



# Tough regulations stir up tea sector

By Marion Wagaki

Tea processed and manufactured in Kenya for the export market will be sold exclusively at the tea auction floor by November this year, the government has announced.

The tea regulation implementation should be fully executed by 28 February 2021 in timelines set out in the Crops (Tea Industry) Regulations, 2020, according to the regulations issued by Agriculture, Livestock, Fisheries and Cooperatives Cabinet Secretary Peter Munya.

Under the new regulations, no one will be allowed to act in a director's position when having a commercial relationship at a tea factory come February next year.

From November 2020, all tea processed and manufactured in Kenya for the export market would be for sale exclusively at the tea auction floor.

Smallholder tea factory companies shall ensure tea growers are paid at least 50% due for green leaf delivered every month within 30 days.

The Crops (Tea Industry) Regulations, 2020, came into force on 22 May 2020, having gone through all the necessary processes, including stakeholder consultations and public participation.

Munya says all tea sectors had been given ample time

- more than two months - to familiarize themselves with the new regulatory requirements and create their internal capacity.

"The regulations are ready for implementation and will be followed by a new Tea Act currently before Parliament. The government is implementing these measures in a bid to reverse the tea sector's dwindling fortunes and improve the entire value chain," says the CS.

He has urged parliament to expedite the Tea Reforms Act, paying particular attention to the provisions allowing renegotiation and amendment of current agreements, especially those relating to management agents and factories.

Munya said the timelines would be strictly enforced, with penalties for those failing to comply, including suspension and revocation or variations of licences and registrations. The timelines cover management, manufacturing, buyers and exporters, brokerage and tea auction trading rules.

He directed the Agriculture and Food Authority (AFA) to immediately undertake a technical inspection of the newly-installed E-Auction system to ensure that the auction is operating consistently with best practices for commodity trading.