



TEA BOARD OF KENYA

Realizing the Tea Promise

**KENYA TEA INDUSTRY PERFORMANCE HIGHLIGHTS FOR
FEBRUARY 2023
PRODUCTION**

Tea production for the month of February 2023 dropped significantly by 8.22 Million Kgs to 32.73 Million Kgs from 40.95 Million Kgs recorded in during the same period of last year. Production during the month was also much lower compared to 54.91 Million Kgs recorded in January. Notably, this was the lowest production ever recorded during the month of February since the year 2020. Significant drop in production was occasioned by adverse sunny and dry weather conditions in most parts of the tea growing areas with exception of a few places in the West of the Rift Valley (Nandi, Kericho, and Bomet) that experienced occasional rainfall (few rain days). Temperatures were also high and above average consequent to which tea bushes in some of the tea growing areas experienced intense moisture stress, and in some instances, dried up.

As a result of dry weather conditions in most tea growing areas, output in the East of Rift dropped by 4.26 Million Kgs from 15.90 Million Kgs recorded during the same month of 2022 to 11.64 Million Kgs. Similarly, compared to February last year, production within the West of Rift was lower by 3.96 Million Kgs from 25.05 Million Kgs to 21.09 Million Kgs.

Across the sub-sectors, production within the smallholder was the most affected as the sub-sector is more wide-spread in areas that were adversely affected by drought, both in the East and West of Rift. The sub-sector recorded a significant drop of 7.69 Million Kgs from 24.46 Million Kgs recorded during the corresponding month of 2022 to 16.77 Million Kgs. However, decline in output within the Plantation sub-sector was only marginal at 0.53 Million Kgs from 16.49 Million Kgs to 15.95 Million Kgs as tea growing



areas in the West of Rift where the sub-sector is more widespread (Nandi, Kericho, and Bomet) received occasional but minimal precipitation.

Tea Production Trend (2023 Vis.-a-vis. 2022)



Table 1: Production by Sub-Sector and Region (2023 vis-à-vis 2022)

Sub-Sector	Region	Feb-23	Feb-22	Variance	Var.(%)	Jan - Feb 2023	Jan - Feb 2022	Variance +/-	Var.(%)
Plantation	West of Rift	14,831,517	14,956,871	- 125,354	-0.84%	39,374,528	32,845,593	6,528,935	19.88%
	East of Rift	1,126,042	1,533,932	- 407,891	-26.59%	3,129,359	3,604,222	- 474,863	-13.18%
	Total	15,957,558	16,490,803	- 533,245	-3.23%	42,503,886	36,449,815	6,054,072	16.61%
Smallholder	West of Rift	6,258,507	10,094,658	- 3,836,151	-38.00%	18,435,331	22,013,387	- 3,578,056	-16.25%
	East of Rift	10,514,207	14,370,730	- 3,856,524	-26.84%	26,710,240	31,325,798	- 4,615,558	-14.73%
	Total	16,772,714	24,465,388	- 7,692,675	-31.44%	45,145,571	53,339,185	- 8,193,614	-15.36%
Plantation & Smallholder	West of Rift	21,090,024	25,051,529	- 3,961,505	-15.81%	57,809,859	54,858,981	2,950,878	5.38%
	East of Rift	11,640,248	15,904,663	- 4,264,414	-26.81%	29,839,598	34,930,019	- 5,090,421	-14.57%
	Total	32,730,272	40,956,192	- 8,225,919	-20.08%	87,649,457	89,789,000	- 2,139,543	-2.38%

TEA SALES

AUCTION

During the month of February, auction sales volume for Kenya tea stood at 39.14 Million Kgs, which was lower compared to 45.34 Kgs Million recorded in the corresponding month of last year. However, the average monthly auction price for Kenya tea was lower at 2.31 USD per Kg against 2.71 USD for the same period of 2022. The average price was also lower compared to 2.33 USD recorded in the month of January this year.

During the month of February 2023, tea offered for sale by the smallholder tea factories fetched an average price of 2.64 USD per Kg for the main grades, which was lower compared to an average price of 2.97 USD recorded in February last year.

Lower sales volume and auction prices were due to the effect of economic recession facing the global markets especially Pakistan, Egypt, Sudan, and Russia, which are the largest markets for Kenya tea. The effect of global economic shock on auction volume and prices has been ongoing since the commencement of Russia-Ukraine crisis towards the end of February 2022. The crisis has affected global trading logistics leading to gradual increase in commodity prices and weakening of local currencies against the USD which in turn has affected consumer purchasing power and shortage of forex reserves within the markets.

EXPORTS

The total export volume for the month of February 2023 was lower by 33% (14.93 Million Kgs) from 45.12 Million Kgs recorded in the same period of last year to 30.18 Million Kgs. It was also lower compared to 32.72 Million Kgs exported during the month of January. Lower export volume was due to less imports by Pakistan, Egypt and Russia, whose combined volume of imports was less by 17.48 Million Kgs owing to challenges of forex reserves affecting these markets and shipping logistics occasioned by the effect of the Russia-Ukraine crisis. Compared to the previous months, tea exports to Pakistan in the month of February was affected significantly by tightened payment terms on all imports imposed by the Central Bank of Pakistan which was aimed at easing economic crisis triggered by shortage of foreign exchange.

During the month, Kenya tea was shipped to forty seven (47) export destinations compared to fifty two (52) for the same period of last year. Despite payment challenges, Pakistan maintained its position as the leading export destination for Kenya

tea having imported 8.25 Million Kgs, which accounted for 27% of the total export volume. Other key export destinations for Kenyan tea were Egypt (4.07 Million Kgs), UK (3.70 Million Kgs), Iran (2.75 Million Kgs), UAE (2.39 Million Kgs), Yemen (1.29 Million Kgs), Afghanistan (1.20 Million Kgs), Russia (1.06 Million Kgs), Sudan (0.70 Million Kgs), and Jordan (0.56 Million Kgs). The top ten export destinations, majority of which are traditional markets for Kenyan tea accounted for 86% of Kenya tea export volume.

Apart from UK, Iran, UAE, Afghanistan, and Jordan the other traditional markets recorded less imports for Kenya tea. However, there was significant increase in exports to other traditional and emerging markets such as Ireland; Netherlands; Sri Lanka; Oman; Germany; Canada; and Indonesia. There were also a few shipments to seasonal markets such as Spain; Djibouti; Cote D'ivoire; Zambia; Israel Hong Kong; Burkina Faso; Japan; Mali; Australia; and Swaziland.

LOCAL TEA SALES

Local tea sales for February 2023 stood at 2.92 Million Kgs against 2.00 Million Kgs for the corresponding period of 2022 while cumulative tea sales for the two months period up to February 2023 was 5.94 Million Kgs against 4.63 Million Kgs for the same period of 2022.

17TH MARCH 2023

Table 2: Kenya Tea Exports by Destination (February 2023 vis-à-vis February 2022)

DESTINATION	2023- QUANTITY KGS	2022 - QUANTITY KGS	QUANTITY VARIANCE KGS	%AGE VARIANCE
PAKISTAN	8,247,919	18,784,421.52	-10,536,503	-56%
EGYPT	4,065,672	9,006,506.00	-4,940,834	-55%
UK	3,698,295	2,867,373.20	830,921	29%
IRAN	2,745,132	773,903.00	1,971,229	255%
UAE	2,394,999	1,638,433.00	756,566	46%
YEMEN	1,289,183	2,132,250.00	-843,067	-40%
AFGHANISTAN	1,198,185	499,399.00	698,786	140%
RUSSIA	1,059,051	3,071,534.00	-2,012,483	-66%
SUDAN	702,069	797,782.10	-95,713	-12%
JORDAN	561,000	393,000.00	168,000	43%
KAZAKHSTAN	423,920	848,789.00	-424,869	-50%
SAUDI ARABIA	364,220	520,278.00	-156,058	-30%
IRELAND	363,680		363,680	#DIV/0!
SWITZERLAND	341,150	387,468.00	-46,318	-12%
NETHERLANDS	229,716	60,798.00	168,918	278%
POLAND	218,034	547,820.00	-329,786	-60%
INDIA	209,087	241,268.00	-32,181	-13%
UKRAINE	189,476	148,362.00	41,114	28%
SRI LANKA	170,750	31,598.00	139,152	440%
OMAN	168,144	19,160.00	148,984	778%
MALAYSIA	162,272	169,396.00	-7,124	-4%
ERITREA	130,000	130,000.00	0	0%
QATAR	123,494	155,346.00	-31,852	-21%
USA	122,967	81,388.00	41,579	51%
BANGLADESH	96,000	96,000.00	0	0%
GERMANY	89,818	39,158.00	50,660	129%
CANADA	89,240	27,660.00	61,580	223%
INDONESIA	87,016	33,680.00	53,336	158%
SOUTH AFRICA	83,940	166,944.00	-83,004	-50%
SOMALIA	80,460	133,086.00	-52,626	-40%
TURKEY	64,272	170,571.00	-106,299	-62%
CHINA	64,050	88,092.00	-24,042	-27%
UZBEKISTAN	46,500	58,761.00	-12,261	-21%
SPAIN	40,590		40,590	#DIV/0!
MAURITIUS	40,000	40,000.00	0	0%
SINGAPORE	35,000	16,480.00	18,520	112%
DJIBOUTI	32,000		32,000	#DIV/0!
COTE D'IVOIRE	25,877		25,877	#DIV/0!
ZAMBIA	24,842		24,842	#DIV/0!
ISRAEL	24,000		24,000	#DIV/0!
TAIWAN	24,000	7,800.00	16,200	208%
HONG KONG	22,680		22,680	#DIV/0!
BURKINA FASO	20,698	10,348.80	10,349	100%
JAPAN	8,232	135,300.00	-127,068	-94%
MALI	6,437		6,437	#DIV/0!
AUSTRALIA	2,300		2,300	#DIV/0!
SWAZILAND	778	331.20	447	135%
BRAZIL	-	4,164.00	-4,164	-100%
CZECH REPUBLIC	-	135.00	-135	-100%

ITALY	-		0	#DIV/0!
ROMANIA	-		0	#DIV/0!
AZERBAIJAN		22,500.00	-22,500	-100%
CHILE		17,541.60	-17,542	-100%
FINLAND		21,615.00	-21,615	-100%
FRANCE		500.00	-500	-100%
GHANA		76,800.00	-76,800	-100%
GUINEA		5,472.00	-5,472	-100%
IRELAND		521,042.80	-521,043	-100%
KYRGYZSTAN		48,100.00	-48,100	-100%
LITHUANIA		13,085.00	-13,085	-100%
MALTA		5,174.40	-5,174	-100%
MYANMAR		52,800.00	-52,800	-100%
TOGO		5,174.40	-5,174	-100%
CHILE			0	#DIV/0!
TOTAL	30,187,145	45,124,589	-14,937,444	-33%

Table 3: Kenya Tea Exports by Destination (Jan.- Feb. 2023 vis-à-vis Jan.- Feb. 2022)

DESTINATION	2023- QUANTITY KGS	2022 - QUANTITY KGS	QUANTITY VARIANCE KGS	%AGE VARIANCE
PAKISTAN	19,667,929	36,673,210	-17,005,281	-46%
EGYPT	10,973,861	17,669,552	-6,695,692	-38%
UK	8,444,264	6,180,794	2,263,470	37%
UAE	5,308,173	3,563,582	1,744,591	49%
IRAN	5,029,412	919,955	4,109,457	447%
YEMEN	2,813,942	3,400,267	-586,325	-17%
SUDAN	2,088,806	3,941,404	-1,852,598	-47%
AFGHANISTAN	2,009,669	920,869	1,088,800	118%
RUSSIA	1,964,702	6,167,532	-4,202,830	-68%
POLAND	1,073,906	986,571	87,335	9%
IRELAND	838,444	1,135,038	-296,594	-26%
JORDAN	823,000	393,000	430,000	109%
SAUDI ARABIA	757,232	1,234,820	-477,588	-39%
NETHERLANDS	688,742	137,048	551,694	403%
SWITZERLAND	555,758	584,268	-28,510	-5%
UKRAINE	494,874	336,625	158,249	47%
INDIA	484,718	485,413	-695	0%
KAZAKHSTAN	436,046	1,419,757	-983,711	-69%
SOMALIA	378,860	151,586	227,274	150%
USA	321,946	314,965	6,981	2%
QATAR	320,033	177,627	142,406	80%
MALAYSIA	275,752	458,028	-182,276	-40%
NIGERIA	230,400	553,488	-323,088	-58%
OMAN	195,256	72,760	122,496	168%
SRI LANKA	175,280	68,120	107,160	157%
GERMANY	155,624	98,678	56,946	58%
JAPAN	144,342	261,360	-117,018	-45%
TURKEY	140,172	284,719	-144,547	-51%
SOUTH AFRICA	139,678	212,616	-72,938	-34%
ERITREA	130,000	130,000	0	0%
CHINA	119,269	382,964	-263,695	-69%
CANADA	115,920	27,860	88,060	316%
CHAD	110,570	50,400	60,170	119%
BANGLADESH	96,000	192,000	-96,000	-50%
INDONESIA	92,800	331,304	-238,504	-72%
TAIWAN	68,800	21,050	47,750	227%
SPAIN	59,896		59,896	#DIV/0!
UZBEKISTAN	46,500	124,716	-78,216	-63%
DJIBOUTI	45,400	32,000	13,400	42%
GHANA	43,950	102,300	-58,350	-57%
ROMANIA	42,560		42,560	#DIV/0!
MAURITIUS	40,000	40,000	0	0%
SOUTH SUDAN	29,015		29,015	#DIV/0!
COTE D'IVOIRE	25,877		25,877	#DIV/0!
ISRAEL	25,300	24,207	1,093	5%

HONG KONG	25,260	22,680	2,580	11%
ZAMBIA	24,842		24,842	#DIV/0!
CONGO DRC	23,990		23,990	#DIV/0!
BURKINA FASO	20,698	10,349	10,349	100%
SINGAPORE	15,005	30,480	-15,475	-51%
BRAZIL	12,160	4,164	7,996	192%
KYRGYSTAN	11,500	83,224	-71,724	-86%
ITALY	10,320	4,600	5,720	124%
MALI	6,437		6,437	#DIV/0!
ALBANIA	4,470	-	4,470	#DIV/0!
UGANDA	4,441		4,441	#DIV/0!
MYANMAR	2,912	79,728	-76,816	-96%
AUSTRALIA	2,300		2,300	#DIV/0!
TANZANIA	1,020		1,020	#DIV/0!
CZECH REPUBLIC	100	235	-135	-57%
COLOMBIA	-		0	#DIV/0!
FINLAND	-	108,240	-108,240	-100%
MEXICO	-	18,000	-18,000	-100%
PERU	-	375,231	-375,231	-100%
RWANDA	-		0	#DIV/0!
SOUTH KOREA	-	116	-116	-100%
SWAZILAND	-	331	-331	-100%
AZERBAIJAN		22,500	-22,500	-100%
CHILE		17,542	-17,542	-100%
FRANCE		500	-500	-100%
GUINEA		5,472	-5,472	-100%
LITHUANIA		13,085	-13,085	-100%
MALTA		5,174	-5,174	-100%
TOGO		5,174	-5,174	-100%
TOTAL	68,188,132	91,069,279	-22,881,147	-25%