



TEA BOARD OF KENYA

*Realizing the Tea Promise*

## **KENYA TEA INDUSTRY PERFORMANCE HIGHLIGHTS FOR NOVEMBER 2022**

### **PRODUCTION**

Tea production for the month of November 2022 dropped by 1.49 Million Kgs from 50.71 Million Kgs recorded in the same month of 2021 to 49.22 Million Kgs. Production for the month of November was also lower compared to that of October which recorded 50.46 Million Kgs. Lower production for the month follows depressed and poorly distributed rainfall, which according to Kenya Meteorological Department reports was attributed to the *La Nina* weather conditions. As a result, the rainfall amounts recorded in most parts of the country was below the Long-term Mean for the month notwithstanding the fact that November usually marks the peak of the "Short Rains" Season (October-November-December). In tea growing areas, the rainfall amounts received was generally low with the exception of a few areas such as Kericho and Kiambu where moderate amounts (near their respective long-term mean rainfall for the month of November) were recorded and Embu which received high precipitation (Above the long-term mean rainfall for the month of November). In the West of the Rift Valley, tea growing areas within Kericho experienced moderate rainfall averaging 15mm to 91mm daily while the precipitation amounts in the rest of the regions, was generally low (Bomet-6mm to 35 mm; Nandi-6mm to 33 mm; Kisii/Nyamira 5mm to 51 mm). Within the East of Rift, Embu/Meru tea growing areas received high rainfall averaging 31mm to 123 mm daily while Kiambu recorded moderate rainfall of 16mm to 74 mm daily. However, most of the other tea growing areas within the region (Muranga/Nyeri/Kirinyaga) received low rainfall averaging 13mm to 54 mm daily. Consequently, production in the East of Rift was significantly lower at 13.58 Million Kgs

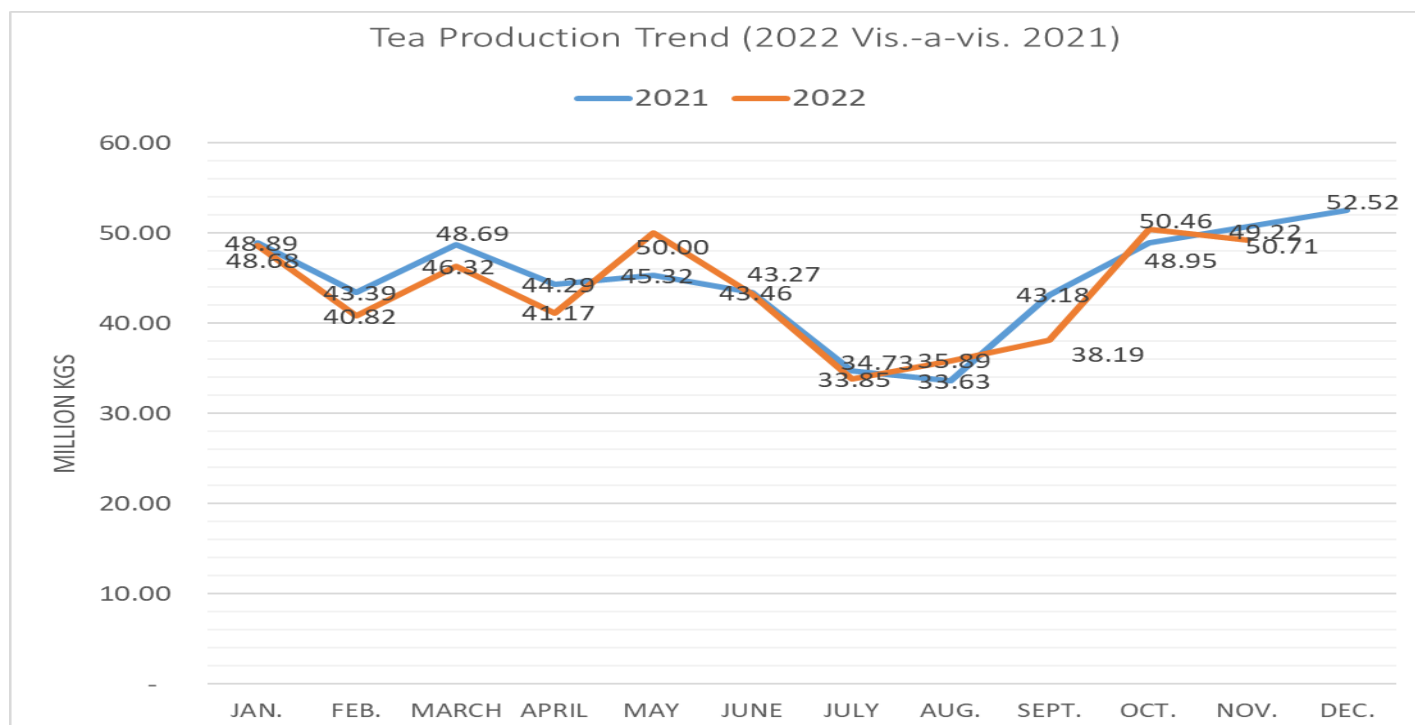
compared to 17.28 Million Kgs recorded during the corresponding month of 2021. However, due to moderate rainfall in Kericho, which has a high expansive area under tea cultivation, production within the West of Rift region was slightly higher at about 35.63 Million Kgs compared to 33.43 Million Kgs recorded during the month of November 2021.

Consequent to good weather conditions in parts of the West of Rift (Kericho) and East of Rift (Kiambu) where the Plantation sub-sector is prevalent, production within the sub-sector was higher by about 4.59 Million Kgs from 22.56 Million Kgs to 27.15 Million Kgs. However, since most tea growing areas in the East of Rift (Muranga; Nyeri; Kirinyaga) and West of Rift (Bomet; Nandi; Kisii/Nyamira) where the smallholder sub-sector is more prevalent received lower and poorly distributed rainfall, the sub-sector recorded significant drop in production by 6.09 Million Kgs from 28.15 Million Kgs recorded during the corresponding month of 2021 to 22.06 Million Kgs.

Cumulative production for the eleven-month period was lower by 7.31 Million Kgs to stand at 477.99 Million Kgs against 485.30 Million Kgs recorded during the corresponding period of 2021. Going by the trend to-November, lower cumulative production is likely to be recorded for the year 2022 as the rainfall recorded during the “Short Rains” season was depressed (below average) and poorly distributed in both time and space according to reports by Kenya Meteorological Department.

**Table 1: Production by Sub-Sector and Region (2022 vis-à-vis 2021)**

Sub-Sector	Region	Nov. 2022	Nov. 2021	Variance +/-	Var.(%)	Jan – Nov. 2022	Jan – Nov. 2021	Variance +/-	Var.(%)
Plantation	West of Rift	25,393,506	21,069,748	4,323,757	20.52%	218,386,655	214,013,595	4,373,060	2.04%
	East of Rift	1,762,336	1,492,095	270,241	18.11%	16,862,605	16,650,497	212,108	1.27%
	Total	27,155,842	22,561,844	4,593,998	20.36%	235,249,260	230,664,092	4,585,168	1.99%
Smallholder	West of Rift	10,241,612	12,361,461	- 2,119,849	-17.15%	108,344,136	111,225,164	- 2,881,028	-2.59%
	East of Rift	11,822,805	15,795,859	- 3,973,054	-25.15%	134,401,260	143,417,228	- 9,015,968	-6.29%
	Total	22,064,416	28,157,320	- 6,092,904	-21.64%	242,745,396	254,642,391	- 11,896,995	-4.67%
Plantation & Smallholder	West of Rift	35,635,117	33,431,209	2,203,908	6.59%	326,730,791	325,238,759	1,492,032	0.46%
	East of Rift	13,585,141	17,287,954	- 3,702,814	-21.42%	151,263,864	160,067,724	- 8,803,860	-5.50%
	Total	49,220,258	50,719,163	- 1,498,905	-2.96%	477,994,655	485,306,483	- 7,311,828	-1.51%



## **TEA SALES**

### **AUCTION**

During the month of November, auction sales volume for Kenya tea was slightly higher at 40.09 Million Kgs compared to 29.46 Million Kgs in October but lower against 45.41 Million Kgs recorded in November 2021. Increased auction sales in November compared to the previous months of the year follows improved but intermittent demand in certain key markets such as Pakistan, Sudan, Afghanistan, Kazakhstan, CIS, Russia and Iran. Consequently, the average auction price for Kenya tea during the month of November was slightly higher at 2.49 USD per Kg compared to 2.46 USD per Kg in October and 2.36 USD per Kg recorded in September. However, it was lower compared to 2.52 USD recorded during the same period of 2021 but higher than 1.97 USD in November 2020. For all the teas offered for sale at the auction during the month, "Best" category across CTC leaf and dust grades fetched higher prices especially those that were well sorted grades and had brighter liquors. Notably, there was no Orthodox tea grades on offer at the auction during the month.

During the eleven-month period of the year, average auction prices for Kenya tea stood at USD 2.49 per Kg, which was significantly higher compared to USD 2.07 for the same period of 2021 and 2.01 recorded for the period January to November 2020. Within the same period of 2022, tea offered for sale by the smallholder tea factories

fetches an average price of USD 2.72 per Kg for the main grades from an average price of USD 2.45 recorded during the period January to November 2021 and USD 2.23 for the same period of 2020.

Though the auction prices have been on an upward trajectory after experiencing a declining trend to a low of 1.75 USD per Kg in July 2021 for the smallholder tea factories, the auction prices during the period March to November 2022 were affected negatively by global economic shock experienced in most markets due to the Russia-Ukraine crisis. Notably, during this period, exporters of tea to Russia and Iran markets participated less in tea buying at the auction.

## **EXPORTS**

The total export volume for the month of November 2022 was lower by 10% from 45.09 Million Kgs recorded in the same period of 2021 to 40.65 Million Kgs. However, the export volume was significantly higher than 33.22 Million Kg recorded in October while the number of export markets were more at fifty four (54) compared to forty six (46) for the same period of 2021. This was due to enhanced demand in some of the markets occasioned by cold weather conditions following the onset of winter season.

During the month, Pakistan maintained its position as the leading export destination for Kenya tea having imported 17.67 Million Kgs compared to 20.10 Million Kgs imported during similar period of 2021. However, tea imports by Pakistan from Kenya recorded improved performance compared to the preceding months of the year and accounted for 43% of the total export volume. Other key export destinations for Kenya tea were UK (4.94 Million Kgs); Egypt (4.45 Million Kgs); UAE (2.76 Million Kgs); Russia (2.01 Million Kgs); Sudan (1.47 Million Kgs); Yemen (0.91 Million Kgs); Kazakhstan (0.68 Million Kgs); Afghanistan (0.55 Million Kgs) and Japan (0.55 Million Kgs). The top ten export destinations, majority of which are traditional markets for Kenya tea accounted for 89% of Kenya tea export volume. Amongst the ten traditional markets Pakistan; UK; Egypt; and Yemen recorded lower tea imports from Kenya compared to the same period of 2021. Decline was also recorded in other key and emerging markets such as Poland; USA; Switzerland; Turkey; India; Ukraine; Oman; Indonesia; Malaysia; Germany and South Africa. The decline in exports was attributed to the global economic recession that has affected purchasing power in most of the

markets. However, a few shipments were recorded in seasonal and emerging markets such as Burkina Faso; Mexico; Chile; Zambia; Azerbaijan; Cote D'ivoire; Finland; Senegal; Kyrgyzstan; Iraq; Iceland; Puerto Rico; Costa Rica; Togo; Ghana; And Swaziland. Cumulative export volume for January to November 2022 was lower by 21% to stand at 405.16 Million Kgs compared to 512.99 Million Kgs for the ten-month period of 2021.

### **LOCAL TEA SALES**

Local tea sales for November 2022 stood at 3.28 Million Kgs against 3.22 Million Kgs for the corresponding period of 2021 while cumulative sales in the local market for the ten months period up to November 2022 was lower at 31.17 Million Kgs against 34.55 Million Kgs for the same period of 2021 and 37.31 Million Kgs for the eleven months period of 2020. Less sales during the year to-November was attributed to lower demand of tea due to reduced purchasing power amongst the consumers occasioned by inflationary pressure on commodity prices. The high rate of inflation was brought about by effect of the ongoing global economic recession. Overall inflation rate for the eleven month period of 2022 was higher at an average of 7.51 percent compared to 6.15 percent for the same period of 2021 and 5.26 percent in 2020. The highest rate of inflation averaging 9.02 percent was recorded during the second-half of the year.

20<sup>th</sup> December 2022

**Table 2: Kenya Tea Exports by Destination (November 2022 vis-à-vis November 2021)**

DESTINATION	2022- QUANTITY KGS	2021 - QUANTITY KGS	QUANTITY VARIANCE KGS	%AGE VARIANCE
PAKISTAN	17,670,156	20,100,175	-2,430,019	-12%
UK	4,941,258	5,215,828	-274,570	-5%
EGYPT	4,446,077	7,624,306	-3,178,229	-42%
UAE	2,757,102	2,398,809	358,293	15%
RUSSIA	2,014,631	1,923,426	91,205	5%
SUDAN	1,472,462		1,472,462	#DIV/0!
YEMEN	914,552	1,139,459	-224,907	-20%
KAZAKHSTAN	681,790	593,535	88,255	15%
AFGHANISTAN	554,912	473,212	81,700	17%
JAPAN	554,722	178,146	376,576	211%
IRELAND	476,411	302,714	173,697	57%
IRAN	423,506	375,298	48,208	13%
NIGERIA	410,900	224,000	186,900	83%
CHINA	370,229	277,898	92,331	33%
POLAND	326,986	611,232	-284,246	-47%
SOMALIA	294,401	54,406	239,995	441%
JORDAN	272,100		272,100	#DIV/0!
USA	223,557	383,680	-160,123	-42%
SAUDI ARABIA	198,434	95,804	102,630	107%
SWITZERLAND	168,859	341,680	-172,821	-51%
TURKEY	139,868	254,996	-115,128	-45%
INDIA	134,008	617,752	-483,744	-78%
UKRAINE	115,730	163,920	-48,190	-29%
OMAN	109,564	128,522	-18,958	-15%
CANADA	99,004	94,924	4,080	4%
INDONESIA	92,960	174,012	-81,052	-47%
MALAYSIA	82,516	224,765	-142,249	-63%
NETHERLANDS	72,920	70,364	2,556	4%
SRI LANKA	60,000	30,588	29,412	96%
GERMANY	53,582	164,553	-110,971	-67%
ISRAEL	48,702	24,000	24,702	103%
TAIWAN	45,219	1,200	44,019	3668%
SOUTH AFRICA	38,826	164,446	-125,620	-76%
HONG KONG	38,780	34,020	4,760	14%
BURKINA FASO	36,226		36,226	#DIV/0!
MEXICO	35,798		35,798	#DIV/0!
SINGAPORE	35,700	19,455	16,245	84%
CHILE	34,659		34,659	#DIV/0!
MYANMAR	28,000	26,000	2,000	8%
ZAMBIA	24,840		24,840	#DIV/0!
AZERBAIJAN	23,500		23,500	#DIV/0!
COTE D'IVOIRE	20,698		20,698	#DIV/0!
FINLAND	16,480		16,480	#DIV/0!
SENEGAL	15,523		15,523	#DIV/0!
KYRGYZSTAN	15,500		15,500	#DIV/0!
IRAQ	13,190		13,190	#DIV/0!
MAURITIUS	10,590	20,000	-9,410	-47%

BRAZIL	10,490	9,000	1,490	17%
ICELAND	8,636		8,636	#DIV/0!
PUERTO RICO	7,776		7,776	#DIV/0!
COSTA RICA	5,684		5,684	#DIV/0!
TOGO	5,174		5,174	#DIV/0!
GHANA	4,830		4,830	#DIV/0!
SWAZILAND	280	605	-325	-54%
CHAD		24,000	-24,000	-100%
DJIBOUTI		60,160	-60,160	-100%
ERITREA		130,000	-130,000	-100%
MACAO		10,068	-10,068	-100%
MOROCCO		53,088	-53,088	-100%
NEW ZEALAND		12,800	-12,800	-100%
QATAR		125,900	-125,900	-100%
UGANDA		1,995	-1,995	-100%
UZBEKISTAN		135,867	-135,867	-100%
TOTAL	40,658,297	45,090,608	-4,432,310	-10%

**Table 3: Kenya Tea Exports by Destination (Jan- November 2022 vis-à-vis Jan- November 2021)**

DESTINATION	2022- QUANTITY KGS	2021- QUANTITY KGS	QUANTITY VARIANCE KGS	%AGE VARIANCE
PAKISTAN	167,313,379	193,856,860	- 26,543,481	-14%
EGYPT	58,991,963	89,263,470	- 30,271,506	-34%
UK	32,086,611	45,788,368	- 13,701,757	-30%
UAE	24,937,276	26,813,391	- 1,876,115	-7%
SUDAN	18,549,270	26,128,962	- 7,579,692	-29%
RUSSIA	17,914,928	27,485,510	- 9,570,582	-35%
YEMEN	14,998,382	14,366,414	631,968	4%
KAZAKHSTAN	6,911,736	10,929,554	- 4,017,817	-37%
AFGHANISTAN	6,378,226	2,130,411	4,247,815	199%
POLAND	5,943,117	8,547,330	- 2,604,213	-30%
SAUDI ARABIA	5,582,234	3,031,783	2,550,451	84%
IRELAND	4,280,181	4,656,330	- 376,150	-8%
NIGERIA	4,265,957	5,313,032	- 1,047,075	-20%
IRAN	3,928,540	5,866,979	- 1,938,439	-33%
JORDAN	3,515,100	1,900,000	1,615,100	85%
INDONESIA	2,519,466	2,124,793	394,673	19%
JAPAN	2,289,587	3,124,367	- 834,780	-27%
INDIA	2,134,169	4,419,377	- 2,285,208	-52%
SWITZERLAND	2,065,321	4,458,942	- 2,393,621	-54%
MALAYSIA	1,916,697	2,122,377	- 205,680	-10%
CHINA	1,749,744	4,938,849	- 3,189,105	-65%
USA	1,612,486	3,287,498	- 1,675,013	-51%
SOMALIA	1,363,138	1,109,047	254,091	23%
TURKEY	1,342,047	1,944,415	- 602,368	-31%
UKRAINE	1,217,692	2,457,957	- 1,240,265	-50%
NETHERLANDS	1,112,928	2,852,011	- 1,739,083	-61%
SOUTH AFRICA	1,106,894	1,203,522	- 96,628	-8%
PERU	995,912	117,080	878,832	751%
QATAR	781,761	1,272,206	- 490,445	-39%
OMAN	766,464	1,140,084	- 373,620	-33%
BANGLADESH	741,600	694,800	46,800	7%
UZBEKISTAN	735,866	1,363,818	- 627,952	-46%
GERMANY	594,667	1,177,095	- 582,428	-49%
SRI LANKA	437,954	1,679,634	- 1,241,680	-74%
MAURITIUS	432,013	317,400	114,613	36%
GHANA	395,677	452,992	- 57,315	-13%
CANADA	369,044	742,809	- 373,765	-50%
KYRGYZSTAN	261,224	400,276	- 139,052	-35%
TAIWAN	214,057	368,660	- 154,603	-42%
CHILE	212,208	2,134	210,074	9844%
DJIBOUTI	192,850	258,444	- 65,594	-25%
MYANMAR	187,728	187,067	661	0%



CHAD	157,380	904,853	-	747,473	-83%
BURKINA FASO	144,720			144,720	#DIV/0!
SINGAPORE	141,280	136,385		4,895	4%
AZERBAIJAN	141,270	97,787		43,483	44%
HONG KONG	139,080	239,110	-	100,030	-42%
ERITREA	130,000	260,000	-	130,000	-50%
FINLAND	126,194	71,478		54,716	77%
ZAMBIA	124,060			124,060	#DIV/0!
NEW ZEALAND	89,600	102,400	-	12,800	-13%
MEXICO	84,607	63,000		21,607	34%
ISRAEL	83,709	96,000	-	12,291	-13%
COTE D'IVOIRE	56,832			56,832	#DIV/0!
ROMANIA	48,000			48,000	#DIV/0!
ESTONIA	46,700			46,700	#DIV/0!
BRAZIL	37,574	45,321	-	7,747	-17%
MALI	35,002	10,348		24,654	238%
SENEGAL	31,046	5,174		25,872	500%
IRAQ	26,188	189,326	-	163,138	-86%
LITHUANIA	25,905	7,224		18,681	259%
TAJIKISTAN	21,600	23,829	-	2,229	-9%
TANZANIA	21,100	20,220		880	4%
TOGO	15,523			15,523	#DIV/0!
GABON	15,523			15,523	#DIV/0!
ITALY	11,000	28,460	-	17,460	-61%
ICELAND	8,636			8,636	#DIV/0!
BAHRAIN	8,496	12,412	-	3,916	-32%
PUERTO RICO	7,776			7,776	#DIV/0!
ANGOLA	6,168	24,058	-	17,890	-74%
COSTA RICA	5,684			5,684	#DIV/0!
GUINEA	5,472	5,472		-	0%
CONGO	5,174	16,214	-	11,039	-68%
MAURITANIA	5,174			5,174	#DIV/0!
NIGER	5,174			5,174	#DIV/0!
AUSTRALIA	2,005	1,665		340	20%
BENIN	1,887			1,887	#DIV/0!
SWAZILAND	611	1,642	-	1,030	-63%
FRANCE	500	8,165	-	7,665	-94%
CZECH REPUBLIC	335	325		10	3%
SOUTH KOREA	116	1,600	-	1,484	-93%
CAMEROON		8,083	-	8,083	-100%
GAMBIA		960	-	960	-100%
ISLE OF MAN		24,000	-	24,000	-100%
IVORY COAST		7,764	-	7,764	-100%
MACAO		10,068	-	10,068	-100%
MOROCCO		120,988	-	120,988	-100%

SPAIN		22,880	- 22,880	-100%
TURKMENISTAN		51,685	- 51,685	-100%
UGANDA		7,428	- 7,428	-100%
VIETNAM		71,174	- 71,174	-100%
TOTAL	405,163,197	512,993,546	-107,830,349	-21%