



TEA BOARD OF KENYA

Realizing the Tea Promise

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

Tea production for the month of May 2023 was significantly enhanced by 7.63 Million Kgs to 57.88 Million Kgs from 50.25 Million Kgs recorded during the same period of last year. It was also higher compared to an output of 49.49 Million Kgs recorded in the month of April. Though the month of May marks the cessation of the “Long-Rains” over most parts of the country, rainfall recorded across the country was moderate and well distributed. In tea growing areas in the West of Rift, Kericho received near-normal rainfall of about 82% of its Long-term Mean precipitation for the month while the rest of the region (Bomet, Kisii/Nyamira and Nandi) recorded moderate rainfall. In the East of Rift, high rainfall ranging an average of 98-178mm daily was recorded in the first week of May and moderate rainfall during the rest of the month. As a result, output in the West of Rift was higher by 5.22 Million Kgs from 32.81 Million Kgs recorded during the same month of 2022 to 38.03 Million Kgs. Similarly, production within the East of Rift was enhanced by 2.42 Million Kgs from 17.43 Million Kgs to 19.85 Million Kgs.

Across the sub-sectors, production within the plantation sub-sector was higher by 6.30 Million Kgs from 22.45 Million Kgs to 28.75 Million Kgs on account of good rainfall in Kericho and moderate precipitation across the other areas in the West of Rift Region where the sub-sector has a wider coverage. Output in the smallholder sub-sector was higher by 1.33 Million Kgs from 27.79 Million Kgs recorded during the corresponding month of



2022 to 29.12 Million Kgs owing to moderate and well distributed rainfall in the East of Rift.

Despite good production in the month of May, tea output for the first five months of 2023 was lower by 2.34 Million Kgs to stand at 225.51 Million Kgs against 227.85 Million Kgs for the same period of last year. Lower output was due to severe hot and dry weather conditions experienced in the months of February and March.

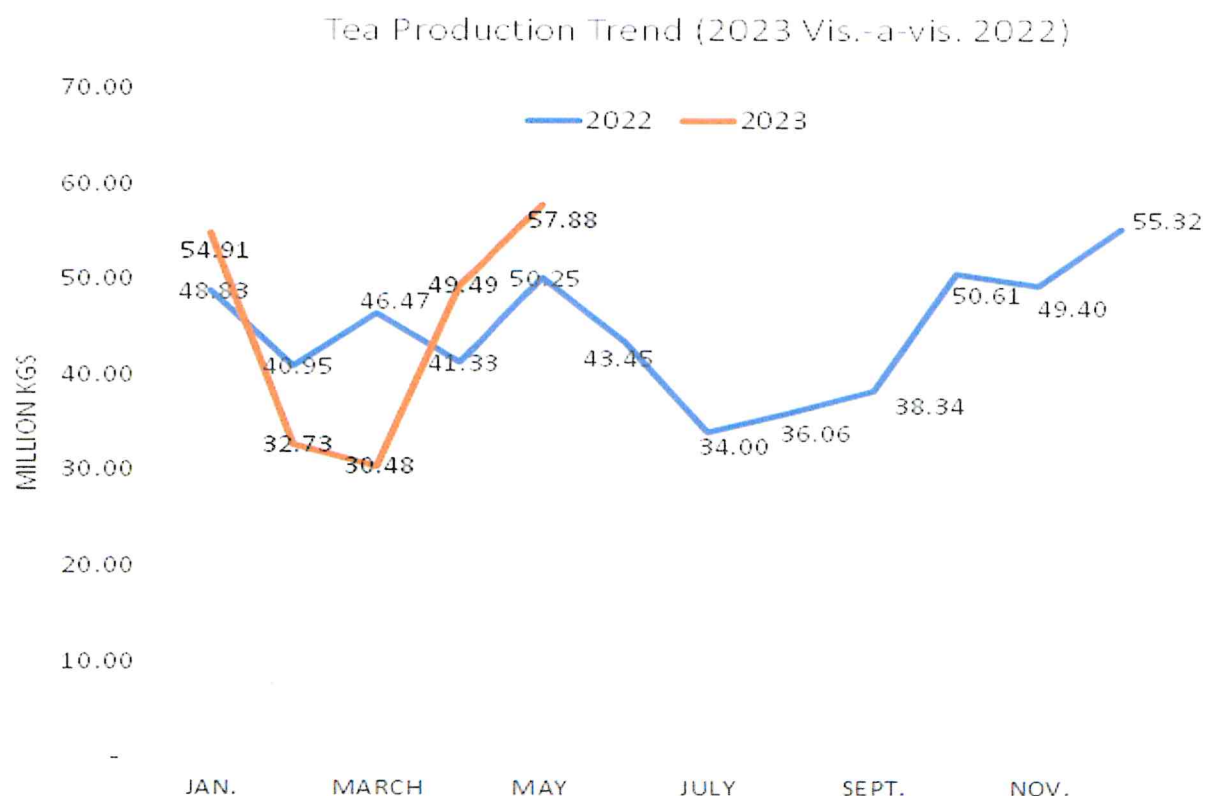


Table 1: Production by Sub-Sector and Region (2023 vis-à-vis 2022)

Sector	Region	MAY 2023	MAY 2022	Variance +/-	Var.(%)	Jan - May 2023	Jan - May 2022	Variance +/-	Var.(%)
Plantation	West of Rift	26,305,420	20,899,654	5,405,766	25.87%	101,495,141	90,342,320	- 8,064,791	-14.49%
	East of Rift	2,452,671	1,560,024	892,648	57.22%	7,765,698	7,864,383	- 5,325,735	-7.20%
	Total	28,758,091	22,459,677	6,298,413	28.04%	109,260,839	98,206,703	11,054,136	11.26%
Smallholder	West of Rift	11,727,482	11,915,179	- 187,697	-1.58%	47,589,747	55,654,538	11,152,821	12.35%
	East of Rift	17,400,337	15,877,969	1,522,368	9.59%	68,664,966	73,990,700	- 5,325,735	-67.72%
	Total	29,127,819	27,793,148	1,334,671	4.80%	116,254,713	129,645,238	-13,390,525	-10.33%
Plantation & Smallholder	West of Rift	38,032,901	32,814,833	5,218,069	15.90%	149,084,889	145,996,858	3,088,031	2.12%
	East of Rift	19,853,008	17,437,993	2,415,016	13.85%	76,430,663	81,855,083	- 5,424,420	-6.63%
	Total	57,885,909	50,252,825	7,633,084	15.19%	225,515,552	227,851,941	- 2,336,389	-1.03%

TEA SALES

AUCTION

During the month of May, auction sales volume for Kenya tea stood at 36.75 Million Kgs, which was lower compared to 38.85 Kgs Million recorded in the corresponding month of last year but higher than 26.93 Million Kgs recorded in April. The average monthly auction price for Kenya tea was also lower at 2.19 USD per Kg against 2.40 USD for the same period of 2022 and 2.39 recorded in April. However, tea offered for sale by the smallholder tea factories fetched a higher price at an average of 2.62 USD per Kg for the main grades.

Lower auction sales volume and price was occasioned by continued effect of economic recession facing the global markets especially Pakistan, Egypt, Sudan, Russia and Iran, which are some of the main markets for Kenya tea. This impact has been experienced since the commencement of Russia-Ukraine crisis in February 2022 and the armed conflict in Sudan in April 2023. During the month, exporters to Sudan and Iran did not participate in tea buying at the auction.

EXPORTS

The total export volume for the month of May was lower by 3% (1.15 Million Kgs) from 36.56 Million Kgs recorded in the same period of last year to 35.41 Million Kgs. However, the exports for the month was much higher compared to 24 Million Kgs recorded in April and 31.66 Million Kgs recorded in March 2023 owing to improved imports by Pakistan, U.A.E and Yemen. During the month, Pakistan maintained its position as the leading export destination for Kenya tea having imported 15.16 Million Kgs, which was an increase compared to 8.03 Million Kgs in April and March, respectively. This follows Pakistan Government intervention to prioritize forex allocation for importation of tea as an essential food item. During the month on May, Kenya tea was shipped to forty-seven (47) export destinations compared to forty (40) for the same period of last year with Pakistan accounting for 43%

of the total export volume. Other key export destinations for Kenya tea were UAE (3.64 Million Kgs); UK (3.56 Million Kgs); Yemen (2.43 Million Kgs); Egypt (2.34 Million Kgs); Russia (1.23 Million Kgs); Poland (0.76 Million Kgs); Ireland (0.74 Million Kgs); Afghanistan (0.57 Million Kgs) and Saudi Arabia (0.53 Million Kgs); The top ten export destinations, majority of which are traditional markets for Kenyan tea accounted for 87% of Kenya tea export volume. Apart from Pakistan; UAE; and Yemen, there were increased exports to other traditional markets such as UK; Saudi Arabia and Ireland compared to the same period of last year. However, Egypt; Russia; Poland; and Afghanistan recorded less imports for Kenya tea due to continued challenge of forex reserves and inflationary pressure attributed to the effect of the ongoing Russia-Ukraine crisis. Sudan, which is a traditional market for Kenya tea imported significantly less quantity at 0.104 Million Kgs compared to 1.565 Million Kgs for the same period of last year due to market access challenges occasioned by the ongoing armed conflict in the country. Other markets that recorded lower imports include Kazakhstan; South Africa; Ukraine; and Iran. However, there were improved exports to other non-traditional and emerging markets such as Jordan; Malaysia; Nigeria; Netherlands and Somalia as well as fewer shipments to seasonal markets such as Cameroon; Romania; Chad; Iraq; Israel; Burkina Faso; Taiwan; Senegal; Italy; and Myanmar.

LOCAL TEA SALES

Local tea sales for May 2023 stood at 3.08 Million Kgs against 2.41 Million Kgs for the corresponding period of 2022 while cumulative tea sales for the five months period up to May 2023 stood at 14.55 Million Kgs, which was higher against 12.45 Million Kgs for the same period of 2022 but lower compared to 15.44 Million Kgs for the same period of 2021.

20TH JULY 2023

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

DESTINATION	2023- QUANTITY KGS	2022 - QUANTITY KGS	QUANTITY VARIANCE KGS	%AGE VARIANCE
PAKISTAN	15,155,261	13,840,011	1,315,250	10%
UAE	3,639,925	3,540,761	99,164	3%
UK	3,556,095	2,722,845	833,250	31%
YEMEN	2,430,878	1,671,379	759,499	45%
EGYPT	2,342,890	5,313,361	-2,970,471	-56%
RUSSIA	1,228,215	1,655,046	-426,831	-26%
POLAND	764,477	950,803	-186,326	-20%
IRELAND	735,148	379,648	355,500	94%
AFGHANISTAN	574,668	702,799	-128,131	-18%
SAUDI ARABIA	529,858	414,412	115,446	28%
JORDAN	480,250	164,000	316,250	193%
MALAYSIA	468,988	88,826	380,162	428%
NIGERIA	423,690	81,876	341,814	417%
NETHERLANDS	291,308	160,166	131,142	82%
SOMALIA	254,724	26,000	228,724	880%
IRAN	250,542	387,457	-136,915	-35%
KAZAKHSTAN	237,309	613,666	-376,357	-61%
USA	227,525	241,345	-13,820	-6%
CHINA	193,663	103,240	90,423	88%
JAPAN	183,102	239,320	-56,218	-23%
INDIA	167,889	266,186	-98,297	-37%
SOUTH AFRICA	152,856	295,359	-142,503	-48%
TURKEY	143,404	147,704	-4,300	-3%
SRI LANKA	118,244		118,244	#DIV/0!
SUDAN	104,665	1,565,423	-1,460,758	-93%
MAURITIUS	98,516	28,584	69,932	245%
SWITZERLAND	97,994	168,104	-70,110	-42%
UKRAINE	87,763	199,429	-111,666	-56%
CAMEROON	72,100		72,100	#DIV/0!
UZBEKISTAN	72,045	21,600	50,445	234%
CANADA	51,904	67,460	-15,556	-23%
GERMANY	48,922	30,200	18,722	62%
ROMANIA	47,920		47,920	#DIV/0!
CHAD	39,912		39,912	#DIV/0!
IRAQ	29,580		29,580	#DIV/0!
ISRAEL	21,130		21,130	#DIV/0!
BURKINA FASO	18,113		18,113	#DIV/0!
MEXICO	18,000	9,000	9,000	100%
MALI	13,589	14,304	-715	-5%
NEW ZEALAND	12,800	12,800	0	0%
SINGAPORE	10,020	8,100	1,920	24%
TAIWAN	7,776		7,776	#DIV/0!
SENEGAL	5,174		5,174	#DIV/0!
ITALY	4,600		4,600	#DIV/0!
MYANMAR	3,834		3,834	#DIV/0!
EPZ	1,802		1,802	#DIV/0!
CZECH REPUBLIC	150		150	#DIV/0!
AUSTRALIA		1,300	-1,300	-100%
GHANA		38,400	-38,400	-100%

INDONESIA		87,756	-87,756	-100%
NICARAGUA			0	#DIV/0!
PERU		142,228	-142,228	-100%
QATAR		159,300	-159,300	-100%
TANZANIA		1,200	-1,200	-100%
TOTAL	35,419,218	36,561,399	-1,142,182	-3%

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

DESTINATION	2023- QUANTITY KGS	2022 - QUANTITY KGS	QUANTITY VARIANCE KGS	%AGE VARIANCE
PAKISTAN	50,885,139	82,946,771	-32,061,632	-39%
EGYPT	23,625,794	39,449,176	-15,823,382	-40%
UK	17,698,560	14,852,976	2,845,583	19%
UAE	11,681,643	12,373,848	-692,205	-6%
IRAN	7,812,920	1,514,802	6,298,117	416%
YEMEN	7,579,120	8,540,147	-961,027	-11%
RUSSIA	5,656,722	10,115,238	-4,458,516	-44%
AFGHANISTAN	4,244,367	2,913,255	1,331,112	46%
SUDAN	3,545,073	9,926,753	-6,381,680	-64%
JORDAN	2,881,655	1,180,500	1,701,155	144%
POLAND	2,710,936	3,569,455	-858,519	-24%
SAUDI ARABIA	2,679,044	2,650,834	28,210	1%
IRELAND	2,378,338	2,499,582	-121,244	-5%
INDIA	1,286,487	1,259,140	27,347	2%
KAZAKHSTAN	1,278,373	3,298,188	-2,019,815	-61%
MALAYSIA	1,072,248	817,414	254,834	31%
SOMALIA	1,066,989	267,930	799,059	298%
NETHERLANDS	1,043,670	733,346	310,324	42%
NIGERIA	1,032,142	1,559,830	-527,688	-34%
SWITZERLAND	1,029,983	1,126,644	-96,661	-9%
UKRAINE	698,495	536,054	162,441	30%
USA	684,252	1,038,209	-353,957	-34%
CHINA	603,733	764,156	-160,423	-21%
QATAR	557,390	714,265	-156,875	-22%
JAPAN	482,744	786,180	-303,436	-39%
OMAN	472,479	370,224	102,255	28%
SOUTH AFRICA	444,468	693,669	-249,201	-36%
TURKEY	402,968	617,751	-214,783	-35%
SRI LANKA	395,230	142,740	252,490	177%
GERMANY	385,054	340,574	44,480	13%
CANADA	364,854	111,565	253,289	227%
PERU	247,440	784,480	-537,040	-68%
TAIWAN	183,246	42,990	140,256	326%
UZBEKISTAN	166,545	276,894	-110,349	-40%
SPAIN	164,439		164,439	#DIV/0!
MAURITIUS	160,000	204,284	-44,284	-22%
CHAD	150,482	50,400	100,082	199%
TANZANIA	139,572	21,100	118,472	561%
ROMANIA	137,840		137,840	#DIV/0!
ERITREA	130,000	130,000	0	0%
DJIBOUTI	129,810	108,350	21,460	20%
BANGLADESH	96,000	453,600	-357,600	-79%
INDONESIA	95,400	813,396	-717,996	-88%
ISRAEL	73,450	24,207	49,243	203%
COTE D'IVOIRE	72,446		72,446	#DIV/0!

CAMEROON	72,100		72,100	#DIV/0!
GHANA	71,850	306,900	-235,050	-77%
BURKINA FASO	67,272	25,872	41,400	160%
HONG KONG	59,280	48,360	10,920	23%
SINGAPORE	43,925	60,580	-16,655	-27%
MALI	40,723	19,478	21,245	109%
NEW ZEALAND	39,160	51,200	-12,040	-24%
MYANMAR	38,680	110,340	-71,660	-65%
IRAQ	29,580		29,580	#DIV/0!
SOUTH SUDAN	29,015		29,015	#DIV/0!
ZAMBIA	24,842		24,842	#DIV/0!
ITALY	24,120	10,700	13,420	125%
CONGO DRC	23,990		23,990	#DIV/0!
BRAZIL	23,819	27,084	-3,265	-12%
MEXICO	18,000	48,809	-30,809	-63%
KYRGYSTAN	11,500	108,724	-97,224	-89%
BAHRAIN	8,496		8,496	#DIV/0!
SENEGAL	5,174		5,174	#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	235	15	6%
VIET NAM	90		90	#DIV/0!
AZERBAIJAN		22,500	-22,500	-100%
CHILE		30,696	-30,696	-100%
FINLAND		109,714	-109,714	-100%
GUINEA		5,472	-5,472	-100%
LITHUANIA		13,085	-13,085	-100%
SOUTH KOREA		116	-116	-100%
SWAZILAND		331	-331	-100%
TOGO		5,174	-5,174	-100%
TOTAL	159,272,919	211,628,167	-52,355,248	-25%