

KENYA TEA INDUSTRY PERFORMANCE HIGHLIGHTS FOR SEPTEMBER 2011

PRODUCTION

Tea production for the month of September 2011 reached 30.4 Million Kgs, 5.5% higher compared to 28.8 Million Kgs recorded during the corresponding month of 2010. Improved production was attributed to wet weather conditions experienced in tea growing areas as well as cessation of the cold weather.

East of Rift recorded an increase of 7.6% from 10.1 Million Kgs recorded in August 2010 to 10.9 Million Kgs while West of Rift also recorded a increase in production of 4.5% from 18.7 Million Kgs recorded in August 2010 to 19.5 Million Kgs.

Compared to the month of August 2010, tea output within smallholder sub-sector, which has a wider coverage within the East of Rift increased by 7.0% from 15.3 Million Kgs to 16.3 Million Kgs while that of the Plantation sub-sector recorded a increase of 3.9% from 13.5 Million Kgs to 14.1 Million Kgs.

Despite improved production during the months of July, August and September 2011, cumulative production up to the month of September 2011 was lower by 10.2% from 289.4 Million Kgs recorded during the same period of last year to 259.7 Million Kgs. Lower production to-date is attributable to the impact of hot and dry weather conditions as well as depressed rainfall conditions experienced during the first half of the year.

Table 1: Production by Sector and Region (2011 vis-à-vis 2010)

PRODUCTION (KGS)		Sept 2011	Sept 2010	Variance +/-	Var.(%)
Plantation	West of Rift	12,754,771	12,275,776	478,995	3.90%
	East of Rift	1,352,617	1,302,646	49,971	5.44%
	Total	14,107,388	13,578,422	528,966	4.05%
Smallholder	West of Rift	6,825,589	6,469,934	355,655	5.50%
	East of Rift	9,559,885	8,834,291	725,594	8.21%
	Total	16,385,474	15,304,225	1,081,249	7.07%
Plantation & Smallholder	West of Rift	19,580,360	18,745,710	834,650	4.45%
	East of Rift	10,912,502	10,136,937	775,565	7.65%
	Total	30,492,862	28,882,647	1,610,215	5.58%

TEA SALES

AUCTION

During the month of September 2011, 15.2 Million kgs of Kenyan tea was sold through Mombasa Auction. The amount of tea sales for the month was 21% higher compared to 12.5 Million kgs recorded in September 2010. Prices at the Auction continued to hold firm with the average price for Kenyan tea during the month of September being relatively higher at USD 3.05 per Kg compared to USD 2.80 recorded in September 2010. The average Auction price for the period January to September was also higher at USD 3.03 Per Kg compared to USD 2.75 for the same period of 2010.

EXPORTS

During the month of September, the total export volume stood at 28.8 Million Kgs, which was lower by 34% compared to 43.8 Million Kgs recorded same period of last year.

During the month, Kenya tea was shipped to forty one (41) export destinations. Pakistan was the leading export destination for Kenyan tea having imported 5.3 Million Kgs of tea from Kenya, which accounted for 19% of Kenya's tea export volume. Other key export destinations for Kenyan tea were Egypt which imported 5.0 Million Kgs, UK (4.4 Million Kgs), Sudan (2.9 Million Kgs) and UAE (2.2 Million Kgs). The five export destinations accounted for 69% of Kenya tea export volume. Amongst these markets, UAE recorded a growth of 13%. The other markets recorded a drop of between 24% and 48%. Amongst the key emerging markets, Malaysia, Iran, Nigeria and Yemen recorded enhanced exports of 1,973%, 113%, 97% and 40% respectively owing to increased seasonal demand.

Cumulative export volume for the period January-September 2011 was lower by 6% from 336.6 Million Kgs exported the same period of last year to 315.3 Million Kgs on account of lower production.

LOCAL CONSUMPTION

The local tea consumption for the month of September 2011 stood at 1.86 Million Kgs, which was higher by 2% compared 1.84 recorded during the corresponding period of 2010.

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MANAGING DIRECTOR

THE TEA BOARD OF KENYA

19TH OCTOBER 2011

Table 2: Kenya Tea Exports by Destination (SEPTEMBER 2011 vis-à-vis SEPTEMBER 2010)

	2011	2010		
DESTINATION	QUANTITY KGS	QUANTITY KGS	QUANTITY DIFF	% AGE VARIANCE
PAKISTAN	5,382,984	9,868,684	- 4,485,700	-45%
EGYPT	5,017,572	6,598,857	- 1,581,285	-24%
UK	4,424,459	8,468,764	- 4,044,305	-48%
SUDAN	2,912,230	5,299,338	- 2,387,108	-45%
U.A.E	2,218,734	1,957,856	260,878	13%
AFGHANISTAN	1,767,574	3,690,722	- 1,923,148	-52%
YEMEN	1,158,500	828,770	329,730	40%
RUSSIA	961,622	1,126,191	- 164,569	-15%
KAZAKHSTAN	713,439	610,820	102,619	17%
NIGERIA	654,719	331,680	323,039	97%
POLAND	494,622	446,984	47,638	11%
INDIA	464,477	751,552	- 287,075	-38%
IRAN	301,880	141,520	160,360	113%
SOMALIA	286,554	160,568	125,986	78%
IRELAND	243,928	581,128	- 337,200	-58%
CHINA	192,667	95,435	97,232	102%
INDONESIA	184,671	177,872	6,799	4%
JAPAN	162,976	330,410	- 167,434	-51%
NETHERLANDS	159,129	117,706	41,423	35%
SRI LANKA	158,322	681,961	- 523,639	-77%
CANADA	154,760	196,040	- 41,280	-21%
U.S.A.	131,998	287,845	- 155,847	-54%
DJIBOUTI	84,000	270,667	- 186,667	-69%
MALAYSIA	80,851	3,900	76,951	1973%
SAUDI ARABIA	78,880	227,140	- 148,260	-65%
SWITZERLAND	74,524		74,524	0%
TURKEY	70,200	187,360	- 117,160	-63%
UKRAINE	64,900	46,940	17,960	38%
GERMANY	58,480	138,908	- 80,428	-58%
BANGLADESH	57,200		57,200	0%
TAIWAN	25,000		25,000	0%
SOUTH AFRICA	24,426	38,552	- 14,126	-37%
CHAD	24,164		24,164	0%
ERITREA	20,000		20,000	0%
SINGAPORE	18,580	17,100	1,480	9%
NEW ZEALAND	17,823		17,823	0%
FINLAND	16,680		16,680	0%
GREECE	15,000		15,000	0%
GEORGIA	9,968		9,968	0%
OMAN	5,352	106,648	- 101,296	-95%
AUSTRALIA	3,037		3,037	0%
BELGIUM		53,180	- 53,180	-100%
CHILE		26,720	- 26,720	-100%
G TOTAL	28,896,882	43,867,818	- 14,970,936	-34%