



TEA BOARD OF KENYA

Realizing the Tea Promise

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

Tea production for the month of May 2021 improved marginally from 44.29 Million Kgs recorded in April to 45.32 Million Kgs. Improved production compared to April was attributed to good rainfall conditions across the tea growing areas during the first half of the month. However, since the precipitation was much less compared to the amounts recorded during the same period of last year, the output for May 2021 was much lower compared to that of May 2020, which stood at 47 Million Kgs.

Notably, lower precipitation was more pronounced in the tea growing areas of the East of Rift especially in Kiambu, Muranga and Meru. As a result, production within the East of Rift was significantly lower by 2 Million Kgs from 17.7 Million Kgs recorded during the same month of 2020 to 15.7 Million Kgs.

However, tea growing regions in the West of Rift experienced favourable weather conditions apart from a few areas such as Kisii and Bomet. Consequently, output within the West of Rift was not affected negatively and thus recorded a marginal increase of 1% from 29.3 Million Kgs to 29.5 Million Kgs. Notably, due to wider coverage of the Smallholder sub-sector in tea growing areas that experienced less favourable weather conditions in the West of Rift (Kisii and Bomet) and in the East of Rift (Kiambu, Muranga and Meru), respectively, the sub-sector's production significantly dropped by 4.26 Million Kgs from 29.14 Million Kgs recorded during the corresponding month of 2020 to 24.88 Million Kgs.

For the five months of the year, cumulative production was significantly lower by 23.69 Million Kgs to stand at 230.60 Million Kgs against 254.29 Million Kgs recorded during the corresponding period of 2020. With unfavourable weather conditions that has been recorded this year to-date coupled with the effect of cold weather conditions expected to continue up to the month of August followed by dry weather up to October, lower production trend to-date will continue throughout the rest of the year.



Tea Production Trend (2021 Vis-a-vis. 2020)

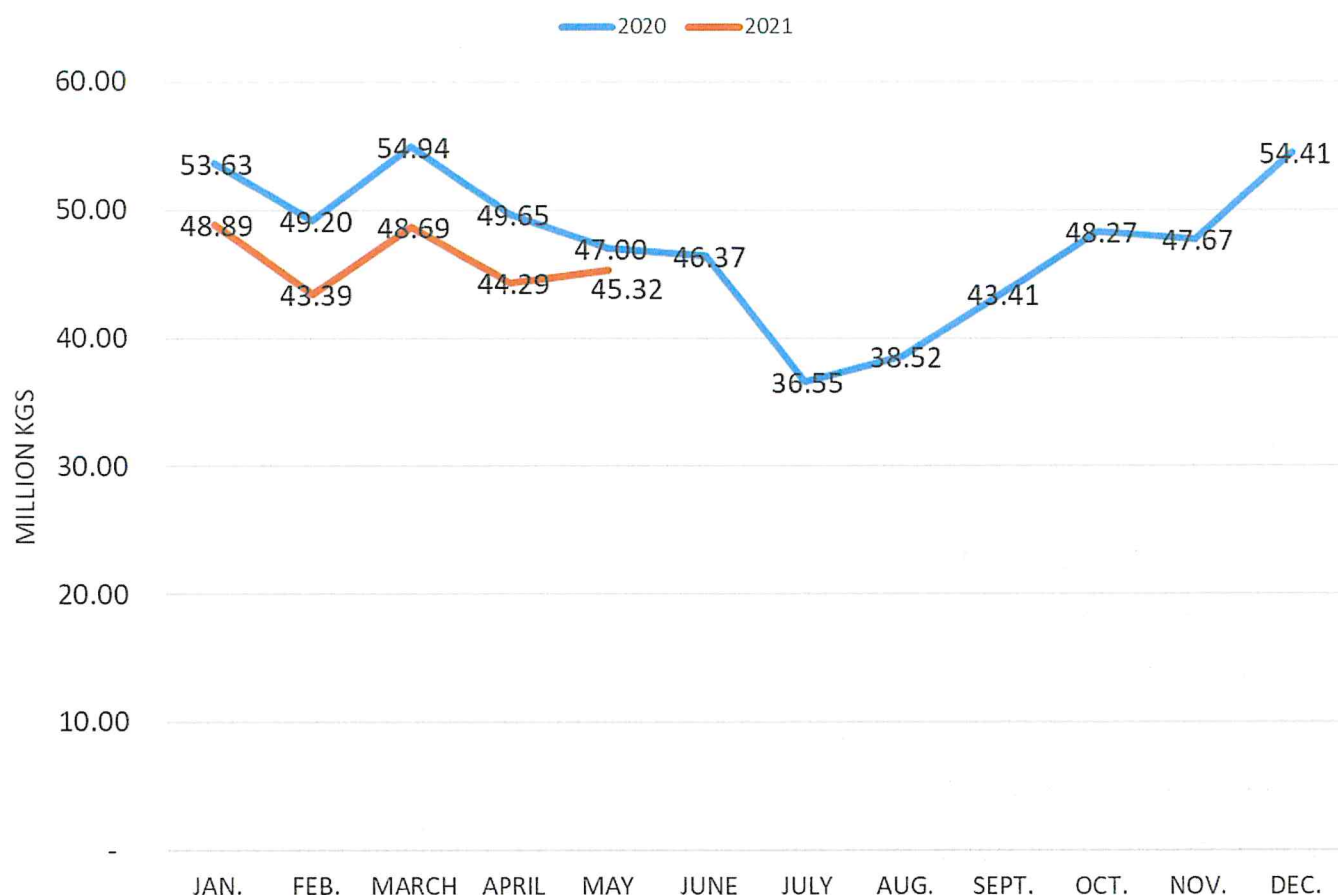


Table 1: Production by Sub-Sector and Region (2021 vis-à-vis 2020)

Sub-Sector	Region	May-21	May -20	Variance	Var. (%)	Jan - May 2021	Jan - May 2020	Variance +/-	Var. (%)
Plantation	West of Rift	19,025,055	16,434,099	2,590,956	15.77%	94,705,319	89,652,999	5,052,320	5.64%
	East of Rift	1,412,826	1,423,181	- 10,355	-0.73%	8,116,275	9,108,081	- 991,806	-10.89%
	Total	20,437,881	17,857,280	2,580,601	14.45%	102,821,594	98,761,080	4,060,514	4.11%
Smallholder	West of Rift	10,558,108	12,812,850	- 2,254,742	-17.60%	50,661,362	65,420,890	- 14,759,528	-22.56%
	East of Rift	14,325,646	16,333,804	- 2,008,158	-12.29%	77,125,626	90,117,733	- 12,992,107	-14.42%
	Total	24,883,754	29,146,654	- 4,262,900	-14.63%	127,786,988	155,538,623	- 27,751,634	-17.84%
Plantation & Smallholder	West of Rift	29,583,163	29,246,949	336,214	1.15%	145,366,681	155,073,889	- 9,707,207	-6.26%
	East of Rift	15,738,472	17,756,985	- 2,018,513	-11.37%	85,241,901	99,225,814	- 13,983,913	-14.09%
	Total	45,321,635	47,003,934	- 1,682,299	-3.58%	230,608,582	254,299,703	- 23,691,121	-9.32%

TEA SALES

AUCTION

During the month of May, 45.84 Million Kgs of Kenyan tea was sold through Mombasa Auction. Owing to more auction sales during the month, sales volume was much higher as compared to 35.92 Million Kgs sold in April. However, the sales volume was lower compared to 49.41 Million Kgs sold during the corresponding month of last year. Despite lower volume of tea on offer for the month, the average auction prices for Kenyan tea was lower at 1.91 USD per Kg in comparison to USD 1.98 per Kg recorded in May last year and USD 2.35 in May 2019. Within the first five months of the year, April and May recorded the lowest average prices at less than 2 USD per Kg, respectively.

The Average Auction price for the period January - May 2021 stood at USD 1.98 per Kg, which was lower compared to USD 2.09 for the same period of last year and 2.23 recorded during the same period of 2019. Lower Auction prices to-date was attributed partly to accumulated stocks along the downstream part of the value chain occasioned by good weather conditions experienced last year.

During the month, "Best" category of leaf grades fetched between USD 2.00 to 5.70 per Kg for the BP1s and 2.14 to 3.26 for the PF1s while tea prices for a similar category of the dust grades ranged between USD 2.04 to 3.22 for PDust and USD 1.73 to 2.85 for Dust1 with well sorted grades and those with brighter liquors attracting more competitive bids and considerably higher prices. Notably, plainer categories across the grades attracted either less interest and thus lower prices or no bid by the buyers and consequently constituted the highest proportion of teas on offer at the auction that were withdrawn.

During the month of May, buyers for the Egyptian market showed strong and increased inquiry for tea offered at the auction. There was also good participation by UK and Pakistan tea buyers. Kazakhstan, other CIS nations and Russia tea buyers were active while those of Afghanistan and Iranian markets showed medium support. Buyers for the Somalia market were active but at the lower market segment.

EXPORTS

The total export volume for the month of May 2021 increased by 27% from 40.10 Million Kgs recorded in the same period of last year to 50.76 Million Kgs.

During the month, Kenya tea was shipped to fifty one (51) export destinations compared to forty two (42) for the same period of last year. Pakistan was the leading export destination for Kenyan tea having imported 20.16 Million Kgs, accounting for 39.7% of the total export volume.

Other key export destinations for Kenyan tea were Egypt (8.79 Million Kgs), UK (4.44 Million Kgs), Russia (2.54 Million Kgs), Yemen (1.89 Million Kgs), UAE (1.89 Million Kgs), Kazakhstan (1.56 Million Kgs), Sudan (1.13 Million Kgs), Nigeria (0.773 Million Kgs), and Jordan (0.772 Million Kgs). The top ten export destinations, majority of which are traditional markets for Kenyan tea accounted for 86% of Kenya tea export volume. Most of these markets recorded higher tea imports from Kenya compared to the same period of last year with significant improvement in Pakistan, Egypt, Russia, Yemen, Kazakhstan, Nigeria and Jordan.

Significantly higher tea imports from Kenya were also recorded in non-traditional markets such as India, Iran, Ireland, U.S.A, Netherlands, Switzerland, Japan and Sri Lanka and certain seasonal markets such as Oman and Uzbekistan.

The total export volume for the five months period of 2021 was 19% higher at 253.51 Million Kgs, compared to 212.53 Million Kgs recorded during the same period of last year.

LOCAL TEA SALES

Local tea sales for May 2021 was higher at 4.15 Million Kgs against 2.85 Million Kgs for the corresponding month of 2020. Cumulative tea sales for the first five months period of 2021 was also higher at 15.44 Million Kgs against 15.16 Million Kgs for the same period of 2020.

2ND JULY 2021

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

DESTINATION	2021- QUANTITY KGS	2020 - QUANTITY KGS	QUANTITY VARIANCE KGS	%AGE VARIANCE
PAKISTAN	20,169,484.50	15,746,919.50	4,422,565	28%
EGYPT	8,799,721.00	6,227,091.00	2,572,630	41%
UK	4,449,098.00	4,420,215.00	28,883	1%
RUSSIA	2,547,477.00	1,462,716.00	1,084,761	74%
YEMEN	1,890,255.00	853,839.00	1,036,416	121%
UAE	1,812,975.00	2,042,930.00	-229,955	-11%
KAZAKHSTAN	1,564,906.00	738,311.00	826,595	112%
SUDAN	1,132,688.80	2,274,724.00	-1,142,035	-50%
NIGERIA	773,459.00	84,000.00	689,459	821%
JORDAN	722,500.00	528,000.00	194,500	37%
INDIA	648,458.00	392,053.00	256,405	65%
CHINA	599,952.00	740,740.00	-140,788	-19%
POLAND	590,702.00	655,208.00	-64,506	-10%
IRAN	484,360.00	182,835.00	301,525	165%
IRELAND	477,760.00	164,854.00	312,906	190%
USA	464,978.00	110,480.60	354,497	321%
UZBEKISTAN	415,722.00	289,363.00	126,359	44%
NETHERLANDS	355,931.00	94,730.00	261,201	276%
SWITZERLAND	294,136.00	49,000.00	245,136	500%
SAUDI ARABIA	281,740.00	649,580.00	-367,840	-57%
JAPAN	246,113.00	96,375.00	149,738	155%
INDONESIA	210,828.00	243,650.00	-32,822	-13%
MALAYSIA	192,514.00	181,221.00	11,293	6%
SRI LANKA	179,100.00	24,000.00	155,100	646%
QATAR	158,878.00	158,896.00	-18	0%
UKRAINE	143,716.00	69,993.00	73,723	105%
SOUTH AFRICA	142,532.00	73,482.00	69,050	94%
AFGHANSTAN	134,648.00	200,920.00	-66,272	-33%
OMAN	128,389.00	23,160.00	105,229	454%
GERMANY	102,312.00	67,964.00	34,348	51%
TURKEY	92,696.00	320,116.00	-227,420	-71%
GHANA	76,800.00	85,460.00	-8,660	-10%
KYRGYZSTAN	70,372.00		70,372	
SOMALIA	66,384.00	252,642.00	-186,258	-74%
CHAD	48,727.00	31,262.00	17,465	56%
MOROCCO	48,000.00		48,000	
MAURITIUS	45,800.00	47,800.00	-2,000	-4%
CANADA	45,240.00	34,142.00	11,098	33%
VIET NAM	35,374.00		35,374	
PERU	25,120.00		25,120	
HONG KONG	22,680.00		22,680	
AZERBAIJAN	18,350.00	18,386.00	-36	0%
NEW ZEALAND	12,800.00		12,800	
BRAZIL	10,580.40		10,580	
TANZANIA	9,970.00		9,970	
CONGO	8,106.60		8,107	
ITALY	4,600.00		4,600	
FINLAND	4,491.00		4,491	
TAIWAN	3,920.00	18,000.00	-14,080	-78%
UGANDA	3,518.00		3,518	
CZECH REP.	125.00		125	

CHILE		415,289.00	-415,289	-100%
DJIBOUTI		24,315.00	-24,315	-100%
ISRAEL		3,440.00	-3,440	-100%
IVORY COAST		5,174.00	-5,174	-100%
TOTAL	50,768,987.30	40,103,276.10	10,665,711	27%

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

DESTINATION	2021- QUANTITY KGS	2020 - QUANTITY KGS	QUANTITY VARIANCE KGS	%AGE VARIANCE
PAKISTAN	93,756,950.80	74,040,379.00	19,716,572	27%
EGYPT	47,648,762.40	38,704,924.00	8,943,838	23%
UK	21,995,320.31	22,960,589.80	-965,269	-4%
UAE	15,102,089.90	12,643,292.03	2,458,798	19%
RUSSIA	11,893,506.00	9,056,851.66	2,836,654	31%
SUDAN	10,638,903.27	9,395,699.90	1,243,203	13%
YEMEN	8,431,459.00	5,992,018.00	2,439,441	41%
KAZAKHSTAN	5,540,093.35	5,028,254.00	511,839	10%
POLAND	3,463,892.00	3,651,442.87	-187,551	-5%
IRAN	2,739,003.00	1,247,371.00	1,491,632	120%
NIGERIA	2,671,688.00	1,301,967.50	1,369,721	105%
IRELAND	2,670,871.00	1,836,519.00	834,352	45%
CHINA	2,457,088.00	1,750,589.10	706,499	40%
SWITZERLAND	2,193,166.00	710,917.00	1,482,249	208%
INDIA	2,166,110.00	1,147,555.00	1,018,555	89%
NETHERLANDS	1,974,219.00	1,465,090.00	509,129	35%
SAUDI ARABIA	1,595,473.00	3,419,890.00	-1,824,417	-53%
USA	1,508,566.00	1,389,822.30	118,744	9%
JAPAN	1,487,625.00	749,301.00	738,324	99%
MALAYSIA	1,270,827.00	1,124,305.00	146,522	13%
UKRAINE	1,197,231.00	725,900.13	471,331	65%
SRI LANKA	1,147,876.00	290,768.00	857,108	295%
INDONESIA	1,049,370.00	1,016,910.00	32,460	3%
UZBEKISTAN	972,696.00	1,029,485.00	-56,789	-6%
JORDAN	836,250.00	1,995,500.00	-1,159,250	-58%
TURKEY	776,834.00	1,833,120.00	-1,056,286	-58%
SOMALIA	742,618.00	763,458.80	-20,841	-3%
AFGHANSTAN	686,636.00	2,596,262.00	-1,909,626	-74%
QATAR	611,890.00	420,772.00	191,118	45%
SOUTH AFRICA	474,544.00	622,662.00	-148,118	-24%
GERMANY	458,161.00	223,155.00	235,006	105%
OMAN	406,951.00	310,628.00	96,323	31%
BANGLADESH	406,800.00	144,000.00	262,800	183%
CHAD	399,164.00	304,582.00	94,582	31%
GHANA	376,192.00	184,773.00	191,419	104%
CANADA	342,380.00	244,462.00	97,918	40%
KYTRGYZSTAN	178,502.00		178,502	
DJIBOUTI	139,278.00	176,278.00	-37,000	-21%

MYANMAR	133,067.00	85,021.00	48,046	57%
MAURITIUS	105,800.00	107,800.00	-2,000	-2%
TAIWAN	86,280.00	145,606.00	-59,326	-41%
HONG KONG	81,632.00	22,758.00	58,874	259%
VIETNAM	71,174.00	59,844.00	11,330	19%
PERU	70,560.00	40,264.00	30,296	75%
SINGAPORE	64,400.00	57,000.00	7,400	13%
ERITREA	61,190.00		61,190	
TURKMENISTAN	51,685.00		51,685	
MOROCCO	48,000.00	48,000.00	0	0%
AZERBAIJAN	44,232.00	48,562.00	-4,330	-9%
IRAQ	40,994.00		40,994	
NEW ZEALAND	38,400.00	12,800.00	25,600	200%
BRAZIL	36,320.80	16,580.40	19,740	119%
MEXICO	27,000.00	2,634.00	24,366	925%
ISRAEL	24,000.00	3,440.00	20,560	598%
TAJIKISTAN	23,829.00		23,829	
FINLAND	16,491.00	13,200.00	3,291	25%
ITALY	19,260.00	18,400.00	860	5%
BAHRAIN	12,412.00		12,412	
MALI	10,348.00	5,174.00	5,174	100%
TANZANIA	9,970.00		9,970	
CONGO	8,106.60		8,107	
CAMEROON	8,083.00		8,083	
LITHUANIA	7,224.00	7,579.00	-355	-5%
SENEGAL	5,174.00		5,174	
UGANDA	3,518.00		3,518	
SOUTH KOREA	1,600.00		1,600	
CZECH REP	225.00	100.00	125	125%
AUSTRALIA		158,720.00	-158,720	-100%
BELGIUM		52,880.00	-52,880	-100%
BURKINA FASO		10,348.00	-10,348	-100%
CHILE		976,009.00	-976,009	-100%
FRANCE		36,288.00	-36,288	-100%
ISLE OF MAN		20,564.00	-20,564	-100%
IVORY COAST		25,870.00	-25,870	-100%
LEBANON		26,840.00	-26,840	-100%
TOGO		5,174.00	-5,174	-100%
ZAMBIA		25,025.00	-25,025	-100%
TOTAL	253,519,961.43	212,531,974.49	40,987,987	19%

