



THE UNITED REPUBLIC OF TANZANIA
MINISTRY OF AGRICULTURE
TEA BOARD OF TANZANIA



TEA PROFILE

INTRODUCTION

Tea in Tanzania is among the strategic crops. Its average annual tea production is between 26,000-32,000 Metric Tons which contributes an average of USD 45 million annually to Government. It provides employment in the factories and plantations to about 50,000 people and approximately indirect employment to 2,000,000 people. Tea farmers are Small scale about 32,000 while there are 12 estates.

Global tea producers

- China (2.4 million MT)
- India (900,000 MT)
- Kenya (305,000 MT)
- Sri Lanka (300,000 MT)
- Turkey (175,000 MT)
- Indonesia (157,000 MT)
- Vietnam (117,000 MT)
- Japan (89,000 MT)
- Iran (84,000 MT)
- Argentina (70,000 MT)

Global tea exporters

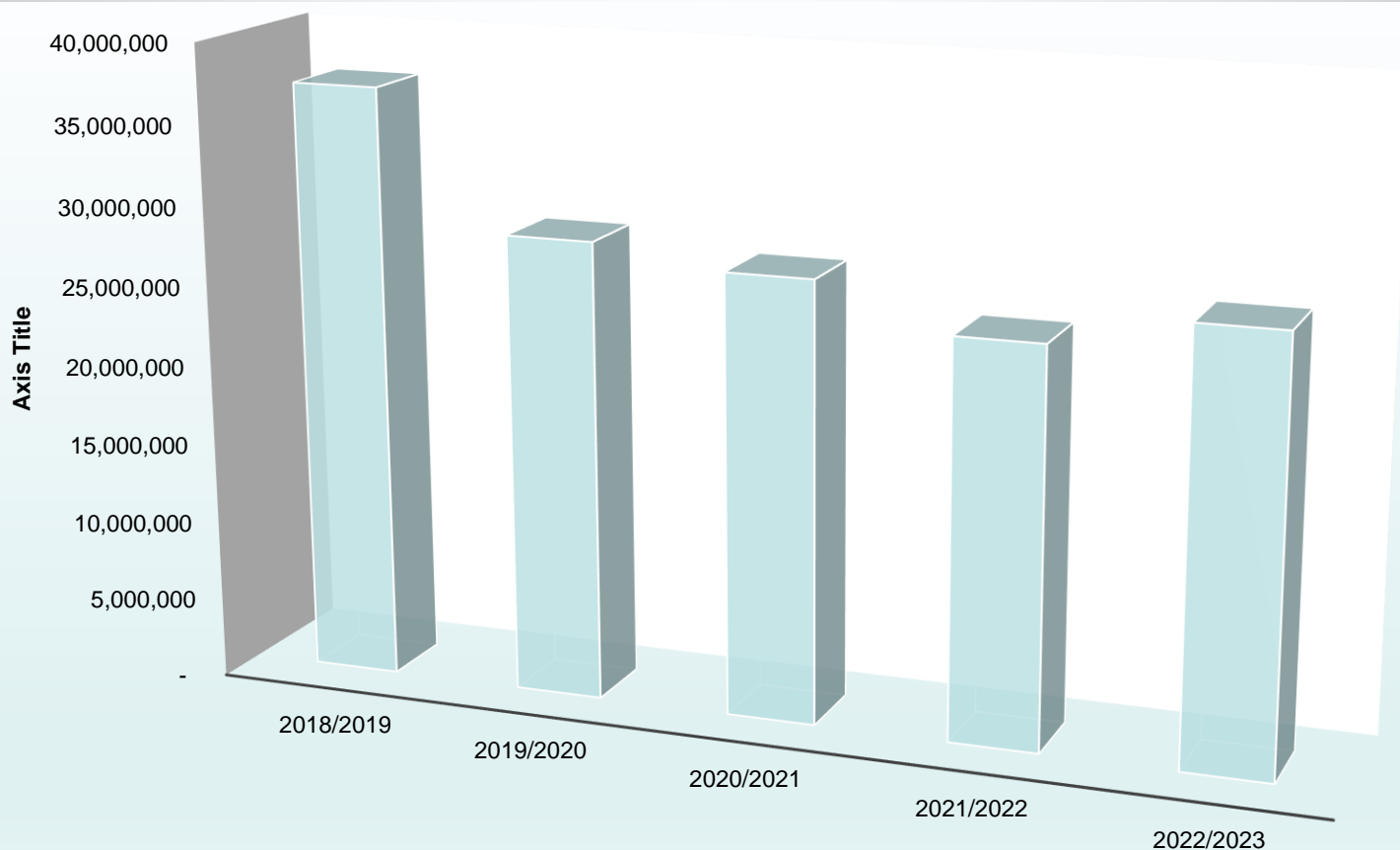
S.no.	Top Tea Exporter Countries	Export Value
1	China	US\$ 1,739 million
2	Kenya	US\$ 1,383 million
3	Sri Lanka	US\$ 1,383 million
4	India	US\$ 761 million
5	Poland	US\$ 235 million
6	Germany	US\$ 228 million
7	Japan	US\$ 210 million
8	United Arab Emirates	US\$ 152 million
9	United Kingdom	US\$ 121 million
10	Vietnam	US\$ 115 million

[Global 50 countries importing tea](https://www.globaltaeauction.com/worl-top-50-tea-importing-countries)

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MT. PRODUCTION TREND IN TANZANIA

QUANTITY (kgS)

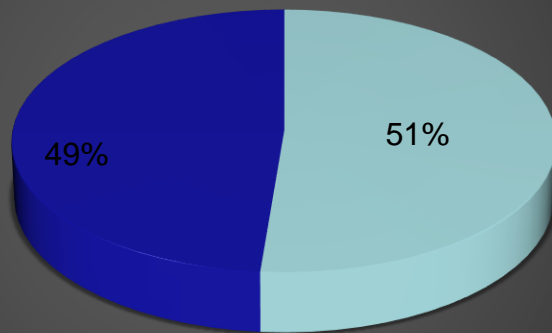


	2018/2019	2019/2020	2020/2021	2021/2022	2022/2023
QUANTITY (kgS)	37,192,604	28,714,672	27,509,438	24,824,627	26,753,614

Facts	Figures	
	Smallholder Growers	Estate Growers
No. of Tea Growers	32,000	12
Tea Acreage (Ha)	11,361	12,445
Made Tea Productivity (Kg/Ha)	1,000	1,300
Made Tea Production (Tons/Year)	10,680	16,074
No. of Green Leaf Processing Factories	1 Specialty (orthodox)	22 (only 19 are functioning) – CTC TEA
Average green leaf Price	366	366
Contribution to the National Tea Output (%)	39	61

Tea growing areas

Area Planted Tea



■ Large farmers 12207.1Ha

■ Small Scale Farmers
11598.45Ha

There are 6 Regions: Mbeya, Njombe, Iringa, Tanga, Kagera & Mara

Districts that produce tea: There are 12 Districts (Rungwe, Njombe, Ludewa, Wanging'ombe, Mufindi, Kilolo, Muheza, Lushoto, Korogwe, Bukoba, Muleba & Tarime)

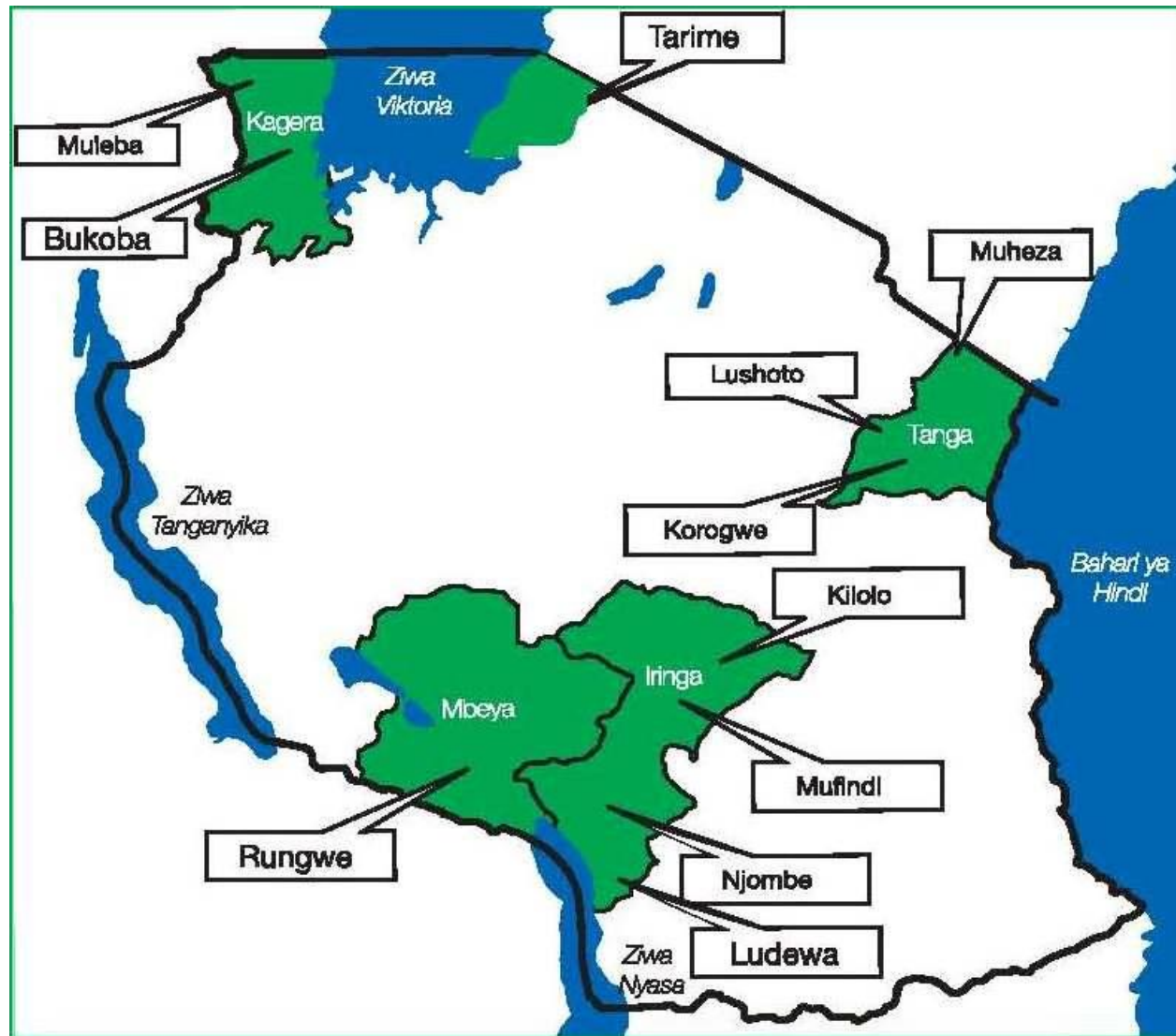
Area planted with tea

Large Farmers: 12,207.10 hectares (51.3%)

Small holder farmers: 11,598.45 hectares (48.7%)

Total: 23,805.55 hectares

TEA PRODUCING AREAS



TEA MARKETING

Made Tea sales

Local Sales to Blenders and Packers (8%)

Export sales (92%)

- Direct sales - 66%
- Through Mombasa auction - 26%



TEA MARKETING

- In 2022, the top exporters of Tea were China (\$1.77B), Kenya (\$1.39B), Sri Lanka (\$1.29B), India (\$761M), and United Arab Emirates (\$465M). In 2022, the top importers of Tea were Pakistan (\$707M), United States (\$522M), Russia (\$448M), United Arab Emirates (\$388M), and Hong Kong (\$344M).
- In the year 2022, Tanzania exported \$x37.7M.
- in Tea, making it is the 20th largest exporter of Tea in the world. At the same year, Tea was the 37th most exported product in Tanzania.

TEA MARKETING

- Top export destinations of "Tea, whether or not flavoured" from Tanzania in 2023:
- Kenya with a share of 29% (9.32 million US\$)
- United Kingdom with a share of 27% (8.41 million US\$)
- Pakistan with a share of 22% (6.92 million US\$)
- South Africa with a share of 8.86% (2.76 million US\$)
- Russia with a share of 6.05% (1.88 million US\$)
- Poland with a share of 1.63% (508 thousand US\$)
- United Arab Emirates with a share of 1.38% (429 thousand US\$)
- India - 265 thousand US\$
- Romania - 151 thousand US\$
- USA - 135 thousand US\$



CHALLENGES AND OPPORTUNITIES

Challenges

- Climate change –prolonged drought
- Low production and productivity
- MT Markets (low Realized Prices and Market access
- High costs of auditing and certification and traceability

Opportunities/strategies

- Supportive government policies.
- Engagement/Bilateral Cooperations with best performing countries in Production and marketing
- Available land - Potential for expansion (traditional and new areas (Kilolo)
- Investment in processing and blending and packing factories



DAR ES SALAAM ONLINE TEA AUCTION (DOTA)

- As part of reform for tea marketing and the endeavours of increasing tea production, quality and standardization in the country, the Govt of Tanzania in collaboration with tea stakeholders decided to introduce tea auction.
- Establishment DOTA was also triggered by the associated trade challenges facing tea manufacturers after the outbreak of Corona Virus and Russia Vs Ukraine war.



STAKEHOLDERS INVOLVEMENT

As an attempt of reducing marketing costs DOTA is being operationalized by Government institutions and private sector. They all signed an MOU which stipulates obligations of each part in making the Tea Auction operational

Government institutions

- Tea Board of Tanzania (TBT) , Tanzania Mercantile Exchange (TMX), Warehouse Receipts Regulatory Board (WRRB), Tanzania Smallholders Tea Development Agency (TSHTDA),

Private Sector

- Tea Association of Tanzania (TAT); Tea Brokers; Tea Buyers and Warehouse operators

First Online Auction commenced on 13th Nov. 2023

RATIONALE OF ESTABLISHING DOTA

- i. To improve domestic economy;
- ii. Local Content agenda: All actors in the value chain will benefit from the process i.e Tanzanian tea buyers, brokers, warehouse operators, transporters etc;
- iii. Tea sector to play bigger role in marketing and operationalization of Dar es salaam and Tanga ports;
- iv. Entice more Tanzanian to have interest in tea and therefore increase production, quality and also will help in standardization;
- v. To Promote regional specialist markets that will further integrate to enhance regional visibility.

AUCTION OPERATIONS

- The auctions are conducted on weekly basis (on Monday)
- The maximum price attained is US\$ 95 and minimum is US\$c 53



TEA GRADES

Black CTC tea grades		
Grade types	Grades	Features
Primary Grades	BP1	Big grainy particles
	PD	Big flakey particles
	PF1	Small grainy particles
	D1	Very small grainy particles
Secondary Grades	Fannings	Bold grainy particles
	BMF	Broken mixed fannings
	DUST	Small leafy
	PF	Flakey leaf
	BP	Broken Stems, choppy, hard leaf tea.

Broken Pekoe One (BP1); a larger size leaf with bold round particles gives a full body's bright tea.



Pekoe Fanning One (PF1); a smaller size leaf with strong tasting tea.



Pekoe Fanning (PF); Fanning's broken leaves, slightly larger than dust.



Broken Pekoe (BP); Broken Stems, choppy, hard leaf tea.



OPPORTUNITIES TO INVEST IN TEA INDUSTRY

- Investing in in blending facilities
- Investing in CTC producing factories
- Investing in Packaging materials producing machines
- Investing in Production technologies
- Investing in certification companies
- Investing in bottle manufacturing Company

...Opportunities...

- An opportunity to invest on unutilized land which is tea grown areas:
- 3028 Hactares at Kilolo District in Iringa Region;
- 2372.77 in Njombe and Iringa
- Therefore, this vast land can be used for estates plantations of tea.



