

**LEGAL NOTICE NO. XXXXXXXX****TEA ACT, No. 23 of 2020**

IN EXERCISE of the powers conferred by Sections 53 (1), (2) and (4) of the Tea Act, 2020, the Cabinet Secretary for Agriculture, Livestock, Fisheries and Co-operatives, makes the following Regulations: -

**TEA (LEVY) REGULATIONS, 2021**

| <b>PART I – PRELIMINARY</b> |  |                       |
|-----------------------------|--|-----------------------|
| <b>1.</b>                   | These Regulations may be cited as the Tea (Levy) Regulations 2021 and shall come into operation 30 days from the date of the publication in the gazette.   | <b>Citation</b>       |
| <b>2.</b>                   | In these regulations, unless the context otherwise requires-   | <b>Interpretation</b> |
|                             | “Act” means the Tea Act, 2020.   |                       |
|                             | “auction” means auction as defined under Section 2 of the Act.   |                       |
|                             | “auction value” means the value realized from the sale of made tea at the auction;   |                       |
|                             | “authorized agent” means a representative appointed by the Board to collect tea levy on its behalf;  |                       |
|                             | “board” means the Tea Board of Kenya as defined under Section 2 of the Act.  |                       |
|                             | “buyer” means a buyer as defined under Section 2 of the Act.;  |                       |
|                             | “Cabinet Secretary” means the cabinet secretary for the time being in charge of agriculture.   |                       |
|                             | “export” means to take tea or cause tea to be taken out of the Kenya customs territory;  |                       |
|                             | “exporter” means an exporter as defined under Section 2 of the Act;  |                       |
|                             | “import” means import as defined under Section 2 of the Act;   |                       |
|                             | “importer” means an importer as defined under Section 2 of the Act;  |                       |
|                             | “Kenya Standard 1927: Tea Packets and Containers Specifications” means the Kenya Standard that specifies the requirements and methods of test for tea packets and containers, applicable to tea packaging for retail in the form of tea bags, tea packets, instant tea and ready to drink containers but does not include tea sacks. |                       |
|                             | “levy” means the tea levy as defined under Section 2 of the Act;   |                       |

|  |  |                                    |
|--|--|------------------------------------|
|  | “made tea” means made tea as defined under Section 2 of the Act;   |                                    |
|  | “point of export” means a designated customs border point at which made tea is taken out of Kenya customs territory or to an Export Processing Zone or Special Economic Zone;  |                                    |
|  | “point of import” means a designated customs border point at which made tea is brought into Kenya from any place out of Kenya or from an Export Processing Zone or Special Economic Zone.  |                                    |
|  | “release order” means the release order prescribed under Form TBK/TB/17 set out in the First Schedule.   |                                    |
| <b>PART II – IMPOSITION AND COLLECTION OF THE TEA LEVY</b> |  |                                    |
| 3.   | <p>(1) Pursuant to Section 53 (1) of the Act, the Cabinet Secretary hereby imposes a tea levy on tea exports and imports.</p> <p>(2) The tea levy shall be payable:-</p> <p>(a) at the rate of one per centum of the auction value for made tea exports; and</p> <p>(b) at the rate of one hundred percent (100%) of the value of the imported teas.</p>   | Tea levy                           |
| 4.   | Value added tea packed in Kenya in accordance with Kenya Standard 1927: Tea Packers and Containers Specifications or an equivalent standard shall be exempt from payment of the tea levy.  | Exemption of Value Added Teas      |
| 5.   | <p>(1) A tea exporter or importer shall pay the tea levy to the Board or its authorized agent based on the auction or import value on each consignment of made tea at the point of export or import.</p> <p>(2) A tea importer operating under the Export Processing Zone shall pay tea levy at a rate of one hundred per centum of the value for any non-Kenyan teas imported from the Export Processing Zone into Kenya for local consumption.</p> <p>(3) Upon payment of the tea levy, the Board or its authorized agent shall issue the tea exporter or importer with a receipt.</p> <p>(4) Where the tea levy is paid to an authorized agent under sub-paragraph 3, the authorized agent shall remit the amount to the Board not later than the tenth day of the following month.</p> | Payment and Collection of the Levy |

|    |   |                                    |
|----|---|------------------------------------|
| 6. | <p>(1) A tea exporter or importer shall provide information on all export and import consignments to the Board in Form TBK/TB/15 and TBK/TB/16 set out in the First Schedule.</p> <p>(2) A tea exporter or importer shall provide receipts to the Board or its authorized agent, as proof of payment of the requisite tea levy.</p> <p>(3) The Board or its authorized agent shall, verify tea export or import documentation to authenticate export or import declaration and payment of the tea levy.</p> | Declaration of exports and imports |
| 7. | <p>(1) The Board shall upon verification, issue a release order in Form TBK/TB/17 set out in the First Schedule.</p> <p>(2) The Board shall not issue a release order to an exporter or importer unless that person has complied with the provisions of the Act and any regulations made there under.</p> <p>(3) The Board may cancel the export or import release order if an exporter or importer contravenes the provisions of the Act and any regulations made there under.</p>                         | Release order                      |
| 8. | <p>(1) Any tea levy which remains unpaid shall be recovered by the Board as a civil debt due to it from the person by whom it is payable.</p> <p>(2) Any tea levy that remains unpaid for thirty days or more shall attract interest at commercial bank rates, prevailing at the time the levy becomes due, until it is fully paid.</p>   | Default in payment                 |
| 9. | A tea exporter or importer who provides false information on their tea export and import consignments or on any other information required by the Board commits an offence and shall be liable on conviction to the penalties provided under Section 71 of the Act.   | Penalty                            |

**FIRST SCHEDULE****THE TEA ACT, 2020****FORM TBK\TB\15****TEA EXPORT DECLARATION  
(CONFIDENTIAL)**

1. Name of exporter.....
2. Address.....
3. Telephone No.....
4. Email Address.....

1. Registration certificate number.....
2. Details of consignment (bulk teas)

| Factor y Marks | Invoice No. | Grade | No. of Packages | Net Weight (Kg) | Custom Value of Consignment (USD) | Auction Value of Consignment (USD) | Tea Levy applicable (USD) |
|----------------|-------------|-------|-----------------|-----------------|-----------------------------------|------------------------------------|---------------------------|
|                |             |       |                 |                 |                                   |                                    |                           |
|                |             |       |                 |                 |                                   |                                    |                           |
|                |             |       |                 |                 |                                   |                                    |                           |
|                |             |       |                 |                 |                                   |                                    |                           |

(If spaces not adequate provide attachment and if tea is blended please attach blending sheet)

3. Details of consignment (value added teas)

(Teas packed for retail in not more than 10 Kgs in the form of tea bags, tea packets, instant and ready to drink tea containers).

| Brand Name | Form of packaging | Invoice No. | No. of Packages | Net Weight (Kg) | Unit Price | Value of Consignment (USD) |
|------------|-------------------|-------------|-----------------|-----------------|------------|----------------------------|
|            |                   |             |                 |                 |            |                            |
|            |                   |             |                 |                 |            |                            |
|            |                   |             |                 |                 |            |                            |

4. Summary of the consignment

| Type of consignment | Net Weight |   | Value of Consignment |   |
|---------------------|------------|---|----------------------|---|
|                     | (Kg)       | % | (USD)                | % |
| Bulk                |            |   |                      |   |
| Value added teas    |            |   |                      |   |
| <b>Total</b>        |            |   |                      |   |

Full name and address of buyer/consignee.....

.....  
Name and address of Warehouse where tea can be inspected.....

.....  
Tea Short Shipment (if any):

| Factory Marks. | Invoice No. | Grade | No of Packages | Net Weight (Kg) |
|----------------|-------------|-------|----------------|-----------------|
|                |             |       |                |                 |
|                |             |       |                |                 |

If space provided is not adequate provide an attachment

**Note:-** Every exporter shall attach certified copies of the following documents for verification.

- i. Sale contract showing (contract number, contract date);
- ii. Commercial invoice showing (unit price USD, terms of payment, port and Country of destination);
- iii. Brokers invoice; and
- iv. Blending sheet (where applicable);
- v. Custom entry form
- vi. Bank paying in slip/advise for tea levy.

**Date**.....

**Authorized signature Stamp of Exporter**

**FOR OFFICIAL USE**

Authentication by Tea Board of Kenya

Date.....

Officer's Name .....

Signature and Official Stamp.....

## **Terms and Conditions**

1. For the purpose of duty/VAT exemptions on imported inputs, all exporters shall account for all tea bought by them for export using Form AFA\TB\ 15 in the Schedule.
2. Any tea levy which remains unpaid for thirty days or more shall be recovered by the Board as a civil debt due to it from the person by whom it is payable.
3. The Tea export registration form is issued in triplicate for distribution as follows:
  - i. One copy to be retained by the Board; and
  - ii. Two copies to the exporter or agent, one of which must be presented to the Kenya Revenue Authority together with relevant Export Entry form.
4. A tea buyer or exporter shall incrementally value add at least five per centum of their annual Kenya tea exports.
5. A tea buyer or exporter shall increase the percentage of their value added annual tea exports by at least five percent every year to achieve not less than forty percent within eight years.

**TEA ACT, 2020****FORM TBK\TB\16****TEA IMPORT DECLARATION  
(CONFIDENTIAL)**

1. Name of importer .....
2. Registration certificate number .....
3. Address.....
4. Telephone number .....
5. Email address.....
6. Details of consignment (bulk teas)

| <b>Country of Origin</b> | <b>Invoice No.</b> | <b>Grade</b> | <b>Net weight (Kg)</b> | <b>Unit Price (USD)</b> | <b>Customs Value of Consignment (USD)</b> | <b>Tea Levy applicable (USD)</b> |
|--------------------------|--------------------|--------------|------------------------|-------------------------|---|----------------------------------|
|                          |                    |              |                        |                         |   |                                  |
|                          |                    |              |                        |                         |   |                                  |
|                          |                    |              |                        |                         |   |                                  |
| <b>TOTAL</b>             |                    |              |                        |                         |   |                                  |

(If space is not adequate provide additional attachment)

7. If imported tea packets or value added form, details of shipment

| <b>Country of Origin</b> | <b>Invoice No.</b> | <b>Type</b> | <b>Net weight (Kg)</b> | <b>Unit price (USD)</b> | <b>Customs value of consignment (USD)</b> | <b>Tea Levy applicable (USD)</b> |
|--------------------------|--------------------|-------------|------------------------|-------------------------|---|----------------------------------|
|                          |                    |             |                        |                         |   |                                  |
|                          |                    |             |                        |                         |   |                                  |
|                          |                    |             |                        |                         |   |                                  |
| <b>TOTAL</b>             |                    |             |                        |                         |   |                                  |

(If space is not adequate provide additional attachment)

8. Full name and address of Seller/Consigner:.....

9. Name and physical address of Warehouse where tea will be stored.....

10. Indicate Tea short shipment (if any):

| Country of Origin | Invoice No. | Grade | Net weight (Kg) | Unit price (USD) | Customs Value of consignment (USD) |
|-------------------|-------------|-------|-----------------|------------------|------------------------------------|
|                   |             |       |                 |                  |                                    |
|                   |             |       |                 |                  |                                    |
|                   |             |       |                 |                  |                                    |
|                   |             |       |                 |                  |                                    |
| <b>TOTAL</b>      |             |       |                 |                  |                                    |

(If space provided is not adequate provide an attachment)

**Note:** Every Importer shall attach certified copies of the following documents for verification-

- (i). Sale contract;
- (ii). Phytosanitary Certificate;
- (iii). Certificate of Origin;
- (iv). Certificate of analysis and pesticide residues;
- (v). Customs entry form;
- (vi). Pre-import approval Order; and
- (vii). Bank paying in slip/advise for tea levy.

Date.....

**Authorized signature  
Stamp of Importer**

**FOR OFFICIAL USE**

Authentication by Tea Board of Kenya

Date.....

Officers Name .....

Signature and Official Stamp.....

**Terms and conditions**

1. Every tea importer must comply with Kenya Revenue Authority rules and regulations on bonded and transit goods.
2. A tea importer who diverts tea into the local market must produce evidence of duty and value added tax payment to the Authority and Kenya Revenue Authority - Customs Services Department, where due.
3. A tea importer shall pay a tea levy at a rate of one hundred per centum of the value of the imported teas.

4. A tea importer operating under the Export Processing Zone shall pay tea levy at a rate of one hundred per centum of the value for any non-Kenyan teas imported from the Export Processing Zone into Kenya for local consumption.
5. Any tea levy which remains unpaid for thirty days or more shall be recovered by the Board as a civil debt due to it from the person by whom it is payable.
6. The Tea import registration form is issued in triplicate for distribution as follows-
  - i. One copy to be retained by the Board.
  - ii. Two copies to the importer or agent one of which must be presented to the Kenya Revenue Authority together with relevant Import Entry form.

**TEA ACT, 2020**

**FORM TBK/TB/17**

**TEA EXPORT/IMPORT RELEASE ORDER**

Name of Exporter/Importer.....

Postal Address.....

Contact Person and Designation .....

Telephone/Mobile No/Fax .....

E-mail Address.....

Tea Export/Import Registration No. .....

Issue Date .....

Customs Entry No and Date.....

Net Weight (Kgs made tea).....

Physical location of consignment .....

.....

Signature of Exporter/Importer or Authorized Agent

Date:.....

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**FOR OFFICIAL USE ONLY**

Release Authority Stamp

Name ..... Signature ..... Date .....

For and on behalf of Tea Board of Kenya

Made on the ..... Day....., 2021.

**PETER MUNYA, EGH,**

*Cabinet Secretary for Agriculture, Livestock, Fisheries and Co-operatives*