

Abstract

The smallholder tea sector in Kenya is the largest and one of the most successful smallholder schemes in the world. However, tea productivity in this sector has been persistently low when compared with the estate sector. Despite the smallholders planting high yielding clonal teas, the national average yield in the sector was only 2075 kg made tea/hectare (mt/ha) compared to 3491 kg mt/ha in the estate sector in 1998. This study investigated some of the factors contributing to low tea productivity in the sector using secondary data from the Kenya Tea Development Authority (KTDA) (now the Kenya Tea Development Agency Limited). It was hypothesized that efficient use of inputs would improve productivity. To measure efficiency, a Cobb-Douglas production function was used. The predictors of tea yield/hectare were: fertilizer used/hectare, number of bushes/hectare, number of growers/hectare and the number of extension staff/hectare per district. The results showed that fertilizer input significantly influenced tea yield at the 1% level in 1994/95, 1995/96, 1996/97 and 1997/98. The test of pricing efficiency indicated that the fertilizer input was inefficiently used at the 1% level in the four consecutive years. The other inputs were not significant at the 5% level. The results suggest that fertilizer use efficiency be increased in order to increase tea production. Farmers need to be educated about the benefits arising from the application of the fertilizer input according to agronomic recommendations in order to enhance efficiency and ultimately increase tea productivity.