	925%
BRAZIL	25,740.40		25,740	
NEW ZEALAND	25,600.00		25,600	
TAJIKISTAN	23,829.00		23,829	
PERU	22,720.00	40,264.00	-17,544	-44%
TURKMENISTAN	16,890.00		16,890	
ITALY	14,660.00	13,800.00	860	6%
BAHRAIN	12,412.00		12,412	
MALI	10,348.00	5,174.00	5,174	100%
AZERBAIJAN	9,536.00	30,176.00	-20,640	-68%
CAMEROON	8,083.00		8,083	
LITHUANIA	7,224.00	7,579.00	-355	-5%
SENEGAL	5,174.00		5,174	

SOUTH KOREA	1,600.00		1,600	
CZECH REP	100.00	100.00		0%
AUSTRALIA		158,720.00	-158,720	-100%
BELGIUM		52,880.00	-52,880	-100%
BRAZIL		6,000.00	-6,000	-100%
BURKINA FASO		10,348.00	-10,348	-100%
CHILE		560,720.00	-560,720	-100%
FINLAND		13,200.00	-13,200	-100%
ISLE OF MAN		20,564.00	-20,564	-100%
IVORY COAST		20,696.00	-20,696	-100%
JORDAN		1,269,500.00	-1,269,500	-100%
LEBANON		26,840.00	-26,840	-100%
MOROCCO		48,000.00	-48,000	-100%
ZAMBIA		25,025.00	-25,025	-100%
TOTAL	153,291,396.89	128,877,474.39	24,413,923	19%

