



TEA BOARD OF KENYA

*Realizing the Tea Promise*

## **KENYA TEA INDUSTRY PERFORMANCE HIGHLIGHTS FOR JUNE 2021**

### **PRODUCTION**

Tea production for the month of June 2021 dropped by 2.9 Million Kgs from 46.37 Million Kgs recorded in June 2020 to 43.46 Million Kgs. Production for the month was also lower compared to 45.32 Million Kgs recorded in May and 44.29 Million Kgs in April. The drop in production for the month of June follows the cessation of the "Long Rains" season in the second week of May over the tea growing areas within the East of the Rift. Though the tea growing areas in the West of the Rift recorded modest precipitation, the rainfall was depressed and poorly distributed. Apart from lower and moderate rainfall, the two tea growing regions were also characterized by the cold weather conditions.

Notably, lower rainfall conditions in the East of Rift was more pronounced in Kiambu, Muranga and Meru with these areas recording an average rainfall of less than 10mm daily. These areas also recorded lower minimum average temperatures of about 13°C daily. As a result of lower rainfall and cold weather conditions, production within the East of Rift was significantly lower by 2.72 Million Kgs from 14.61 Million Kgs recorded during the same month of 2020 to 11.89 Million Kgs.

In the West of Rift, Kericho, Bomet and Nandi tea growing areas experienced moderate rainfall while others in the region especially Nyamira/Kisii had lower rainfall coupled with minimum average temperatures ranging from 8-11°C daily. Consequently, output within the West of Rift only recorded a marginal decrease of less than 1% from 31.76 Million Kgs to 31.57 Million Kgs.

Notably, due to wider coverage of the Smallholder sub-sector in tea growing areas that experienced lower rainfall conditions in the West of Rift (Kisii and Nyamira) and in the East of Rift (Kiambu, Muranga and Meru), respectively, the sub-sector's production



significantly dropped by 5.83 Million Kgs from 26.56 Million Kgs recorded during the corresponding month of 2020 to 20.73 Million Kgs. However, the Plantation sub-sector recorded significant improvement in production by 2.92 Million Kgs from 19.81 Million Kgs to 22.73 Million Kgs as its more widespread in areas that recorded moderate rainfall such as Kericho, Bomet and Nandi.

For the half-year period, cumulative production was significantly lower by 26.60 Million Kgs to stand at 274.07 Million Kgs against 300.67 Million Kgs recorded during the corresponding period of 2020. Owing to unfavourable weather conditions experienced this year to-date coupled with the effect of cold temperatures that is expected to continue up to the end of August followed by warm temperatures until October, lower production trend to-date is expected to continue throughout the rest of the year.

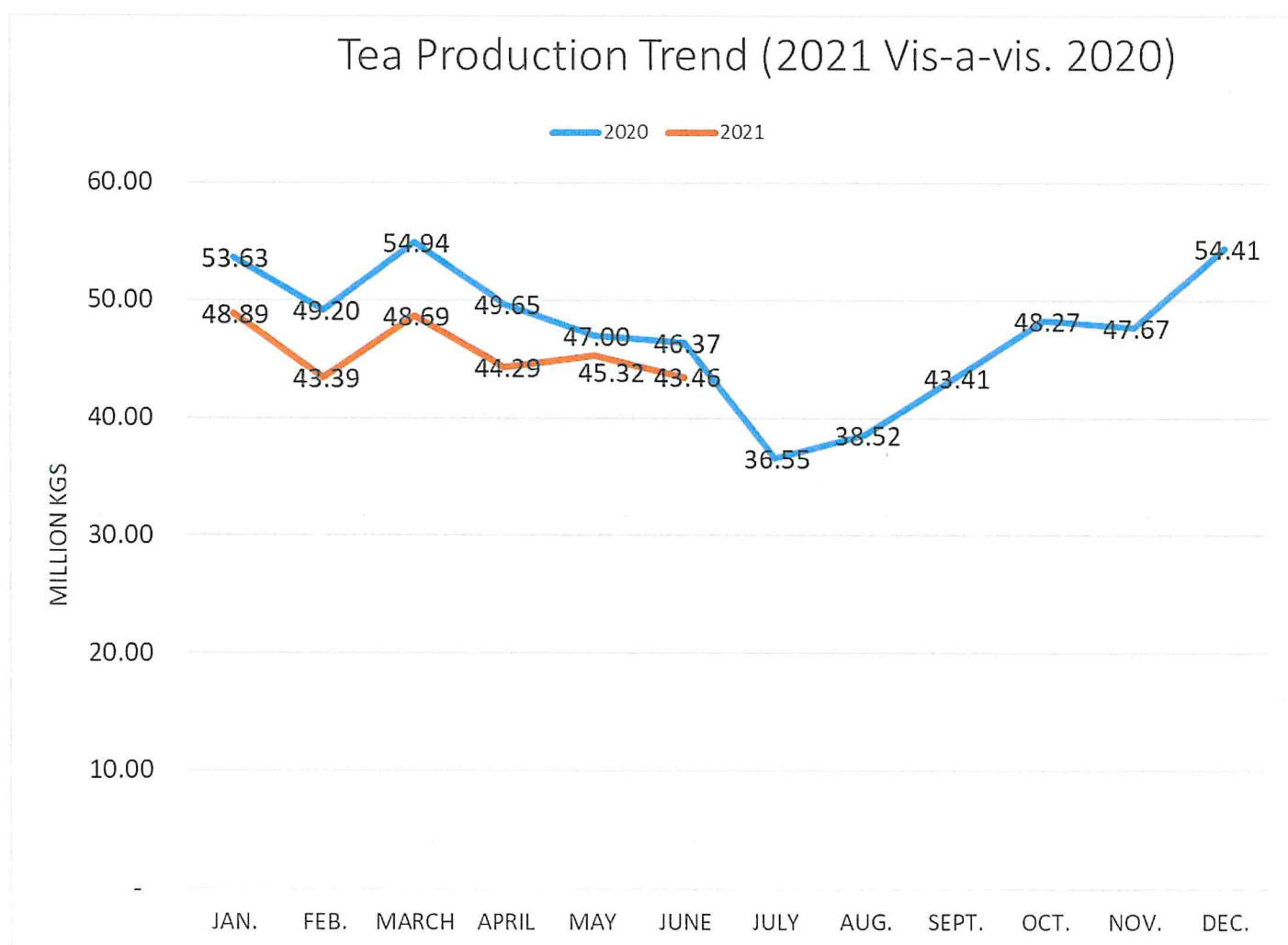


Table 1: Production by Sub-Sector and Region (2021 vis-à-vis 2020)

Sub-Sector	Region	June-21	June -20	Variance	Var. (%)	Jan - June 2021	Jan - June 2020	Variance +/-	Var. (%)
Plantation	West of Rift	21,056,038	18,582,194	2,473,844	13.31%	115,761,357	108,235,193	7,526,164	6.95%
	East of Rift	1,674,712	1,232,318	442,394	35.90%	9,790,987	10,340,399	- 549,412	-5.31%
	Total	22,730,750	19,814,512	2,916,238	14.72%	125,552,344	118,575,592	6,976,752	5.88%
Smallholder	West of Rift	10,522,419	13,182,178	- 2,659,759	-20.18%	61,183,781	78,603,068	- 17,419,287	-22.16%
	East of Rift	10,215,779	13,380,976	- 3,165,197	-23.65%	87,341,405	103,498,709	- 16,157,304	-15.61%
	Total	20,738,198	26,563,154	- 5,824,956	-21.93%	148,525,186	182,101,777	- 33,576,591	-18.44%
Plantation & Smallholder	West of Rift	31,578,457	31,764,372	- 185,915	-0.59%	176,945,138	186,838,261	- 9,893,123	-5.30%
	East of Rift	11,890,491	14,613,294	- 2,722,803	-18.63%	97,132,392	113,839,108	- 16,706,716	-14.68%
	Total	43,468,948	46,377,666	- 2,908,718	-6.27%	274,077,531	300,677,369	- 26,599,838	-8.85%

## **TEA SALES**

### **AUCTION**

During the month of June, 44.63 Million Kgs of Kenyan tea was sold through Mombasa Auction, which was higher compared to 42.9 Million kgs recorded in the corresponding month of last year. The average monthly auction price for Kenyan tea dipped to a six-month low of 1.82 USD per Kg compared to 1.91 USD per Kg recorded in May and in comparison to USD 1.86 per Kg recorded in June last year and USD 2.16 in June 2019. During the first half of the year, the months of April, May and June recorded lower average prices at less than 2 USD per Kg, respectively. Similarly, the average auction price for the period January - June 2021 was lower at USD 1.96 per Kg compared to USD 2.07 for the same period of last year and 2.24 recorded during the same period of 2019.

During the month, "Best" category of CTC leaf grades fetched between USD 1.98 to 5.46 per Kg for the BP1s and 1.95 to 2.92 for the PF1s while tea prices for a similar category of the dust grades ranged between USD 1.82 to 3.06 for PDust and USD 1.70 to 2.68 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.

The Orthodox tea varieties on offer at the auction had low interest from the buyers and those that attracted slight interest sold at an average of USD 1.94 Per Kg.

During the month of June, there was generally reduced support from buyers for certain markets at the auction while others either operated at lower levels or were outbid.

However, buyers for the Dust grades market were active but at the lower market segment.

## **EXPORTS**

The total export volume for the month of June 2021 was up by 19% from 38.08 Million Kgs recorded in the same period of last year to 45.15 Million Kgs.

During the month, Kenya tea was shipped to forty three (43) export destinations compared to forty six (46) for the same period of last year. Pakistan maintained the leading export destination for Kenyan tea having imported 17.77 Million Kgs, accounting for 39% of the total export volume. Other key export destinations for Kenyan tea were Egypt (6.15 Million Kgs), UK (4.95 Million Kgs), Russia (2.24 Million Kgs), Sudan (2.22 Million Kgs), UAE (1.53 Million Kgs), Yemen (1.50 Million Kgs), Kazakhstan (1.20 Million Kgs), Poland (1.08 Million Kgs) and Nigeria (0.65 Million Kgs). The top ten export destinations, majority of which are traditional markets for Kenyan tea accounted for 87% of Kenya tea export volume.

During the month, there was significant increase in exports to traditional markets especially Pakistan, UK, Sudan, Russia, Poland, Yemen and Nigeria as well as seasonal markets such as Iran, Oman, Chad, South Africa, Kyrgyzstan and Iraq.

The total export volume for the half-year period of 2021 was 19% higher at 298.67 Million Kgs, compared to 250.61 Million Kgs recorded during the same period of last year.

## **LOCAL TEA SALES**

Local tea sales for June 2021 was 3.28 Million Kgs against 3.39 Million Kgs recorded during the corresponding month of 2020 while cumulative tea sales for the half-year period stood at 18.72 Million Kgs compared to 20.50 Million Kgs for the same period of 2020.

23<sup>RD</sup> AUGUST 2021



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

DESTINATION	2021- QUANTITY KGS	2020 - QUANTITY KGS	QUANTITY VARIANCE KGS	%AGE VARIANCE
PAKISTAN	17,771,720	12,230,462	5,541,258	45%
EGYPT	6,158,195	9,585,726	(3,427,531)	-36%
UK	4,957,264	3,691,851	1,265,413	34%
RUSSIA	2,244,314	1,638,385	605,929	37%
SUDAN	2,227,796	1,107,088	1,120,708	101%
UAE	1,539,580	1,812,668	(273,088)	-15%
YEMEN	1,504,000	1,085,590	418,410	39%
KAZAKHSTAN	1,208,249	1,015,789	192,460	19%
POLAND	1,089,209	244,280	844,929	346%
NIGERIA	653,338	291,344	361,994	124%
INDIA	631,107	357,261	273,846	77%
CHINA	469,108	384,941	84,167	22%
IRELAND	422,932	285,752	137,180	48%
IRAN	422,104		422,104	
NETHERLANDS	389,868	94,496	295,372	313%
USA	301,358	242,338	59,020	24%
SWITZERLAND	294,136	355,890	(61,754)	-17%
SAUDI ARABIA	284,543	435,196	(150,653)	-35%
SOUTH AFRICA	271,752	87,900	183,852	209%
IDONESIA	265,853	265,512	341	0%
MALAYSIA	200,520	223,312	(22,792)	-10%
TURKEY	164,936	40,900	124,036	303%
CHAD	164,175	54,812	109,363	200%
AFGHANSTAN	158,808	315,496	(156,688)	-50%
SRI LANKA	151,843	118,624	33,219	28%
JAPAN	138,186	100,100	38,086	38%
UKRAINE	120,835	125,075	(4,240)	-3%
OMAN	116,756		116,756	
QATAR	100,815	319,976	(219,161)	-68%
KRYGYSTAN	98,399	19,946	78,453	393%
SOMALIA	90,832	91,117	(285)	0%
UZBEKISTAN	86,413	51,600	34,813	67%
IRAQ	71,000		71,000	
ERITREA	68,810	51,840	16,970	33%
GERMANY	63,145	78,000	(14,855)	-19%
TAIWAN	60,000	8,140	51,860	637%
CANADA	48,100		48,100	
GHANA	38,400		38,400	
NEW ZEALAND	25,600	25,600	-	0%
ISLE OF MAN	24,000		24,000	
HONG KONG	22,680	1,400	21,280	1520%
SINGAPORE	18,000	11,816	6,184	52%
FINLAND	17,117		17,117	
JORDAN		1,120,500	(1,120,500)	-100%
MAURITIUS		25,800	(25,800)	-100%
AUSTRALIA		23,800	(23,800)	-100%
BURKINA FASO		20,696	(20,696)	-100%
CHILE		11,035	(11,035)	-100%
GABON		10,348	(10,348)	-100%
AZERBAIJAN		10,237	(10,237)	-100%
MALI		5,174	(5,174)	-100%
SPAIN		2,450	(2,450)	-100%
ISRAEL		1,456	(1,456)	-100%
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<b>TOTAL</b>	<b>45,155,796</b>	<b>38,081,719</b>	<b>7,074,077</b>	<b>19%</b>

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

DESTINATION	2021- QUANTITY KGS	2020 - QUANTITY KGS	QUANTITY VARIANCE KGS	%AGE VARIANCE
PAKISTAN	111,528,670.80	86,270,841	25,257,830	29%
EGYPT	53,806,957.40	48,290,650	5,516,307	11%
UK	26,952,584.31	26,652,441	300,144	1%
UAE	16,641,669.90	14,455,960	2,185,710	15%
RUSSIA	14,137,820.00	10,695,237	3,442,583	32%
SUDAN	12,866,698.97	10,502,788	2,363,911	23%
YEMEN	9,935,459.00	7,077,608	2,857,851	40%
KAZAKHSTAN	6,748,342.35	6,044,043	704,299	12%
POLAND	4,553,101.00	3,895,723	657,378	17%
NIGERIA	3,325,026.00	1,593,312	1,731,715	109%
IRAN	3,161,107.00	1,247,371	1,913,736	153%
IRELAND	3,093,803.00	2,122,271	971,532	46%
CHINA	2,926,196.00	2,135,530	790,666	37%
INDIA	2,797,217.00	1,504,816	1,292,401	86%
SWITZERLAND	2,487,302.00	1,066,807	1,420,495	133%
NETHERLANDS	2,364,087.00	1,559,586	804,501	52%
SAUDI ARABIA	1,880,016.00	3,855,086	-1,975,070	-51%
USA	1,809,924.40	1,632,160	177,764	11%
JAPAN	1,625,811.00	849,401	776,410	91%
MALAYSIA	1,471,347.00	1,347,617	123,730	9%
UKRAINE	1,318,066.00	850,975	467,091	55%
INDONESIA	1,315,223.00	1,282,422	32,801	3%
SRI LANKA	1,299,719.00	409,392	890,327	217%
UZBEKISTAN	1,059,109.00	1,081,085	-21,976	-2%
TURKEY	941,770.00	1,874,020	-932,250	-50%
AFGHANSTAN	845,444.00	2,911,758	-2,066,314	-71%
JORDAN	836,250.00	3,116,000	-2,279,750	-73%
SOMALIA	833,450.00	854,576	-21,126	-2%
SOUTH AFRICA	746,296.00	710,562	35,734	5%
QATAR	712,705.00	740,748	-28,043	-4%
CHAD	563,339.00	359,394	203,945	57%
OMAN	523,707.00	310,628	213,079	69%
GERMANY	521,306.00	301,155	220,151	73%
GHANA	414,592.00	184,773	229,819	124%
BANGLADESH	406,800.00	144,000	262,800	183%
CANADA	390,480.00	244,462	146,018	60%
KYRGYZSTAN	276,901.00	19,946	256,955	1288%
TAIWAN	146,280.00	153,746	-7,466	-5%
DJIBOUTI	139,278.00	176,278	-37,000	-21%
MYANMAR	133,067.00	85,021	48,046	57%
ERITREA	130,000.00	51,840	78,160	151%
IRAQ	111,994.00		111,994	
MAURITIUS	105,800.00	133,600	-27,800	-21%
HONG KONG	104,312.00	24,158	80,154	332%
SINGAPORE	82,400.00	68,816	13,584	20%
VIETNAM	71,174.00	59,844	11,330	19%
PERU	70,560.00	40,264	30,296	75%
NEW ZEALAND	64,000.00	38,400	25,600	67%
TURKMENISTAN	51,685.00		51,685	
MOROCCO	48,000.00	48,000	0	0%
AZERBAIJAN	44,232.00	58,799	-14,567	-25%
BRAZIL	36,320.80	16,580	19,740	119%
FINLAND	33,608.00	13,200	20,408	155%
MEXICO	27,000.00	2,634	24,366	925%
ISLE OF MAN	24,000.00	20,564	3,436	17%
ISRAEL	24,000.00	4,896	19,104	390%
TAJIKISTAN	23,829.00		23,829	
ITALY	19,260.00	18,400	860	5%

BAHRAIN	12,412.00		12,412	
MALI	10,348.00	10,348	0	0%
TANZANIA	9,970.00		9,970	
CONGO	8,106.60		8,107	
CAMEROON	8,083.00		8,083	
LITHUANIA	7,224.00	7,579	-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	125	125%
SPAIN		2,450	-2,450	-100%
GABON		10,348	-10,348	-100%
AUSTRALIA		182,520	-182,520	-100%
BELGIUM		52,880	-52,880	-100%
BURKINA FASO		31,044	-31,044	-100%
CHILE		987,044	-987,044	-100%
FRANCE		36,288	-36,288	-100%
IVORY COAST		25,870	-25,870	-100%
LEBANON		26,840	-26,840	-100%
TOGO		5,174	-5,174	-100%
ZAMBIA		25,025	-25,025	-100%
<b>TOTAL</b>	<b>298,675,757.53</b>	<b>250,613,693.49</b>	<b>48,062,064</b>	<b>19%</b>

