



TEA BOARD OF KENYA

Realizing the Tea Promise

KENYA TEA INDUSTRY PERFORMANCE HIGHLIGHTS FOR JULY 2023

PRODUCTION

Tea production for the month of July 2023 was higher by 10.69 Million Kgs from 34 Million Kgs recorded during the same period of last year to 44.69 Million Kgs. Improved production compared to July last year was attributed to occasional rainfall and generally cool weather conditions experienced in the country. However, due to the cold weather conditions, production for July was slightly lower compared to an output of 48.12 Million Kgs recorded in the month of June.

During the month of July, the highlands West of the Rift and a few areas over the Central Rift as well as highlands East of the Rift recorded moderate to lower amounts of rainfall. In the tea growing areas, moderate rainfall was received in the West of Rift with Kericho recording daily precipitation averaging 47 to 73 mm while Nandi and Bomet recorded average rainfall of 10 to 44 mm. The rest of the tea growing areas in both the West of Rift (Kisii/Nyamira) and the East of Rift recorded minimal rainfall averaging 1 to 14 mm daily. Consequently, output in the West of Rift during the month of July this year was higher by 7.07 Million Kgs from 28.06 Million Kgs recorded during the same month of 2022 to 35.13 Million Kgs. Similarly, production within the East of Rift in the month of July also surpassed that of the same period last year by 3.62 Million Kgs from 5.93 Million Kgs to 9.55 Million Kgs.



Across the sub-sectors, Output in the smallholder sub-sector was higher by 5.47 Million Kgs from 12.72 Million Kgs to 18.19 Million Kgs. Similarly, production within the plantation sub-sector was higher by 5.22 Million Kgs from 21.28 Million Kgs recorded during the corresponding month of 2022 to 26.50 Million Kgs.

Due to favourable weather conditions in the months of April to July, cumulative output for the half year of 2023 was higher by 13.09 Million Kgs to stand at 318.34 Million Kgs against 305.24 Million Kgs for the same period of last year.

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

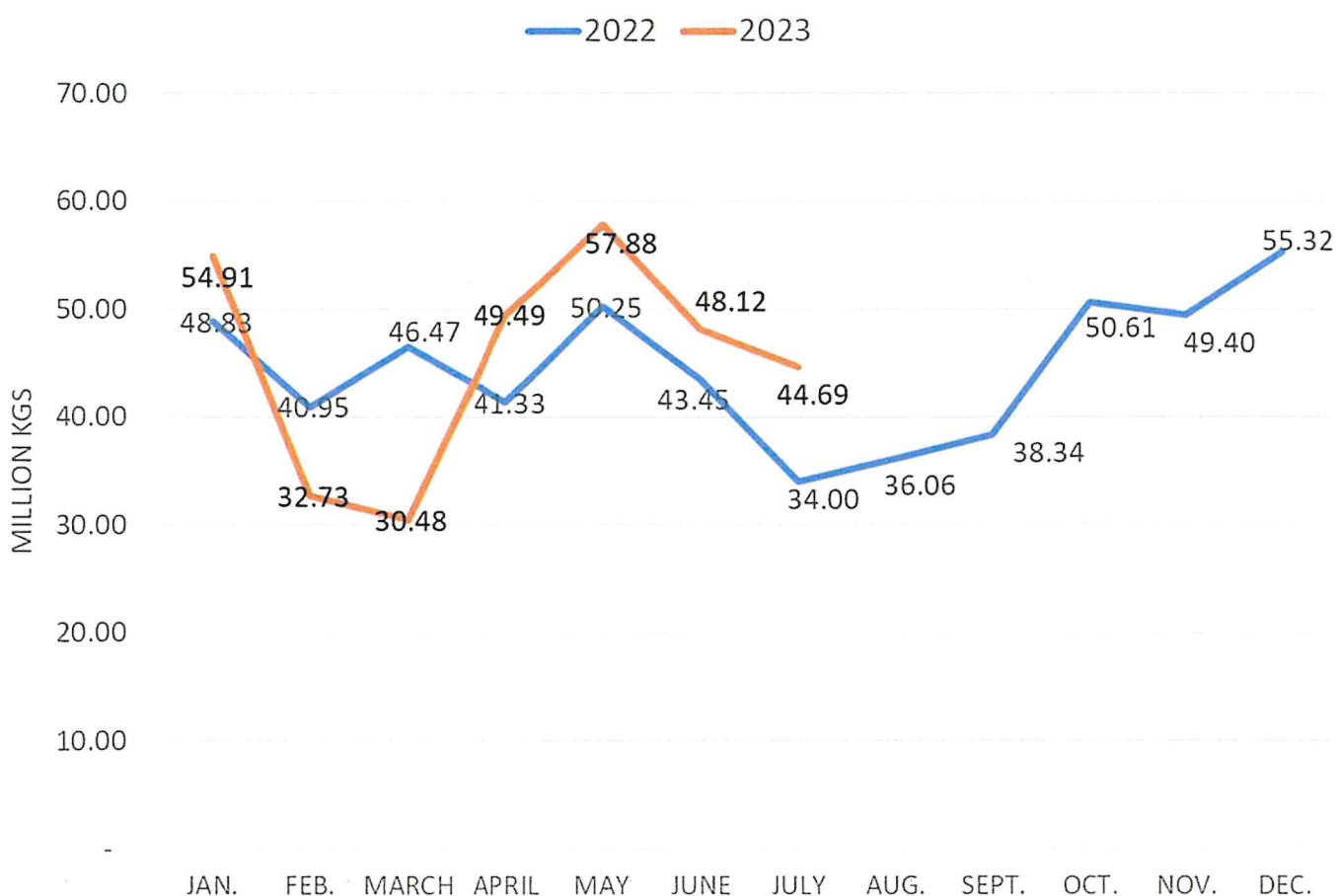


Table 1: Production by Sub-Sector and Region (2023 vis-à-vis 2022)

Sector	Region	July 2023	July 2022	Variance +/-	Var.(%)	Jan - July 2023	Jan - July 2022	Variance +/-	Var.(%)
Plantation	West of Rift	25,084,972	20,559,460	4,525,511	22.01%	149,884,493	133,165,507	16,718,986	12.56%
	East of Rift	1,418,134	720,558	697,576	96.81%	10,901,547	9,974,623	926,924	9.29%
	Total	26,503,106	21,280,018	5,223,087	24.54%	160,786,040	143,140,130	17,645,910	12.33%
Smallholder	West of Rift	10,051,975	7,506,353	2,545,622	33.91%	68,468,698	72,891,440	- 4,422,742	-6.07%
	East of Rift	8,141,534	5,217,096	2,924,439	56.05%	89,085,316	89,212,446	- 127,130	-0.14%
	Total	18,193,509	12,723,448	5,470,061	42.99%	157,554,014	162,103,886	- 4,549,872	-2.81%
Plantation & Smallholder	West of Rift	35,136,947	28,065,813	7,071,133	25.19%	218,353,192	206,056,947	12,296,245	5.97%
	East of Rift	9,559,668	5,937,654	3,622,015	61.00%	99,986,862	99,187,068	799,794	0.81%
	Total	44,696,615	34,003,467	10,693,148	31.45%	318,340,054	305,244,016	13,096,038	4.29%

TEA SALES

AUCTION

During the month of July, auction sales volume for Kenya tea stood at 26.77 Million Kgs, which was lower compared to 52.94 Million Kgs in June and 39.02 Kgs Million recorded in the corresponding month of last year. Despite lower sales volume, the average auction price for Kenya tea in the month of July was lower at 2.06 USD per Kg against 2.09 USD in June and 2.37 USD realized during the same period of 2022. However, for each specific grade, the price followed demand and quality (leaf appearance and leaf infusion as well as liquoring characteristics). For smallholder tea factories, whose quality categorization ranges from “good medium” to “best”, tea offered for sale fetched relatively higher prices at an average of 2.70 USD per Kg for the main grades.

During the seven-month period of 2023, the average auction price for Kenya tea stood at 2.26 USD per Kg, which was lower compared to 2.53 USD per Kg for the same period of 2022. The auction prices have been on a declining trend since the second quarter of 2022 owing to less demand occasioned by continued effect of economic recession facing the global markets. The global recession, which is largely attributed to effects of the ongoing Russia-Ukraine crisis and the recent armed conflict in Sudan has affected tea imports in

some of the main markets for Kenya tea especially Pakistan, Egypt, Sudan, Russia and Iran. During the month of July, Russia maintained low buying participation at the auction while Sudan and Iran did not participate.

EXPORTS

The total export volume for the month of July was slightly higher by 7% (2.31 Million Kgs) from 31.49 Million Kgs recorded in the same period of last year to 33.80 Million Kgs. It was also higher compared and 31.72 Million Kgs recorded in June 2023 owing to improved imports by Pakistan. During the month, Pakistan maintained its position as the leading export destination for Kenya tea having imported 17.74 Million Kgs, which was an increase compared to 14.84 Million Kgs in June and 15.16 Million Kgs in May. This follows Pakistan Government intervention to prioritize forex allocation for importation of tea as an essential food item.

During the month on July, Kenya tea was shipped to forty-four (44) export destinations compared to forty-seven (47) for the same period of last year with Pakistan accounting for 52% of the total export volume. Other key export destinations for Kenya tea were Egypt (2.72 Million Kgs); Yemen (1.97 Million Kgs); UAE (1.84 Million Kgs); UK (1.79 Million Kgs); Russia (0.93 Million Kgs); Afghanistan (0.87 Million Kgs); Sudan (0.77 Million Kgs); Poland (0.54 Million Kgs); and Saudi Arabia (0.53 Million Kgs). The top ten export destinations, majority of which are traditional markets for Kenya tea accounted for 88% of Kenya tea export volume.

Apart from Egypt; UAE; UK; Sudan and Poland, there were increased exports to other traditional markets such as Pakistan; Yemen; Russia; Afghanistan and Saudi Arabia compared to the same period of last year. However, Sudan, which has been facing market access challenges occasioned by the ongoing armed conflict in the country, recorded increased imports at 0.775 Million Kgs compared to 0.288 Million Kgs in June. Similarly, there were improved exports to other non-traditional and emerging markets such as Ireland;

Switzerland; Iran; India; Somalia; China; Japan; USA; Malaysia; Germany; Uzbekistan; Netherlands; Ukraine; South Africa; Canada; Oman; and Mauritius as well as fewer shipments to seasonal markets such as Hong Kong; Spain; Taiwan; Iraq; Israel; Vietnam; Turkmenistan; Jordan; and Djibouti. Shipments to Russia and Iran was through direct sales channel and mainly Orthodox teas sold by tea producers and exporters.

LOCAL TEA SALES

Local tea sales for July 2023 stood at 3.09 Million Kgs against the same quantity for the corresponding period of 2022 while cumulative tea sales for the seven-month period of 2023 stood at 20.49 Million Kgs, which was higher against 18.14 Million Kgs for the same period of 2022 but lower compared to 21.90 Million Kgs for the same period of 2021.

15TH SEPTEMBER 2023

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

DESTINATION	July 2023- QUANTITY KGS	July 2022 - QUANTITY KGS	QUANTITY VARIANCE KGS	%AGE VARIANCE
PAKISTAN	17,740,885	12,275,525	5,465,361	45%
EGYPT	2,723,153	3,846,428	-1,123,275	-29%
YEMEN	1,970,320	1,498,752	471,568	31%
UAE	1,844,955	2,443,202	-598,247	-24%
UK	1,792,294	3,001,416	-1,209,122	-40%
RUSSIA	930,140	731,786	198,354	27%
AFGHANISTAN	873,738	500,960	372,778	74%
SUDAN	775,965	1,634,265	-858,300	-53%
POLAND	549,340	736,868	-187,528	-25%
SAUDI ARABIA	530,535	392,349	138,186	35%
KAZAKHSTAN	457,621	665,706	-208,085	-31%
IRELAND	398,120	104,920	293,200	279%
SWITZERLAND	314,003	166,452	147,551	89%
IRAN	277,185	455,536	-178,351	-39%
INDIA	261,504	94,549	166,955	177%
SOMALIA	255,120	155,534	99,586	64%
CHINA	250,372	165,926	84,446	51%
JAPAN	201,900	391,768	-189,868	-48%
USA	199,968	76,344	123,624	162%
MALAYSIA	172,128	173,508	-1,380	-1%
GERMANY	126,086	70,829	55,257	78%
UZBEKISTAN	124,308	51,600	72,708	141%
NETHERLANDS	111,274	49,057	62,217	127%
UKRAINE	105,916	153,362	-47,446	-31%
SOUTH AFRICA	101,717	36,778	64,939	177%
CANADA	91,890	52,000	39,890	77%
OMAN	86,556	35,803	50,753	142%
MAURITIUS	65,020	11,540	53,480	463%
INDONESIA	52,456	323,564	-271,108	-84%
TURKEY	52,000	21,028	30,972	147%
CHAD	48,480	27,042	21,438	79%
SINGAPORE	43,000	15,000	28,000	187%
GHANA	38,756	64,747	-25,991	-40%
HONG KONG	34,020		34,020	
SPAIN	30,010		30,010	
TAIWAN	30,000		30,000	
IRAQ	28,680	12,998	15,682	121%
ISRAEL	26,127	3,850	22,277	579%
VIET NAM	22,748		22,748	
TURKMENISTAN	20,100		20,100	
JORDAN	18,200	130,000	-111,800	-86%
DJIBOUTI	16,000		16,000	
BAHRAIN	8,078	8,496	-418	-5%
BURKINA FASO	6,120	15,523	-9,403	-61%
AZERBAIJAN		24,470	-24,470	-100%
CHILE		21,145	-21,145	-100%
COTE D'IVOIRE		20,698	-20,698	-100%
CZECH REPUBLIC		100	-100	-100%
ESTONIA		12,920	-12,920	-100%

KYRGYZSTAN		25,500	-25,500	-100%
NIGERIA		646,610	-646,610	-100%
PERU		114,880	-114,880	-100%
ZAMBIA		38,174	-38,174	-100%
TOTAL	33,806,789	31,499,508	2,307,281	7%

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

DESTINATION	Jan-July 2023- QUANTITY KGS	Jan- July 2022 - QUANTITY KGS	QUANTITY VARIANCE KGS	%AGE VARIANCE
PAKISTAN	83,468,916	108,863,392	-25,394,476	-23%
EGYPT	31,327,782	45,869,486	-14,541,704	-32%
UK	22,338,366	20,803,573	1,534,792	7%
UAE	14,170,459	17,454,931	-3,284,472	-19%
YEMEN	11,502,780	11,575,561	-72,781	-1%
RUSSIA	8,486,975	11,983,921	-3,496,946	-29%
IRAN	8,165,433	2,469,299	5,696,134	231%
AFGHANISTAN	5,451,142	4,485,571	965,571	22%
SUDAN	4,609,198	11,799,551	-7,190,353	-61%
POLAND	3,573,638	4,911,894	-1,338,256	-27%
SAUDI ARABIA	3,486,033	3,275,433	210,600	6%
IRELAND	3,186,894	2,971,774	215,120	7%
JORDAN	2,917,919	1,639,500	1,278,419	78%
KAZAKHSTAN	1,832,335	4,523,252	-2,690,917	-59%
INDIA	1,741,171	1,559,625	181,546	12%
SWITZERLAND	1,548,410	1,451,037	97,373	7%
MALAYSIA	1,374,165	1,219,430	154,735	13%
SOMALIA	1,372,182	487,394	884,789	182%
NETHERLANDS	1,317,458	877,778	439,680	50%
NIGERIA	1,032,142	3,070,895	-2,038,753	-66%
USA	1,030,542	1,203,065	-172,522	-14%
CHINA	1,009,590	1,005,446	4,144	0%
JAPAN	920,795	1,342,445	-421,650	-31%
UKRAINE	883,381	890,222	-6,841	-1%
OMAN	795,528	433,787	361,741	83%
SOUTH AFRICA	730,272	849,372	-119,100	-14%
QATAR	601,671	781,761	-180,090	-23%
CANADA	591,425	218,080	373,345	171%
GERMANY	569,471	466,543	102,928	22%
SRI LANKA	494,790	251,585	243,205	97%
TURKEY	481,895	755,183	-273,288	-36%
BANGLADESH	304,685	453,600	-148,915	-33%
UZBEKISTAN	290,853	393,294	-102,441	-26%
PERU	277,598	899,360	-621,762	-69%
MAURITIUS	275,464	264,284	11,180	4%
TAIWAN	240,173	62,438	177,735	285%
SPAIN	228,615		228,615	#DIV/0!
CHAD	198,962	132,180	66,782	51%
DJIBOUTI	178,571	140,350	38,221	27%
ROMANIA	164,722		164,722	#DIV/0!
INDONESIA	150,773	1,388,320	-1,237,547	-89%
GHANA	141,909	390,847	-248,938	-64%
TANZANIA	139,572	21,100	118,472	561%
ERITREA	130,000	130,000	0	0%
SINGAPORE	105,384	75,580	29,804	39%

BURKINA FASO	99,519	51,571	47,948	93%
HONG KONG	95,918	48,360	47,558	98%
MYANMAR	88,307	159,728	-71,421	-45%
ISRAEL	79,777	28,057	51,720	184%
COTE D'IVOIRE	72,446	25,786	46,661	181%
CAMEROON	72,100		72,100	#DIV/0!
VIET NAM	68,165		68,165	#DIV/0!
IRAQ	58,260	12,998	45,262	348%
ITALY	50,247	11,000	39,247	357%
MALI	40,723	19,478	21,245	109%
NEW ZEALAND	39,160	64,000	-24,840	-39%
SOUTH SUDAN	29,015		29,015	#DIV/0!
MEXICO	28,098	48,809	-20,711	-42%
ZAMBIA	24,842	38,174	-13,332	-35%
CONGO DRC	23,990		23,990	#DIV/0!
BRAZIL	23,819	27,084	-3,265	-12%
TURKMENISTAN	20,100			
BAHRAIN	16,574	8,496	8,078	95%
KYRGYSTAN	11,500	134,224	-122,724	-91%
SENEGAL	10,979		10,979	#DIV/0!
ALBANIA	4,470		4,470	#DIV/0!
UGANDA	4,441		4,441	#DIV/0!
AUSTRALIA	2,300	1,380	920	67%
EPZ	1,802		1,802	#DIV/0!
FRANCE	500	500	0	0%
CZECH REPUBLIC	250	335	-85	-25%
ANGOLA		6,168	-6,168	-100%
AZERBAIJAN		46,970	-46,970	-100%
CHILE		95,713	-95,713	-100%
ESTONIA		25,840	-25,840	-100%
FINLAND		109,714	-109,714	-100%
GUINEA		5,472	-5,472	-100%
KOREA		116	-116	-100%
LITHUANIA		13,085	-13,085	-100%
SWAZILAND		331	-331	-100%
TOGO		5,174	-5,174	-100%
	-			
TOTAL	224,807,344	274,830,702.60	-50,023,359	-18%

