

WTE tobacco Conferences Sofia

Sofia, 30,31 May 2018

Dr. Pietro GASPARRI

Italian Ministry of agricultural food and forestry policies

Enterprise and cooperation development

ELTI

**European Leaf Tobacco Interbranch
organization
The Official Recognition**



Legislative basis

EU Reg. 1308/2013 (Single CMO) and
the COM Delegated Reg. 232/2016
(and to the Italian laws)

Previous experiences with IBOs

OI Tabacco Italia

- Recognized February 2015
- **1st Interbranch Agreement crops 2015-2017 extended erga omnes by Ministerial Decree (ex art. 164 Reg. 1308/2013)**
 - **Designated as best practice by the EU Commission DG Agri** (Roundtable on the role of Interbranch Organizations in the food supply chain, Brussels, March 2017):
 - Better organize the sector (PO reduced from tens to less than 15, biggest 3 represent 94% of total production)
 - Strengthens contractual power of farmers and POs (commercial price increase)
 - **and by EU Commission DG Taxud (Communication to the Council on the revision of Directive 2011/64/EU on excise taxes on tobacco products):**
 - a good way to contrast illicit at no public cost
- **2nd Interbranch Agreement crops 2018-2020 extended erga omnes by a new Ministerial Decree on February 2018**

COMMISSION DELEGATED REGULATION (EU) 2016/232

Article 2 - Definitions

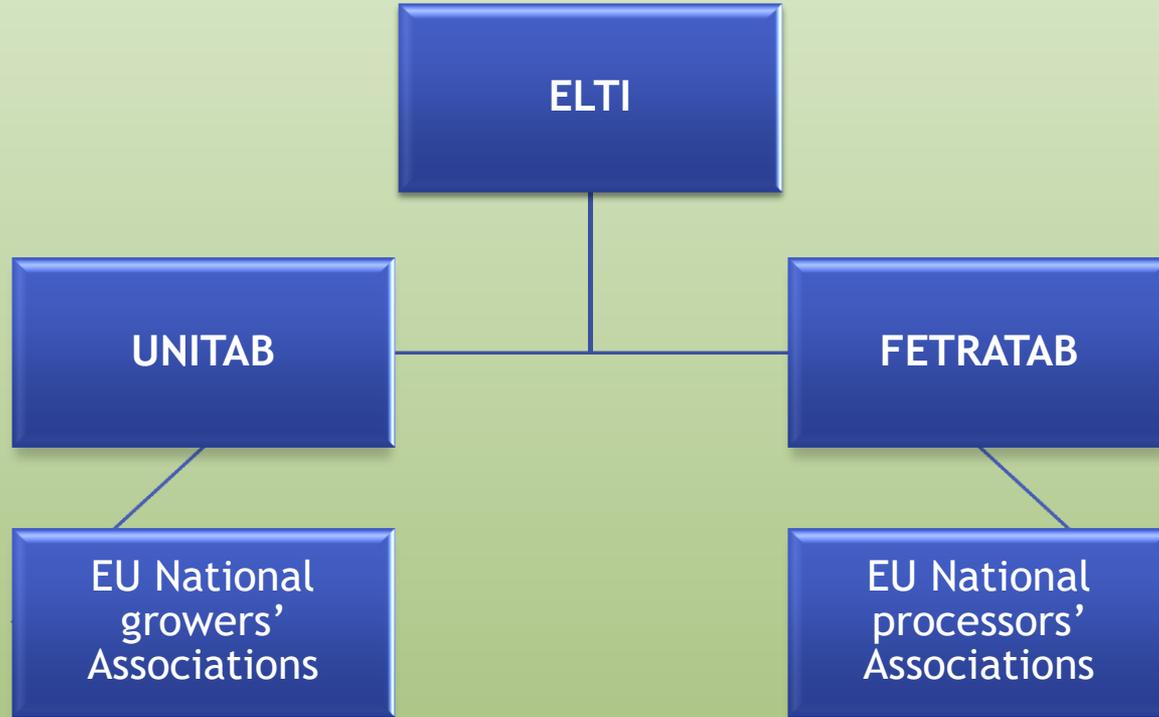
- (c) 'transnational interbranch organisation' means any IO of which the members are engaged in production, processing or trade in the products [raw tobacco] covered by the organisation's activities in more than one MS.

Article 4 - Recognition of transnational organisations

1. ... it is for the MS in which the headquarters of a transnational IO is established, to decide on the recognition of such organisation.
2. The MS referred to in para 1 shall establish the necessary administrative cooperation with the other MS in which the members of such organisation are located with respect to verifying compliance with the terms of recognition referred to in ...Reg. (EU) No 1308/2013.
3. The other MS in which the members of a transnational IO are located shall give all necessary administrative assistance to the MS referred to in paragraph 1.
4. The MS referred to in paragraph 1 shall make available all relevant information upon request of another MS in which members of such organisation are located.

On October 5, 2016, pursuant to Regulation (EU) n. 1308/2013 of the European Parliament and of the Council and to Delegated Regulation (EU) no. 2016/232 of the Commission, the transnational Interbranch Organization in the raw tobacco sector, named ELTI - European Leaf Tobacco Interbranch, was formally in Rome, Italy.

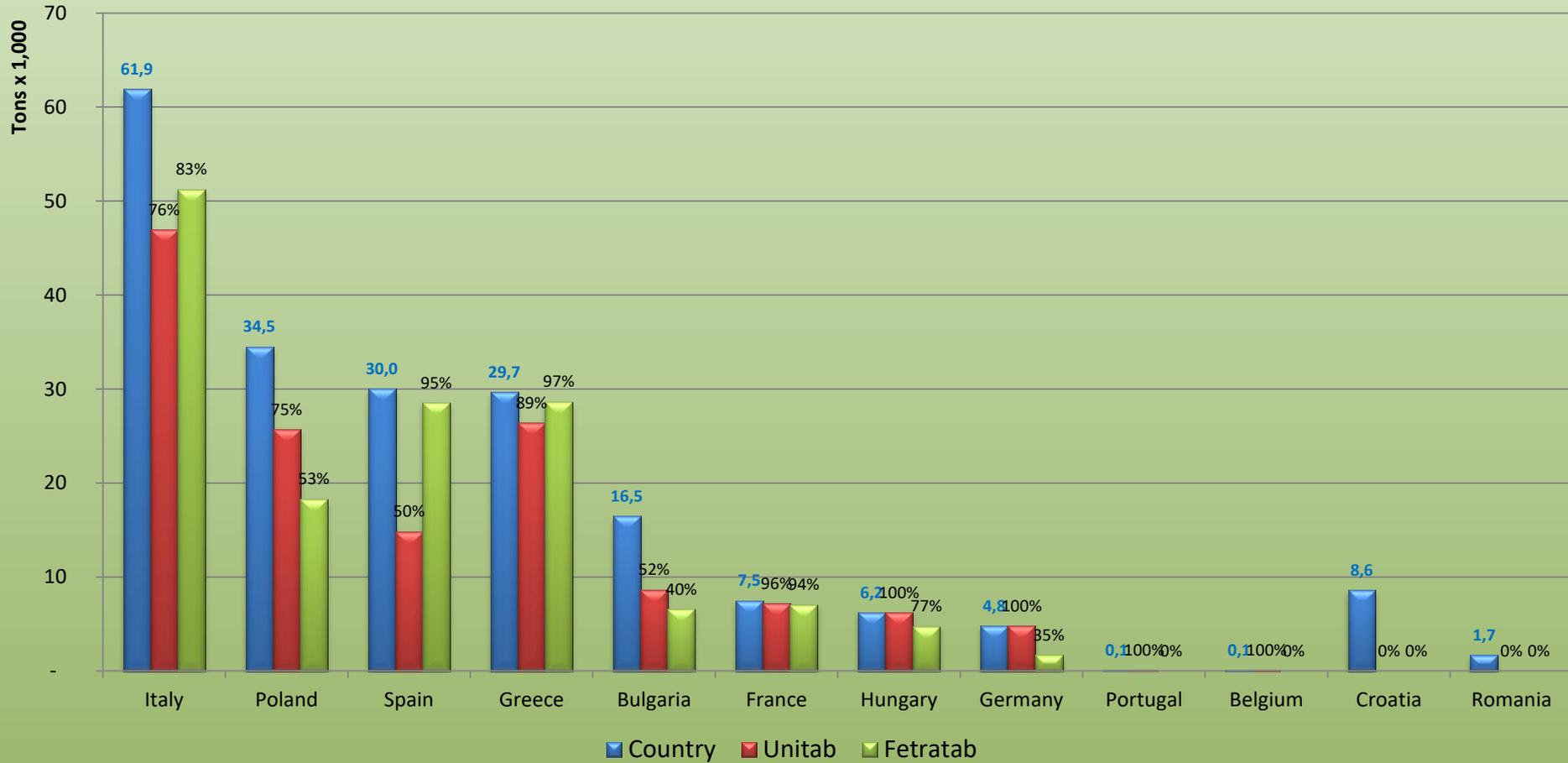
ELTI applied to the Ministry to be officially recognized in conformity with the aforementioned Regulations.



ELTI main goals

- Strengthen the aggregation and the contractual power of EU tobacco growers
- Represent the EU raw tobacco sector common issues at EU Institutions
- Provide sustainability and perspectives to EU raw tobacco boosting manufacturers' multiannual purchase programs and commitments
- Define EU umbrella / harmonized rules for the proper functioning of the market
- Support the activities of national IBOs or growers' and processors' associations in MS without national IBOs, in a coordinated way

ELTI: all varieties crop 2017 volumes





**SURVEY ON THE ELTI MEMBERS STRUCTURE AND REFERENCES
AND ON THE LEAF TOBACCO MARKET FUNCTIONING AT
NATIONAL LEVEL IN THE EU MEMBER STATES**

UPDATED CROP 2017

Version final updated: November 22, 2017

Letter sent to Eu Tobacco MS MoAs and EU Commission (DG Agri, OLAF), February 6, 2018

At the Roundtable on the role of IBOs in the food supply chain in Brussels, March 23, 2017, organized by the Commission, it was found that this is the first case in all agro-industrial sectors in the Union.

We thank the many of you who attended the seminar at this Ministry on May 23, 2017, to jointly examine the recognition procedure and we attach the following documents prepared by ELTI after our request:

- A set of statistic and graphs regarding the volumes of leaf tobacco grown and processed by the ELTI Members (crops 2016 and 2017) in EU producing Member States, compared with the National volumes
- A survey on the ELTI Members' structure and references containing also a brief recognition on the leaf tobacco market functioning at National level in the concerned EU Member States

Other ELTI docs available at:

www.politicheagricole.it/flex/cm/pages/ServeBLOB.php/L/IT/IDPagina/11388

We ask you to please check the aforementioned documentation and provide us your agreement and considerations about the official recognition of ELTI, according to the EU Regulations.

At the same time we kindly ask you to provide us the documentation and/or the references of the rules (Laws, Decrees, etc.) which regulates the functioning of the raw tobacco market (recognition and registration rules for the operators, contracting, controls and sanctions), in force in your country.

MS Replies on ELTI Recognition

- Spain:** this Ministry of Agriculture and Fisheries and Food and Environment of Spain does not oppose the recognition of ELTI as a transnational interbranch organization
- Bulgaria:** we believe that the recognition of ELTI will contribute to solving the problems of the tobacco sector, taking into account their particularities ... supporting the recognition of ELTI, we confirm the reliability of the submitted data
- Hungary:** the Hungarian Ministry of Agriculture thankfully acknowledges your efforts put into the recognition process and supports the goals of ELTI by all means
- Portugal:** we have nothing to oppose to the proposed recognition, and we congratulate for the possibility of the first Transnational Interbranch Organization recognized at EU level. We also acknowledge and welcome the efforts for administrative cooperation developed by Italian authorities
- Croatia:** HR supports your initiative related to the IBO recognition in tobacco sector
- Belgium:** I can confirm that Belgium provides its agreement for the establishment of the transnational IBO ELTI. We also acknowledge and welcome the efforts for administrative cooperation developed by Italian authorities.
- Greece:** we believe that the recognition of European Leaf Tobacco Interbranch (ELTI) will help tobacco sector with the difficult circumstances it faces
- Germany:** nothing to oppose
- Poland:** interlocutory letter gives green light, final letter pending
- France:** pending, the procedure is currently under way, in consultation of a national committee

Thank you for your attention

Pietro Gasparri

Italian Ministry of agriculture food and forestry policies

Enterprise and cooperation development

p.gasparri@politichagricole.it