

EUROPEAN LEAF TOBACCO INTERBRANCH



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 2020

Updated February 16, 2021

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Part 1 - Introduction

Preamble

The purpose of this survey is to collect updated information about the structure and references of the Members of ELTI - European Leaf Tobacco Interbranch Organization, and upon the functioning of the leaf tobacco market at Member State level.

This document is complemented by a set of datasheets regarding the level of representation of the ELTI Members in each tobacco producing Members States and at EU level.

This document is the updated version of the first one published in November 2017, in order to provide all the possible support to the Italian and other concerned EU Member States Ministries of Agriculture to cooperate while performing the process of recognition of ELTI as an EU level transnational Interbranch Organization, according to the Commission Delegated (EU) Regulation n. 2016/232 and the EU Regulation n. 1308/2013 of the Parliament and of the Council.

The recognition process successfully ended on August 3rd, 2018.

ELTI

ELTI, the European Leaf Tobacco Interbranch organization, was established by its two founding Members: UNITAB and FETRATAB at a Public Notary in Rome, Italy, on October 5th, 2016, according to the aforesaid EU Regulation.

After a short start-up period ELTI was presented to the EU Authorities and operators on May 22nd, 2017, when it celebrated its first organizational General Assembly, defined the structure and composition of its Social Organs and the program of activities and officially presented the request of recognition to the Italian Ministry of agriculture food and forestry policies, according to the procedure foreseen by the Commission Delegated (EU) Regulation n. 2016/232.

The ELTI Legal Seat and Italy office are located in Via Monte delle Gioie, 1/C, 00199, Rome, Italy; the Poland office is located in Al. Jana Pawła II 190, 31-982 Kraków, Poland.

The ELTI Social Organs in charge for the period 22 May, 2017 - 21 May 2020 are the following:

PRESIDENT

- Gennarino Masiello, Italy

BOARD OF DIRECTORS

UNITAB MEMBERS

- Tsvetan Filev (Vice President), Bulgaria
- Manuel García Castaño, Spain
- Illes Benyei, Hungary
- Giorgio Burla, Italy
- Theodoros Iordanidis, Greece
- Remy Lossier, France
- Przemysław Noworyta, Poland
- Sven Plaeschke, Germany

FETRATAB MEMBERS

- Domenico Cardinali (Vice President), Italy
- Nikos Allamanis, Greece
- José Antonio Gonzalez Martin, Spain
- Tibor Fekete, Hungary
- Simon Green, Germany
- Wojciech Lik, Poland
- Ioannis Kalampoukas, Bulgaria
- François Vedel, France

BOARD OF AUDITORS

PRESIDENT

- Nicasio Lopez Bote, Spain

ACTING MEMBERS

- Josef Eisler, Hungary
- Ryszard Piątek, Poland

ALTERNATE MEMBERS

- Barbara Martellini, Belgium
- Rosella Geromino, Italy

Secretary General

- Carlo Sacchetto - Legal Seat/Italy office
- Przemysław Noworyta - Poland office

Due to the pandemic, the General Assembly, which will decide upon the new mandate to the Board of Directors and the Board of Auditors, was delayed to February 2021.

The ELTI Statutes and other documentation are published on at the Italian MoA website at the following link:

<https://www.politicheagricole.it/flex/cm/pages/ServeBLOB.php/L/IT/IDPagina/11388>

For contacts and references also refer to this document title page.

UNITAB

UNITAB – *Union Internationale des Planteurs de Tabac* (International Union of Tobacco Growers), is the entity that has confederated, since its founding in 1952, the national associations that represent the cultivation of tobacco in Europe, it operates on two main axes of activities:

- Promotion, from the point of view of farmers, of the dialogue with the policy and the regulatory bodies, and the same way with all stakeholders (national and European authorities, environmental or consumers NGOs, etc.) with the aim to improve the income and the working conditions of tobacco farmers, through a permanent dialogue with the manufactures, and adapting them to the growing environmental constraints and changes in consumer tastes; finally, Unitab is involved on all the technical, socio-economic and political topics regarding leaf tobacco production;
 - Technical coordination between the members' Associations to improve the production and quality of tobacco, the exploitation of good agricultural and labour practices, etc., and the search for shared solutions with all the stakeholders: the first processors, the manufacturers, the agricultural organizations with a more generalist vocation like COPA-COGECA.
- President: Theodoros Iordanidis
- Contacts:
 - Address: Al. Jana Pawła II 190, 31-982 Kraków, Poland
 - Email: office@unitab.org
 - Phone: +48 12 642 1736
 - Contact person: Przemysław Noworyta (Delegated Secretary)

FETRATAB

FETRATAB – *Fédération Européenne des Transformateurs de Tabac* (European Federation of Tobacco Processors) is a Belgian registered GEIE, established in 1994, to represent and defend the activities and interest of its members who are raw tobacco industrial first and second processors and merchants, and their working force.

The processing of raw tobacco is an intermediate industry between the agricultural production and the manufacture of finished tobacco products: cigarettes, pipe tobacco, cigars, etc..

From the heterogeneous and, by nature, unstable raw material delivered by the growers, the activity of Fetratab Members ensures the production of a processed, homogeneous and quality semi-finished product that meets the highly diversified standards and needs of the manufacturing industry.

FETRATAB, includes individual European companies or companies which are already members of a National Association, through the latter.

The European tobacco processing plants system employ approximately 25,000 people; the industrial plants are most often located in the leaf tobacco producing areas. They play a key role in the product increase of value, as they ensure and guarantee the handling of nearly 200,000 tons of cultivated tobacco, through agreements (cultivation contracts) signed with the growers and their Producers Organizations before the seeding.

The raw tobacco processors therefore bear all of the marketing risks. As a link between agriculture and final industry, the processors know-how is largely a synthesis of the tobacco agronomy most advanced techniques and the high standard industrial requirements of the manufacturers.

Fetratab is a member of CELCAA the European Liaison Committee for the Agricultural and Agri-Food Trade and participates to the European Commission Civil Dialogue Group on Tobacco and most of Fetratab Members are also affiliated to CORESTA, the world Cooperation Centre for Scientific Research Relative to Tobacco.

- President: Domenico Cardinali
- Contacts:
 - o Address: Via Monte delle Gioie, 1/C, 00199, Roma, Italy
 - o Email: carlo.sacchetto@gmail.com
 - o Phone: +39 06 4827 770
 - o Contact person: Carlo Sacchetto (Secretary General)

Note

In this survey both ELTI (Unitab or Fetratab) Members growers' and leaf processors' national associations, where existing, are indicated in bold italic font (e.g. ***UNITAB Italia - Unione Italiana*** Tabacco or ***APTI - Associazione Professionale Trasformatori Tabacchi Italiani***), while single Producers Organizations (POs) or single processing companies are indicated in plain underlined font (e.g. OPTA – Organizzazione Produttori Tabacco or DELTAFINA Srl).

Part 2 – Countries survey: ELTI represented

1 - Italy

ELTI National Members

A) UNITAB Members (growers)

1. *UNITAB Italia - Unione Italiana Tabacco (APO, n.r.¹)*
 1. OPTA (PO)
 2. APC (PO)
2. *ONT Italia (PO)*

B) FETRATAB Members (leaf processors)

1. *APTI - Associazione Professionale Trasformatori Tabacchi Italiani*
 1. DELTAFINA Srl
 2. TTI Scarl
 3. MST Spa
 4. CTMG Scarl

Details

UNITAB Italia - Unione Italiana Tabacco (APO, n.r.)

- President: Gianfranco Domini
- Contacts:
 - Address: Via Campo di Marte, 10/A1, 06124, Perugia
 - Email: g.burla@unitabitalia.it
 - Phone: +39 075 5003054
 - Contact person: Giorgio Burla
- Other info: UNITAB Italia is a non-registered APO, founded 22 December, 1988

OPTA - Organizzazione Produttori Tabacco (PO)

¹ For Producers Organizations (PO) and Associations of Producers Organizations (APO) as defined in Regulation 1308/2013 and descending National legislations, “n.r.” means acting as but “not officially registered”, if blank means “officially registered”.

- President: Libero Valenti
- Contacts:
 - Address: Via Lucari, 12, 06012, Loc. San Secondo di Città di Castello (PG)
 - Email: info@optabacco.it
 - Phone: +39 075 8592221
 - Contact person: Nadia Volpi

A.P.C. - Associazione Produttori Campani (PO)

- President: Domenico Ciampa
- Contacts:
 - Address: Via dei Longobardi, 19, 82100, Benevento
 - Email: apcbn@libero.it
 - Phone: +39 333 9285112
 - Contact person: Domenico Ciampa

ONT - Organizzazione Nazionale Tabacco Italia (PO)

- President: Gennarino Masiello
- Contacts:
 - o Address: Via Nazionale, 89/A, 001874, Roma
 - o Email: info@ontitalia.it
 - o Phone: +39 06 48993230
 - o Contact person: Gianni Anzalone
- Other info: ONT Italia is a registered PO established on 29 July 2002, it represents over 49% of the national tobacco production, grown in the regions of Campania, Umbria, Tuscany and Veneto.

APTI - Associazione Professionale Trasformatori Tabacchi Italiani

- President: Domenico Cardinali
- Contacts:
 - o Address: Via Monte delle Gioie, 1/C, 00199, Roma
 - o Email: sacchetto.apti@tiscali.it
 - o Phone: +39 06 4827770
 - o Contact person: Carlo Sacchetto (Secretary General)
- Other info: APTI, established in August 1944, is a non-lucrative professional Association whose members are the leaf tobacco processors and merchants/exporters

companies operating in Italy. APTI members represent more than 91% of the contracted tobacco grown and processed in Italy.

DELTAFINA Srl

- President: Domenico Cardinali
- Contacts:
 - o Address: Via Monte delle Gioie, 1/C, 00199, Roma
 - o Email: deltafina@deltafina.com
 - o Phone: +39 06 8416734
 - o Contact person: Marina Mancini
- Other info: Deltafina is a registered leaf processor/merchant, the Italian branch of the Universal Leaf Tobacco (ULT) Group managing 2 processing facilities in Italy (Assisi (PG) and Francolise (CE)), processes Italian, Spanish, French and Hungarian tobacco, coordinates the industrial/commercial activities of the other twin companies of the ULT Group operating in Poland, Hungary and Spain (leaf first processing) and in Germany and The Netherlands (reconstituted tobacco). In Italy currently also processes, in service, the leaf tobacco purchased directly from the growers, through their POs, by Philip Morris Italia Srl.

TTI - Trasformatori Tabacco Italia Scarl

- President: Fabio Rossi
- Contacts:
 - o Address: Via Carlo Marx, 1, 06012 Città di Castello (PG)
 - o Email: info@ttitalia.it
 - o Phone: +39 075 8627941
 - o Contact person: Giorgio Burla
- Other info: TTI is a cooperative agricultural company owned by three growers' associations, operates as a registered leaf processor/merchant, managing a facility located in Città di Castello (PG) and sells its processed tobacco mainly to JTI, through a semi-vertical agreement. TTI contracts the largest amount of FCV tobacco grown in Italy and in general 23% of all the raw tobacco grown and processed in Italy

MST - Manifattura Sigaro Toscano Spa

- President: Luca Cordero di Montezemolo
- Contacts:
 - o Address: Largo Toniolo, 6, 00186, Roma
 - o Email: S.mariotti@toscanoitalia.it

- Phone: +39 06 684011
- Contact person: Stefano Mariotti (Managing Director)
- Other info: MST is a tobacco processor and manufacturer of traditional Kentucky tobacco cigars (Sigaro TOSCANO®), with more than 200 years of history, in 2006 the Italian Maccaferri Industrial Group purchased from BAT the cigar producing branch. MST has three facilities in Italy for grading, processing and manufacturing tobacco for cigars. Some 250 Italian growers accounting for 90% of the entire national Kentucky production, or 100% for wrapper leaves, contracts with MST and about 1,800 workers are involved.

CTMG - Consorzio Tabacchicoltori Monte Grappa Scarl

- President: Giorgio Pastorello
- Contacts:
 - Address: Via Divisione Julia, 2, 36061, Campese (VI)
 - Email: m.canaglia@ctmg.it
 - Phone: +39 0424 80216
 - Contact person: Michele Canaglia
- Other info: CTMG, established in 1939, is a tobacco processor and manufacturer of traditional Nostrano del Brenta (Dark Air Cured variety) tobacco cigars (Antico Sigaro Nostrano del Brenta 1763).

1.b – Italian leaf tobacco market functioning

1) Activities of the ELTI national Members

The Italian Members of Unitab and Fetatab, Unitab Italia, ONT Italia and APTI established in 2014 a national Interbranch Organization named “O.I. Tabacco Italia” (OIT), which signed a first national Tobacco Interbranch Agreement (AIT) for crops 2015-2017 which was renewed for crops 2018-2020 and recently for crops 2021-2023.

The AIT contains, among others: raw tobacco marketing rules, a cultivation contract scheme, a code of good Agricultural Labour Practices (ALP) and a phytosanitary strategy plan and guidance (in cooperation with the phytosanitary services of the Italian Ministry of agriculture) which have been made compulsory *erga omnes* for all the national operators (even not adhering to OIT) by Ministerial Decrees

Each Ministerial Decrees makes it mandatory the signing of written cultivation contracts among registered and authorized vendors (Producers Organizations on behalf of their farmers members) on one side and registered and authorized purchasers (first processors or manufacturers) on the other side, it also provides rules for the controls to be carried during cultivation and deliveries and refers to a National primary

law for the sanctions in the case of breaking an Interbranch Agreement extended *erga omnes*.

OIT also cooperates with the Italian Ministry of agriculture (MoA) in keeping updated the guidelines and varietal production specifications for Good Agricultural Practices for all tobacco varieties cultivated in the country.

Also financial contributions to pay the marketing related activities decided by OIT (e.g. controls on cultivation contracts) have been mandatorily extended *erga omnes* by the Ministerial Decrees to all the national operators. OIT and other Italian leaf tobacco market documentation can be found at:

www.politicheagricole.it/flex/cm/pages/ServeBLOB.php/L/IT/IDPagina/11387

2) Registration system/requirements, contracts, controls, sanctions

In Italy all leaf tobacco vendors should be nationally registered POs or APOs (single farmer cultivation contracts are not foreseen) and also all leaf tobacco purchasers should be nationally registered leaf first processors or tobacco manufacturers and must possess a complete processing facility or otherwise process the purchased tobacco, in service, at another registered processor facility.

All cultivation contracts are nationally registered (cadastre, volumes, commercial price/quality grades, quality requirements, GAP, ALP, etc.).

Both administrative (payments) and on site (farms, processing plants) controls are coordinated by AGEA, the Italian national payment agency in agriculture, carried by an independent body and paid by all national contracting operators.

Sanctions are provided by a national primary law and goes from 1,000 to 50,000 € in case of lack of respect the rules contained in the OIT Interbranch Agreement and from 1,000 € to 10% of the contract value in case of lack to respect the OIT cultivation contract scheme contents.

3) Manufacturing

In Italy there are no main cigarettes manufacturing plants anymore, but traditional cigar ones (Sigaro Toscano® is by far the most important) and, recently, a manufacturing plant for Heat not Burn tobacco sticks owned by Philip Morris Italia (PMI) for its IQOS/Heets sticks. The vast majority of the Italian grown and processed tobaccos (Bright, Burley, Dark Air Cured) is exported.

4) Marketing

Italy is the leading EU tobacco producing country by volumes with around 50.000 tons green grown and delivered yearly, all 4 main international manufacturers and Manifatture Sigaro Toscano (MST, Kentucky tobacco for Toscano® cigar) currently purchase Italian tobaccos.

Currently MST and PMI have signed mid-term agreements (even with different formats) until crop 2023 with the Italian Government/MoA for the purchase of Italian

leaf tobacco, while Japan Tobacco International (JTI) and British American Tobacco (BAT) are still discussing with the MoA to reach a mid-term agreement but already confirmed the crop 2021 purchase volume to their suppliers. Imperial Brands (IOTG) never signed an agreement with MoA.

For crop 2021 the volumes (expressed in green leaf) to be purchased by the main international manufacturers and MST will be (rounded figures):

- PMI: 21,000 Tons, 57% Virginia, 43% Burley (MoA agreement in force)
- JTI: 8,000 Tons, 100% Virginia (MoA agreement under discussion)
- BAT: 7,000 Tons, 86% Virginia, 14% Burley (MoA agreement under discussion)
- ITG: 1,850 Tons, 54% Virginia, 32% Burley, 14% Kentucky
- MST: 3,500 Tons, 100% Kentucky (MoA agreement in force)

PM currently purchases tobacco directly from an OP (ONT Italia) and processes it in service at Deltafina facilities.

JTI buys tobacco through TTI, a consortium of growers' cooperatives, the tobacco is processed at TTI's facility.

MST has its own processing facility.

Other manufacturers purchase processed tobacco from processors/merchants.

So out of nearly 45,000 to 50,000 Tons produced overall, around 41,000 – 41,500 Tons are purchased by the 4 main manufacturers and MST, the rest is sold on the world market.

2 – Spain

2.a – Spanish ELTI Members structure and references

ELTI National Members

A) UNITAB Members (growers)

1. *FNCT – Federación Nacional de Cultivadores de Tabaco*

1. S.A.T. ASOCIACIONES AGRUPADAS TAB
2. S.A.T. TABACOS DE TALAYUELA
3. TABACHANA

B) FETRATAB Members (leaf processors)

1. *ANETAB – Asociación Nacional de Empresas Transformadoras de Tabaco.*

1. CETARSA S.A.
2. DELTAFINA Srl
3. TAES SLU

Details

FNCT – Federación Nacional de Cultivadores de Tabaco

- President: Alfredo Ramos Moreno
- Contacts:
 - o Address: Polígono Industrial “Alcantarilla”, Parcela nº 1, 10310 Talayuela, Cáceres
 - o Email: fnct@fnct.net
 - o Phone: +34 927 55 13 20
 - o Contact person: Alfredo Ramos Moreno

ANETAB – Asociación nacional de empresas transformadoras de tabaco.

- President: Juan Andrés Tovar Mena
- Contacts:

- Address: Avenida de las Angustias, 20, 10300, Navalmoral de la Mata, Cáceres
- Email: jatovar@cetarsa.es
- Phone: +34 927533161
- Contact person: José Antonio González Martín (Managing Director)
- Email: jagonzalez@cetarsa.es
- Phone: +34 647696212

CETARSA S.A.

- President: Juan Andrés Tovar Mena.
- Contacts:
 - Address: Avenida de las Angustias, 20, 10300, Navalmoral de la Mata, Cáceres
 - Email: jatovar@cetarsa.es
 - Phone: +34 927533161
 - Contact person: José Antonio González Martín (Managing Director)

DELTAFINA Srl

- President: Domenico Cardinali
- Contacts:
 - Address: Via Monte delle Gioie, 1/C, 00199, Roma
 - Email: deltafina@deltafina.com
 - Phone: +39 06 8416734
 - Contact person: Marina Mancini

TAES SLU

- President: Enrique Del Capo Ros
- Contacts:
 - Address: Ronda Sur, 50, 10300, Navalmoral de la Mata, Cáceres
 - Email: delcampoe@deltafina.com
 - Contact person: Igino Pagliacci
 - Email: pagliai1@universalleaf.com
 - Phone: +34 609 536264

2.b – Spanish leaf tobacco market

1) Activities of the ELTI national Members

The Spanish members of ELTI, along with all other national operators in the raw tobacco sector, established a National Interbranch Organization that controls more than 99% of the grown / processed tobacco:

OITAB - *Organización Interprofesional del Tabaco de España* (Interbranch Organization of Spanish Tobacco)

Contacts:

- Address: C / Ramón Franco, 18-3º E, 10300, Navalmoral de la Mata, Cáceres
- Email: rmiranda@oitab.es
- Phone: +34 927 53 43 98
- Contact person: Ricardo Miranda (Director)
- *Growers members:*
 - Federación Nacional de Cultivadores de Tabaco, FNCT- ASAJA
 - Cooperativas Agro-alimentarias, CA
 - Asociación Provincial de Cultivadores de Tabaco de Granada, APCTG
 - Unión de Pequeños Agricultores y Ganaderos, UPA
 - Asociación Agraria de Jóvenes Agricultores, ASAJA
- *First processors / merchants members:*
 - Asociación Nacional de Empresas Transformadoras de Tabaco, ANETAB

2) Registration system/requirements, contracts, controls, sanctions

In Spain all cultivation contracts are nationally registered (agricultural census, volumes and commercial price / quality grades) and single farmer cultivation contracts are allowed. Actually there is no register for growers or first processing companies, only manufactures must be registered.

However, currently, there are no specific controls by Public Authorities or sanctions related to cultivation contracts compliance, only general laws apply.

Extremadura's government is working to enact regulation in regard to tobacco traceability due to illicit trade, and the Spanish authorities are considering to set up a register for first processors.

However, there are no specific controls by Public Authorities or sanctions related to cultivation contracts compliance, only general laws apply.

In crop 2018 entered into force a Decree from Junta de Extremadura which aim is to establish a verification and control system of raw tobacco leaf circulation, from the place where the curing is carried out to the moment of its delivery to the processing industry, controlling the first transformation phase, in order to comply with the

obligations that, in terms of contracting, Royal Decree 969/2014 of 2 of November requires.

3) Manufacturing

In Spain there are two cigarettes factories, one is property of Japan Tobacco International (JTI) and the other is commercially supported by British American Tobacco (BAT) and Imperial Tobacco, both of them are located in Tenerife (Canary Islands). The Canaries have a long lasting tobacco tradition, with quite a few small (family business in most cases) cigars factories.

There is also a cigar factory in Cantabria (north of Spain) property of Altadis (subsidiary of Imperial Brands – Imperial Tobacco Group), where they make the Spanish famous “Farias” cigars. In the east, in the province of Valencia, there are three small factories of a very popular handmade cigar in that area (Caliqueños).

4) Marketing

Spain total production last crop (2019) according to OITAB has been 27.793 tons (Flue cured Virginia is the main variety with more than 26.788 tons, but there are also, in smaller quantities, production of Burley 918 tons and Havanna, 87 tons). There are two leaf processing factories in Spain (in fact, the only two in the whole Iberian Peninsula). Both belong to CETARSA and are located in the province of Caceres, in the core of the main tobacco growing area in the west of Spain.

The purchase commitments of the three largest tobacco manufacturing industries continue to be maintained, except for BAT which remains not buying tobacco in the Spanish market.

3 - Poland

3.a – Polish ELTI Members structure and references

ELTI National Members

A) UNITAB Members (growers)

1. ***PZPT – Polski Związek Plantatorów Tytoniu (Polish Tobacco Growers Association)***

1. OZPT w Kielcach
2. OZPT w Krakowie
3. OZPT w Leżajsku
4. ZPT w Olesnicy

2. ***KZPT – Krajowy Związek Plantatorów Tytoniu (National Tobacco Growers Association)***

1. OZPT w Augustowie
2. OZPT w Biłgoraju
3. OZPT w Lublinie

B) FETRATAB Members (*leaf processors*)

1. ULTP - Universal Leaf Tobacco Poland Sp. z o.o.

Details

PZPT - Polski Związek Plantatorów Tytoniu (Polish Tobacco Growers Association)

- President: Leszek Kwiatkowski
- Contacts:
 - o Address: Aleja Jana Pawła II 190, 31-982, Kraków
 - o Email: pnoworyta.pzpt@wp.pl
 - o Phone: +48 12 6421736
 - o Contact person: Przemysław Noworyta

OZPT w Krakowie – Okręgowy Związek Plantatorów Tytoniu w Krakowie (member of PZPT)

- President: Marek Kołodziej
- Contacts:
 - o Address: Os. Kościuszkowskie 5, 31-858, Kraków
 - o Email: ozpt.krakow@wp.pl
 - o Phone: +48 12 648 5043
 - o Contact person: Małgorzata Zielińska

OZPT w Kielcach – Okręgowy Związek Palntatorow Tytoniu w Kielcach (member of PZPT)

- President: Mrs. Marzena Miernik
- Contacts:
 - o Address: ul. Ceglana 19, 25-322 Kielce
 - o Email: biuro@ozpt-kielce.pl
 - o Phone: +48 605 264 205
 - o Contact person: Jerzy Musiał

OZPT w Leżajsku – Okręgowy Związek Plantatorów Tytoniu w Leżajsku (member of PZPT)

President: Leszek Kwiatkowski

- Contacts:
 - o Address: ul. Siedlanka 43 C, 37-300 Leżajsk,
 - o Email: ozpt@post.pl
 - o Phone: +48 531 500 702
- Contact person: Danuta Winiarska

ZPT w Oleśnicy - Związek Plantatorów Tytoniu w Oleśnicy (member of PZPT)

- President: Andrzej Czechowski
- Contacts:
 - o Address: ul. Południowa 1/6, 56-400 Olesnica
 - o Email: zptolesnica@o2.p
 - o Phone: +48 509 324 793
- Contact person: Jacek Kłak

KZPT – Krajowy Związek Plantatorów Tytoniu (National Tobacco Growers Association)

From 2020, KZPT temporarily / indefinitely suspended its activities

ULTP – Universal Leaf Tobacco Poland Sp. z o.o.

President: Wojciech Krawczyk

- Contacts:

- o Address: Ul. Przemysłowa 20, 28-300 Jędrzejów
 - o Email: sekretariat@universalleaf.pl
 - o Phone: +48 41 380 1111
 - o Contact person: Beata Chudzik
- Other info: ULTP is a registered leaf processor/merchant, the Polish branch of the Universal Leaf Tobacco (ULT) Group. ULTP operates in 5 main growing regions of Poland. ULTP has 1 processing plant conveniently located in the central-south of Poland. ULTP is the largest contractor/buyer of green tobacco as well as largest processor in Poland. ULTP provides a service processing for the third party merchants.

Tobacco types:

- FCV (shisha and international blends), BLY (high nicotine), DFC (smoked)

Processing operations:

- vacuum conditioning, tipping and threshing, butted loose leaf, loose leaf, blending, sorting, cleaning, repacking operations, service processing

Lukowa Tobacco – Lukowa Tobacco Company Michał Hyz Mieczysław Pękala Spółka Jawna

President – Mirosław Pękala

- Contact details:

- o Address: Łukowa 608, 23-412 Łukowa
 - o Email: biuro@lukowatobacco.pl
 - o Phone: +48 692 449 466
 - o Contact person: Barbara Hyz
- Other info: Lukowa Tobacco is a registered leaf processor/merchant. Lukowa Tobacco operates in 5 main growing regions of Poland, contracts and buys green leaf

from farmers. The processing plant and main office are located in the biggest tobacco growing region – south-east of Poland.

Tobacco types:

- FCV (shisha), BLY (high nicotine), DFC (smoked)

Processing operations:

- vacuum conditioning, tipping and threshing, loose leaf, sorting, cleaning, repacking operations

3.b – Polish leaf tobacco market functioning

1) Activities of the ELTI national Members

The Polish Members of UNITAB and FETRATAB are in talks with the MoA to establish a national Interbranch Organization in Poland.

2) Registration system/requirements, contracts, controls, sanctions

- a. The tobacco market in Poland is regulated by 3 main laws:
 - Excise Tax Law (*note: the current regulations are foreseen to be amended to extend controls onto farmers in order to tighten controls and further curb illegal market*)
 - Tobacco Market Law
 - Producer Groups Regulations
- b. All “tobacco intermediary objects” are obliged to provide customs guarantee and to obtain a national registration from the Customs Office.
- c. As part of the planned extension of the current Excise Tax Law, all farmers and their contracts as well as their fields are subject to national registration. Any tobacco production, movement or sale outside the registered system is considered illegal and is subject to severe fines.
- d. Tobacco shipments are subject to customs monitoring (SENT/PUESC).
- e. Green tobacco is subject to the excise tax regime, but it is exempt from excise tax when it is traded by legally authorized entities.

3) Manufacturing

All 4 main multinational cigarette manufacturers are present in Poland: BAT, ITG, JTI and PMI plus small, local manufacturers. There are 5 leading cigarette manufacturing plants in Poland: ITG (2), PMI (1 + service centers), JTI (1), BAT (1).

- Total production volume in Poland – over 213 billion sticks
- Total (legal) production for the Polish market – over 42 billion sticks
- Production in Poland for export – over 172 billion sticks

(source: CASE – Centre of Economic and Social Research)

4) Marketing

Poland is one of the largest tobacco producing countries in Europe with around 6,000 farmers and the total production (oscillating) ca. 24,000 tons green.

The main tobacco types produced in Poland are:

1. FCV shisha
2. FCV filler/international
3. Burley filler/high nicotine
4. DFC (smoked)

PM sources tobacco directly from its farmers and process it at ULTP. The other 3 multinational cigarette manufacturers buy processed tobacco from ULTP. ULTP is at the moment the largest tobacco merchant/processor in Poland.

5) Other info

FARMERS

- Estimated total number of Polish farmers – ca 6,000
- 4 National grower’s associations (2 idle)
- 7 Regional tobacco grower’s associations (2 of the idle)
- 9 Tobacco Producer Groups

PROCESSORS/TOBACCO CONTRACTORS

Since January 2016, the custom regulations impose an obligation onto all “tobacco intermediary objects” to provide customs guarantee and obtain a registration from the Customs Office. 14 companies are listed in the official register of tobacco intermediaries for the season 2021

REGULATORY / CONTROL ORGANISATIONS

- Ministry of Agriculture
- Agency for the Restructuring and Modernisation of Agriculture
- Parliamentary Commission
- Ministry of Finance – Custom Office

4 – Greece

4.a – Greek ELTI Members structure and references

ELTI National Members

A) UNITAB Members (growers)

1. *K.K.S.E.K.E. – Central Branch Cooperative Union of Tobacco of Greece “KAPNIKI”*

B) FETRATAB Members (leaf processors)

1. *HATPI – Hellenic Association of Tobacco Processing Industries and Tobacco Dealers*
 1. KAVEX N. GLEOUDIS A.E.
 2. MISSIRIAN A.B.E.E.
 3. NAXIADIS, ZAFIRIS TOBACCO IN LEAVES A.E.
 4. S.E.K.E. A.E.

Details

K.K.S.E.K.E. – Central Branch Cooperative Union of Tobacco of Greece “KAPNIKI”

- President: Theodoros Iordanidis
- Contacts:
 - o Address: Sofokleous 2, Stavroupoli, 56430 Dimos Pavlou Mela, Thessaloniki
 - o Email: kapniki@otenet.gr
 - o Phone: +30 2310 601817
 - o Contact person: Ms. Sofia Oikonomou Tel. +30 2394020371
- Other info: KAPNIKI is a second degree cooperative grouping the following 20 local tobacco growers' cooperatives:
 1. Tobacco Growers Cooperative of Thrace, Komotini
 2. Tobacco Growers Producer Group of E.A.S. Xanthi, Xanthi
 3. Agricultural Tobacco Cooperative of Drama - Kavala - Paggaios, Kavala

4. Agricultural Tobacco Cooperative of Serres “Emmanouil Pappas”, Serres
5. Tobacco Cooperative “Visaltis”, Nigrita
6. Agricultural Cooperative of Lagada, Lagada
7. Agricultural Tobacco Cooperative “Dimitra”, Kilkis
8. Agricultural Tobacco Cooperative of Pieria, Katerini
9. Agricultural Cooperative Samsous - Tobacco Growers Union, Katerini
10. Agricultural Tobacco Cooperative of Lofos and Milia, Lofos Pierias
11. Agricultural Cooperative for the Production of Quality Tobacco, Fruits, Vegetables, Gardening, Livestock and Innovative Cultivations of Vrontou, Vrontou Pierias
12. Agricultural Cooperative for the Production of Quality Tobacco, Fruits, Vegetables, Gardening, Livestock and Innovative Cultivations of Olympos, Kontariotisa Pierias
13. Agricultural Tobacco Cooperative of Mountaineous Pieria, Moschopotamos Pierias
14. “NEOKOPAK” of Kolyndros, Kolydros Pierias
15. Agricultural Cooperative of Karitsa, Karitsa Pierias
16. Agricultural Tobacco Cooperative of Kozani, Grevena and Florina, Kozani
17. Tobacco Cooperative of Voio and Kastoria, Neapoli Kozanis
18. Agricultural Tobacco Cooperative of the Elasona region, Elasona
19. Agricultural Cooperative of Karditsa, Karditsa
20. Agricultural Cooperative of Trikala, Trikala

HATPI – Hellenic Association of Tobacco Processing Industries

- President: Nikos Allamanis
- Secretary General: Nikos Tzoumas
- Contacts:
 - o Address: Leof. Georgikis Scholis 27, POB 4310, 57001 Thessaloniki
 - o Email: psvmeek@it-is.gr
 - o Phone: +30 2310 472724
 - o Contact persons:
 - Mr. Nikos Allamanis, +30 2310 472008
 - Mr. Nikos Tzoumas, +30 2510 391341

P.D.O.A.K. – Panellinia Diepaggelmatiki Organosi Akatergastou Kapnou (Hellenic Raw Tobacco Interbranch Organization)

- President: Nikos Tzoumas
- Secretary: Vasilis Meleneklis
- Contacts:
 - o Address: Sofokleous 2, Stavroupoli, 56430 Dimos Pavlou Mela, Thessaloniki
 - o Email: pdoak@it-is.gr
 - o Phone: +30 2310 601817
 - o Contact persons:
 - Mr. Nikos Tzoumas,+30 2510 391341
 - Mr. Vasilis Meleneklis, +30 6944 592356

Other info:

- Founded on 12 January 2013, Statutes in compliance of Reg. (EU) n. 1308/2013, articles 158 and 159 (b), Legal basis for national recognition: Law 4015/2011, Art. 8 (FEK A 210/21.09.2011); Reg. (EU) 1234/2007, 709/2008
- Official recognition by the Ministry of Agricultural Development and Food: Decree no. 1490/38140/FEK B 567/8.4.2015.
- Members of the P.D.O.A.K. Interbranch Organisation are currently 20 growers cooperatives and 5 processing companies plus HATPI.

4.b – Greek leaf tobacco market functioning

1) Activities of the ELTI national Members - Market Organisation

Following the abolition of the E.U. Common Market Organisation (CMO) for Raw Tobacco in 2009, the raw tobacco market was totally unregulated – however, producers’ groups and processors continued to a large extent to apply the contract system as applied under the CMO.

With the creation of the new national Interbranch Organisation, PDOAK, early in 2013 to which adhered the vast majority of Tobacco Producers’ Groups (Cooperatives) and all first processing companies active in the country, including HATPI (the Greek member of Fetatab-ELTI), an interbranch agreement was reached in May 2013 and presented to the authorities. Following this, a Ministerial Decree was issued in February 2014 (238/19130 FEK B’ 380) on “*the details for the conclusion of tobacco future sale contracts*” in which all the basic elements of the intra-professional agreement were included.

According to this Decree tobacco is to be cultivated only under a contract between an individual grower or a growers’ cooperative and a first processor. Specific rules were laid down on the minimum contents of the contracts and the deadlines for their registration with the authorities, as well as on the procedures for the delivery,

the reception and the payment of the product and the obligations of the two parties signing the contract. A basic principle of the contract system, as applied in the country, is that the individual grower belonging to a producers' group is free to choose the first processor to whom he wishes to deliver his tobacco, under the conditions set in the contract negotiated by his Group. Thus, a cooperative would usually sign contracts with more than one processing company.

2) Registration system/requirements, contracts, controls, sanctions

All agricultural cooperatives are obliged under Law 4015/2011 (FEK A 210 / 21.09.2011) to register in the “**National Registry of Agricultural Cooperative Organisations and Inter-Professional Organisations**” as specified by the Ministerial Decree 1004/135291 of 27.10.2014.

First processing companies are obliged to register in the “**Unified Registry of Merchants of Agricultural Products, of Provisions and of Inputs**” set up by Law 3955/2011.

Tobacco contracts are registered with the Agricultural Subsidies Payment Agency (O.P.E.K.E.P.E).

There are no controls by state authorities during the process of tobacco deliveries from growers to processors. State authorities could be asked to arbitrate should there be a disagreement between the two parties on the delivery parameters, but in practice this never took place since the Ministerial Decree for the conclusion of tobacco contracts was issued, as there were no such applications.

The same Ministerial Decree specifies the sanctions to be imposed on parties that do not respect its provisions or are in breach of the terms of the contracts.

Under Law No. 4410/2016, currently being implemented and aiming at curtailing tobacco smuggling, first processing industries registered in the “**Central Registry of the Supply Chain of Raw and Manufactured Tobacco**” and obtained a license allowing them to buy, process, transport and deliver raw tobacco within the common market or export to third countries. Registered tobacco processors are under obligation to report movements of tobacco quarterly.

Processing companies are furthermore required to have in place a system of due diligence for their suppliers (except tobacco growers and their cooperatives) and their customers, in order to ascertain that such suppliers or customers are lawfully conducting their business.

The purchase, sale and transportation of raw tobacco remains exempt of the specific excise tax, which is applied to tobacco products only; therefore, processors are under no obligation to establish tax-controlled warehouses or issue guarantees for the transportation of tobacco (EMCS transportation regime).

3) Manufacturing

There are three major cigarette manufacturing plants in Greece, producing more than 50% of the tobacco products consumed locally. Of these three companies one

(Papastratos) belongs to the multinational manufacturer Philip Morris Int'l, one is a Greek family company (Karelías) and the third is SEKAP, nowadays a subsidiary of JTI. These companies also export tobacco products worth approx. 250 million Euros (average, 2015-2019), whilst tobacco products worth approx. 150 million Euros (average, 2015-2019) are imported into the country, mainly by major multinationals, such as BAT, JTI and Imperial.

4) Marketing

Exports of Greek unmanufactured tobacco had stabilised in the period 2014-2018 at the level of approx. 35,000 tons worth approx. 185 million Euros, with the value of oriental tobaccos covering 80% of the total. Exports in 2019 were, however, significantly lower (24.000 tons, 130 mi.Euros).

Unmanufactured tobacco is also imported into the country for the needs of the manufacturing industry and those of the first processors, as well as for logistics purposes. In the last five years imports were on average 28,000 tons of value approx. 110 million Euros, but also lower in 2019 (23.000 tons, 93 mi.Euros).

Taking into account the above figures for exports and imports of raw and of manufactured tobacco, it is estimated that the trade surplus of Greece in the tobacco sector is on average 175 million Euros, with downward trend.

Finally, it is worth mentioning that Philip Morris Int'l, who had signed, in 2013 and 2016, 3-year term framework agreements with the Greek government for the purchase of oriental tobacco, did not renew this agreement in 2019.

5 – Bulgaria

5.a – Bulgarian ELTI Members structure and references

ELTI National Members

A) UNITAB Members (growers)

1. NAT-2010 – National Tobacco Growers Association-2010

B) FETRATAB Members (leaf processors)

1. SOCOTAB Bulgaria EOOD
2. Alliance One Tobacco Bulgaria EOOD

Details

NAT-2010 – National Tobacco Growers Association-2010

- President: Tsvetan Filev
- Contacts:
 - o Address: Dragoman str.6, 7000, Ruse, Bulgaria
 - o Email: office@nat2010.bg, website: <http://www.nat2010.bg/>
 - o Phone: +359 894 440190; + 359 886 300003
 - o Contact person: Anna Mircheva
- Other info: NAT-2010 is a National Association of POs.

SOCOTAB BULGARIA EOOD

- General Manager: Ioannis Kalampoukas
- Contacts:
 - o Address: Plovdiv District, 4202 Radinovo, Bulgaria
 - o Email: bg.info@socotab.com
 - o Phone: +359 32 904140
 - o Contact person: Ioannis Kalampoukas

Alliance One Tobacco Bulgaria EOOD

- Managing Director: Stelios Grigoriades

- Contacts:
 - o Address: Saedinenie 62 Blvd., 6300, Haskovo, Bulgaria
 - o Email: SGrigoriades@aointl.com
 - o Phone: + 359 38 661800
 - o Contact person: : Vladislava Slavcheva

5.b – Bulgarian leaf tobacco market functioning

1) Activities of the ELTI national Members

The NAT-2010 is a National PO registered according national law.

NAT- 2010; FETRATAB's Members from Bulgaria (Socotab EOOD and Alliance One Tobacco Bulgaria EOOD) are part of the National Advisory Council on Tobacco. Except ELTI's Members in the Council are included other national and regional represented National POs; first processors; scientific organisation and government entities. The Council is permanent advisory body managed by the Minister of agriculture, food and forestry. The Council considers all issues relevant with tobacco sector, including laws and national subsidies.

2) Registration system/requirements, contracts, controls, sanctions

Tobacco production is carried by farmers which are registered in the Register of Tobacco growers. The growers have to sign contract with buyers who have got the licence for tobacco buying from Regional Directorate of Tobacco. The first processors have to be licensed by the Government.

The fine for illegally possessing of raw tobacco is from 50 up to 5,000 BGN. Sanctions are provided by the national law on tobacco.

3) Manufacturing

In Bulgaria there are three cigarette manufacturing companies - Bulgartabac Holding Group, KT International and Slance Stara Zagora Tabac JCS.

Main multinational cigarette manufacturers have only trading companies in Bulgaria.

4) Marketing

Seven firms purchase and processed Bulgarian Tobacco. Two of them are multinational, two are Greek and the rest are Bulgarian.

Only one international processor, Socotab EOOD, as well as locals buy the oriental tobacco and process them in the country. Alliance one have been processing tobacco in Macedonia since 2015, while Greek firms processing tobacco in Greece

The big leaves market is dominated by Parvomay BT.

The Bulgarian Government or any other National organisation do not have any agreement with any multinational manufacturers.

6 – France

6.a – French ELTI Members structure and references

ELTI National Members

A) UNITAB Members (growers)

1. *FNPT – Fédération National des Planteurs de Tabac – FRANCE TABAC*

1. CT2F
2. LA DAUPHINOISE
3. MIDI TABAC
4. PERIGORD TABAC
5. TABAC GARONNE ADOUR

B) FETRATAB Members (leaf processors)

1. *FRANCE TABAC*
2. *LTR Industries (second processor)*

Details

FNPT – Fédération National des Planteurs de Tabac – FRANCE TABAC

- President: Rémy LOSSER
- Contacts:
 - o Address: 19 rue Ballu - 75009 Paris
 - o Email: f.vedel@france-tabac.com or remy.losser@gmail.com
 - o Phone: +33 1 44 53 48 00, +33 3 88 19 17 60
 - o Contact person: François Vedel, Olivier Riedinger
- Other info: Five regional cooperatives gathered in the national structure France Tabac.

CT2F

- President: Rémy Losser
- Contacts:

- Address: Maison de l'Agriculture, 2 rue de Rome, 67309, Schiltigheim cedex
- Email: olivier.riedinger.ct2f.fr

La DAUPHINOISE

- Manager: Dominique Vial
- Contacts:
 - Address: ZA les fromentaux, 38270, Beaurepaire
 - Email: d.vial@groupe-dauphinoise.com

MIDI TABAC

- President: Daniel Gasparini
- Contacts:
 - Address: 297 rue st Géry, CS40188, 46004, Cahors cedex
 - Email: p.ruffie@miditabac.fr

PERIGORD TABAC

- President: Laurent Testut
- Contacts:
 - Address: 35 Avenue Benoit Frachon, ZI de Boulazac, 24759, Trelissac cedex
 - Email: perigord.tabac@wanadoo.fr

TABAC GARONNE ADOUR

- President: Olivier Monget
- Contacts:
 - Address: 40 Blvd de la République, 40000, Mont de Marsan
 - Email: nathalie.roubin@tga-so.fr

FRANCE TABAC

- President: Rémy Losser
- Contacts:
 - Address: Z.I. de Madrazès, 24200 Sarlaat la Caneda
 - Email: e.tabanou@france-tabac.com
 - Phone: +33 5 53 31 54 00
 - Contact person: Eric Tabanou (General Manager)

LTR INDUSTRIES (Second processor/Manufacturer of reconstituted tobacco)

- Director NGP products : Bruno de Veyrac
- Contacts:
 - o Address : Le grand Plessis – 72700 Allonnes cedex
 - o Email : bdeveyrac@swmintl.com
 - o Phone : 33 2 43 47 42 00

6.b – French leaf tobacco market

1) Activities of the ELTI national Members

France Tabac is in a particular situation in EU to be both an association of growers producing raw tobaccos and a processor – via its processing plant in Sarlat – which processes and sells process tobacco to its customers. A portion of France Tabac grown tobacco is processed in Germany by the Fetrtab Member Alliance One Rotag AG.

Except four individual growers in west of France dealing directly mainly with an Italian customer, all the French tobacco growers are Members of these national associations of growers and processors.

Hence the withdrawal of one of the elder national interbranch which has no real use, all the Members being in the same association.

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2) Registration system/requirements, contracts, controls, sanctions

For the abovementioned reasons, there is, for the moment, no need of regulation on these issues.

3) Manufacturing

The last French manufacture (Imperial in Riom) has closed. So, all the French tobaccos are exported.

4) Marketing

Since in the France territory does not exist any active first processing plant anymore, all green tobacco, including a quota purchased by ELTI members, is processed outside the French territory.

French tobaccos are expensive due to very high production costs (Regulations on Labour force): For these reasons, it is sometimes difficult to attract the “major companies” specially on Flue cured tobaccos and we had to look for unstable but more lucrative niche markets shisha, PRC, organic, etc.).

BURLEY: 100% JTI and Imperial.

FLUE CURED: 80% niche markets and 20% JTI + PMI.
BAT is not involved at all on the French market.

7 – Hungary

7.a – Hungarian ELTI Members structure and references

ELTI National Members

A) UNITAB Members (growers)

1. *MADOSZ – Hungarian Tobacco Growers Association*

1. NYIDOTER KFT - Nyírségi Tobacco Growers' Group Ltd.

B) FETRATAB Members (leaf processors)

1. ULT Hungary Pte. Ltd.

Details

MADOSZ – Hungarian Tobacco Growers Association

- President: Bényei Illés
- Contacts:
 - o Address: Kállósemjéni utca 47, 4327, Pócspetri, Hungary
 - o Email: madosz@madosz.hu, Website: www.madosz.hu
 - o Phone: +36 42 554 066, fax: +36 42 554067
 - o Contact person: Eisler József
- Other info: The MADOSZ, founded in 1999, is a non-lucrative professional Association, whose Members are 99.5 percent of Hungarian tobacco growers. Most of the producers belong to NYIDOTER Kft., and the small remaining part of the producers belong to DOFER Zrt.

NYIDOTER KFT - Nyírségi Tobacco Growers' Group Ltd.

- Other info: NYIDOTER Kft. is the sole tobacco growers' group in Hungary, incorporating 70% of the Hungarian tobacco farmers. NYIDOTER Kft. is the exclusive supplier of ULT Hungary Pte. Ltd.

UNIVERSAL LEAF TOBACCO HUNGARY PTE. LTD.

- Agronomy director: Tibor Fekete

- Contacts:
 - o Address: Kinizsi str., 6/A, 4400, Nyíregyháza, Hungary
 - o Email: fekete.tibor@universalleaf.hu
 - o Phone: +36 42 501120, +36 30 9684727
 - o Contact person: Tibor Fekete
- Other info: ULT Hungary Pte. Ltd. is a member of FETRATAB and integrates 70% of Hungarian tobacco growing. The exclusive supplier of ULTH is NYIDOTER Kft. tobacco growers' group.

The other market player in Hungary is DOFER Zrt. Which is part of an Hungarian family business that is not member of FETRATAB-ELTI and makes individual contracts with farmers. These farmers do not belong to any tobacco growers' group, but all contracted farmers are members of MADOSZ.

7.b – Hungarian leaf tobacco market functioning

1) Activities of the ELTI national Members

The Hungarian Interbranch organization is the Tobacco Department of the Hungarian Chamber of Agriculture. This organisation was established in 2013 and incorporates all players of the tobacco sector in Hungary: farmers, first processors, manufacturers and merchants. During the preparation of all legal regulations and laws affecting the tobacco sector the Hungarian government asks for the standpoint of the Hungarian Chamber of Agriculture. The participants of the tobacco sector managed to cooperate successfully and represent their joint interest. As a consequence of this effective work, Hungary managed to maintain the governmental subsidy for the employment used in the tobacco growing sector and so to keep a significant number of jobs on poor areas.

2) Registration system/requirements, contracts, controls, sanctions

In Hungary all tobacco growers and first processors which possess or process tobacco should be registered at the National Tax and Customs Office (NAV). Any possession of tobacco without being registered is considered illegal. Tobacco can only be grown if the farmer has a valid contract with a first processor (that is registered at the National Tax and Customs Office).

After finishing the purchasing season, the first processor has to provide data to National Tax and Customs Office regarding the fulfilment of the tobacco growing contracts (contracted / actually purchased volumes by individual farmers). During the crop year both administrative and on-site controls are carried out by the National Tax and Customs office regarding farmer tobacco production.

Sanctions are provided by the national law on excise tax. The fine for illegally possessing 1 kg of tobacco is HUF 100,000 or 333,00 Euro.

3) Manufacturing

In Hungary there are three cigarette manufacturing plants: BAT in Pécs, Continental (CTC) in Sátoraljaújhely and Róna Tobacco Manufacturing Pte. Ltd. (Heintz van Landewyck group) in Debrecen.

Róna also has a cigar manufacturing plant in Újfehértó where cigar is produced manually exclusively for the domestic market.

Main multinational cigarette manufacturers (except for BAT) only have trading companies in Hungary.

4) Marketing

100 % of the tobacco purchased by ULT Hungary Pte. Ltd. is processed in Italy in the processing facilities of Deltafina (Assisi – FCV tobacco, Francolise – BU tobacco). One part of Hungarian tobacco is processed for Hungarian blends for minor international customers, the other part of Hungarian tobacco is mixed into the blends of multinational manufacturers.

The tobacco contracted and purchased by Dofer is processed in Dofer's processing facility in Szolnok and sold to Continental cigarette manufacturing company (vertical integration).

The Hungarian government or MoA unfortunately do not have any agreement with any multinational manufacturers, nor have the main manufacturers any commitment or obligation to purchase Hungarian tobacco.

8 – Germany

8.a – German ELTI Members structure and references

ELTI National Members

A) UNITAB Members (growers)

1. *BdT e.V. – Bundesverband Deutscher Tabakpflanzer / Vereinigung der Tabak-Erzeugergemeinschaften e.V. - resigned in 2020*

1. LV Baden-Württembergischer Tabakpflanzer e.V.
2. LV Rheinland-Pfälzischer Tabakpflanzer e.V.
3. LV Fränkischer Tabakbauvereine e.V.
4. LV Tabakbauvereine Rheinland-Wittlich e.V.
5. LV Nordwestdeutscher Tabakpflanzer e.V.
6. LV Schleswig-Holsteiner Tabakpflanzer e.V.
7. LV Tabakpflanzer Ost e.V.

B) FETRATAB Members (leaf processors)

1. Alliance One Rotag AG

Details

Bundesverband Deutscher Tabakpflanzer / Vereinigung der Tabak-Erzeugergemeinschaften e.V. (BdT e.V.)

- President: Hubert Bleile
- Contacts:
 - o Address: c/o DZV Unter den Linden 42, 10117 Berlin, Germany
 - o Email: plaeschke@bundesverband-tabak.de,
 - o Web: www.bundesverband-tabak.de
 - o Phone: +49 (0) 30 8866 36270,
 - o Contact person: Sven Plaeschke (Managing Director)
- Other info: BdT e.V. is registered at: Amtsgericht Mannheim (VR 100278) and represents 7 regional associations, approximately 100 growers:

LV Baden-Württembergischer Tabakpflanzer e.V.

- Address: Kirchstraße 18, 77743 Neuried-Altenheim

LV Rheinland-Pfälzischer Tabakpflanzer e.V.

- Address: Gottfried-Renn-Weg 2, 67346, Speyer

LV Fränkischer Tabakbauvereine e.V.

- Address: Am Wehr 1, 91189, Rohr-Kottensdorf

LV Tabakbauvereine Rheinland-Wittlich e.V.

- Address: Alftalstraße 58, 54516, Wittlich-Dorf

LV Nordwestdeutscher Tabakpflanzer e.V.

- Address: Wehrenberg 1, 27251, Neuenkirchen

LV Schleswig-Holsteiner Tabakpflanzer e.V.

- Address: Lindenstraße 17, 21493, Havekost

LV Tabakpflanzer Ost e.V.

- Address: Dietrichsdorfer Straße 12, 06895, Zahna-Elster / OT Mühlanger

Alliance One Rotag AG

- Managing Director: Christian Klein
- Contacts:
 - o Address: Hardeckstrasse 2a, 76185, Karlsruhe, P.O. Box 10 01 02, 76231, Karlsruhe,
 - o Email: AllianceOneRotag@aointl.com
 - o Phone: +49 (721) 509 010; Fax: +49 (721) 509 0111
 - o Contact person: Christian Klein (cklein@aointl.com)
- Other info: Alliance One Rotag AG currently owns and manages the one and only tobacco first processing plant active in Germany.

8.b – German leaf tobacco market functioning

1) Activities of the ELTI national Members

All individual tobacco growers in Germany are members of regional cooperatives. These cooperatives are the members of the German Growers Associations (BDT). Cultivation contracts are signed between these Cooperatives and/or BDT and the purchasers.

2) Registration system/requirements, contracts, controls, sanctions

Since 2010 there are no public subsidies on raw tobacco in Germany and also no specific market rules or registration system/requirements for the operators.

3) Manufacturing

Nearly 90% of the German grown FCV is exported to the Shisha niche market. Only a small portion goes to the local cigarette production. Since 2010 Germany produces 100% FCV.

4) Marketing

Since in the German territory does not exist any active first processing plant anymore, all green tobacco, including a quota purchased by ELTI members, is processed outside the German territory.

9 – Portugal

9.a – Portuguese ELTI Members structure and references

ELTI National Members – n/a

A) UNITAB Members (growers)

1. AGRI

B) FETRATAB Members (leaf processors) – n/a

Details

AGRI

- President: António Abrunhosa
- Contacts:
 - Address: R. Fonte Nova, 1-1º, 6000 – 167, Castelo Branco
 - Tel: + 351 961 727490
 - Contact person: Ana Beato (Secretary)

9.b – Portuguese leaf tobacco market functioning (updated 2017)

1) Activities of the ELTI national Members

General info on the Portuguese leaf tobacco market

Since the full effect of the consequences of the decoupling affected the growers as from crop 2006 (50%), and then 2010 (100%), it was noted a stabilization of the sharp volume/surface fall since 2013.

Today the leaf tobacco production area is in the Azores Islands and 100% grown by AGRI Association members.

Crop 2016 - fully delivered to the first processor - achieved a volume of 147,788 Kgs of Burley, produced by 47 growers on a surface of 59,42 hectares.

Estimations for crop 2017 are a bit smaller as only 40 growers planted tobacco on an area of 49,91 hectares (-16%).

2) Registration system/requirements, contracts, controls, sanctions

After the end of the EU direct subsidy system to tobacco growers (crop 2009), no National rules, controls or sanction are in place regarding growing and contracting raw tobacco.

3) Manufacturing

All Portuguese tobacco, grown by AGRI members, is purchased by Fábrica de Tabacos Micaelense S.A. (Rua José Bensaude, 42, Aptd.171, Ponta Delgada, San Miguel Island, Azores) who performs both the activity of first processing and of manufacturing of cigars.

4) Marketing

Refer to previous point.

10 – Belgium

10.a – Belgian ELTI Members structure and references

ELTI National Members

A) UNITAB Members (growers)

1. TASYCA : Tabakssyndicaat

B) FETRATAB Members (leaf processors) - n/a

Details

TASYCA - Tabakssyndicaat

- President: Koen Vinckier
- Contacts
 - Address: Koestraat 65, B-8940, Wervik
 - Tel + 32 (56) 31 18 03, Fax + 32 (0) 56 30 66 90
 - Mob + 32 (0) 475 59 66 16
 - Secretary: Regine Feryn

10.b – Belgian leaf tobacco market functioning

1) Activities of the ELTI national Members

Over the last 5 years, more growers left the labour intensive tobacco crop in favour of vegetables and roughage for livestock population as dairy cows and pigs.

Till 2019, seasons workers remained choosed more for other temporary missions linked to coastal tourism offering an urban life connexion.

Since February 2020, covid 19 created extreme tensions within the selected cross culture selections on the diversified tobacco farms. Cultures for exports outside the EU and meat saw their price positions falling far below the sum of the cost components.

During Spring 2020, the situation only improved for vegetables delivered by the farms equipped to offer a direct or regrouped sale platform from farm to end consumer, better known as the so-called “short chain USP Unique Selling

Proposition”. The current six buyers of the Belgian crop are the local smoking tobacco / fine cut transformers being small and medium sized companies, they launched an explicit B to B – Business to Business – campaign in 2020 among their business partners in tobacco consumer retail to stress that reality in logistic terms, opposing that domestic full chain reality to the “blind” deliveries of tobacco leaf from overseas where the quality check still depends on intermediate reports and assessments added to “far from home” evaluations. The buying SME’s have not an own leaf purchaser who can visit crops or intervene de visu on the harvest places abroad.

Crop 2019 - fully delivered to the first transformers early 2020 - achieved a volume of 60 Tons cultivated by 29 growers on a surface of 29 hectares. The leaf harvest can be divided into 55 Tons DAC Dark Air Cured (Philippine) and 5 Tons LAC Light Air Cured (Burley).

Estimations for crop 2020 has even be better in qualitative parameters due to the excellent weather conditions in June and July 2020, We saw 26 growers in 2020 for 24 hectares tobacco plant, the 2021 plant motivation has been reengaged but each grower who stops the tobacco culture remains a demographic loss, and misses a successor.

An evaluation after 11 months + pending covid 19 crisis 2020-2021 learned the farms of the growers will remain mixed cultures oriented, tobacco reaffirmed a key diversification component among vegetables, wheat and corn, in some cases the farms accelerated a co-orientation to milk products (diary cows) but pigs-rearing, poultry and cattle for meat lost presence.

In terms of visibility (sociability item of a vertical integration of tobacco), tobacco got in 2020 an opportunity to regain better presence in Belgium visible from plant via first processors - and SME manufacturing factory until its availability for final sale in the retail outlets.

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2) Registration system/requirements, contracts, controls, sanctions

After the end of the EU direct subsidy system to tobacco growers (crop 2009), no National rules, controls or sanction are in place regarding growing and contracting raw tobacco.

3) Manufacturing

See below.

4) Marketing

The Belgian grown tobacco is still bought by local small and medium tobacco manufacturing companies using the Belgian leaf into their blends of smoking tobacco products (mainly roll-your-own).

In Belgium is still operating only one first processor which used to be but is not anymore Fetatab member:

Veys Tabak nv

- Managing-director: Johan Veys
- Contacts:
 - o Address: Raketstraat 110, B-8940 Wervik
 - o Phone: Tel +32 (56) 31 25 96, Fax +32 (56) 31 47 54
 - o Email: info@veys-tobacco.com

Part 3 – Countries survey: ELTI not represented

11 – Croatia

11.a – Croatian ELTI Members structure and references

ELTI National Members - n/a

A) UNITAB Members (growers) - n/a

B) FETRATAB Members (leaf processors) - n/a

Details of Croatian tobacco growers' associations (non Unitab Members)

Udruga hrvatskih proizvođača duhana “Krupan list”- Croatian Tobacco Growers' Association - “Krupan list”

- President: Željko Aragović
- Contacts:
 - o Address: Matije Gupca 26, 33000 Virovitica
 - o Email: Zeljko.aragovic@gmail.com
 - o Phone: +385 (0) 91 505 0501
 - o Contact person: Željko Aragović

Udruga duhanskih proizvođača Virovitičko-podravske županije duhan - Tobacco Growers' Association of Virovitičko-podravska County tobacco

- President: Božo Čupar
- Contacts:
 - o Address: Nikole Šubića Zrinskog 30, 33520 Slatina
 - o Phone: +385 (0) 91 605 0451
 - o Contact person: Božo Čupar

11.b – Croatian leaf tobacco market functioning (updated 2017)

1) Activities of the ELTI national Members

Currently there are no Croatian ELTI national Members.

2) Registration system/requirements, contracts, controls, sanctions

In Croatia all tobacco growers and first processors which grow or process tobacco has to be registered in the Register at the Ministry of Agriculture and Forestry.

First processor is a legal person who is registered for tobacco processing activity, and is registered in the Register of Tobacco Processors at the Ministry of Agriculture and Forestry.

Tobacco grower can produce the tobacco leaf only on the basis of a written tobacco production Contract with a registered first processor.

Any possession of tobacco without being registered is considered illegal.

After finishing the purchasing season, the first processor has to provide data to **Paying Agency for Agriculture, Fisheries and Rural Development (PAAFRD)** regarding the fulfilment of the tobacco growing contracts (contracted / actually purchased volumes by individual farmers). During the crop year both administrative and on-site controls are carried out by the MoA, National Tax and Customs office regarding farmer tobacco production.

Sanctions are provided by the national law on excise tax. The Law on Excise Duties NN 22/13, 32/13, 81/13, 100/15, 120/15, 115/16 effective from 01.01.2017.

3) **Manufacturing**

In Croatia there is one cigarette manufacturing plant: BAT in Kanfanar part of BAT Adria Cluster.

Also, there is one producer of cut tobacco for RYO, Tvornica duhana Udbina, located in Udbina, where tobacco is produced for domestic and EU market.

All other cigarette manufacturers (except for BAT) only have trading companies in Croatia.

4) **Marketing**

100 % of the tobacco purchased by Hrvatski duhani p.l.c. Virovitica and Agroduhan ltd. Slatina is processed in Croatia in their own facilities.

BAT directly purchase tobacco from Hrvatski duhani p.l.c. Virovitica for domestic cigarette manufacturer (Kanfanar) and for BAT WE cigarette manufacturers.

Agroduhan ltd. Slatina sell processed tobacco mainly to the customers on EU market.

12 – Romania

12.a – Romanian ELTI Members structure and references

ELTI National Members – n/a

A) UNITAB Members (growers) – n/a

B) FETRATAB Members (leaf processors) – n/a

12.b – Romanian leaf tobacco market functioning (updated 2017)

1) Activities of the ELTI national Members

Currently there are no Romanian ELTI national Members.

General info on the Romanian leaf tobacco market

Fetratab best estimations regarding Romanian leaf tobacco production for crop 2016 is about 600-800 tons of Burley and 500-1,500 tons of Flue Cured Virginia. Flue Cured Virginia estimation is a big issue, because it is possible that some row tobacco grown in Moldavia comes to Romania.

At the Ministry of Agriculture in Bucharest, according to Fetratab understanding, there is nobody in charge for the raw tobacco sector who can provide official figures, also the statistics provided through the DG Agri of the European Commission appears not to be updated since a long time.

The tobacco growing area in Romania is decreasing year by year. The Government increased the tobacco land based subsidy in crop 2016 from 1,350 €/ha to 1,850 €/ha, based on a national budget “subsidy basket” system for tobacco.

We have no information about the existence of any physical on the field control system or even based on verified purchasing reports, regarding the payments of the national subsidies.

It could be so deemed possible that the national payment agency pays the subsidies just upon the growers requests, based on a contract with a registered first processor and reporting to the paying agency a (not verified) transplanted tobacco area.

2) Registration system/requirements, contracts, controls, sanctions

No info.

3) Manufacturing

No info.

4) Marketing

No info.

5) Other info

No info.

**Part 4 – Countries survey: non EU - ELTI
represented**

13 – Switzerland

13.a – Swiss ELTI Members structure and references

ELTI National Members

B) UNITAB Members (growers)

SwissTabac

C) FETRATAB Members (leaf processors) - n/a

Details

SwissTabac

- President: Fabrice Bersier
- Contacts
 - o Address: Rte de Grangeneuve 31, 1725 Posieux
 - o Tel + 41 (0)26 305 59 20 – Fax + 41 (0)26 305 55 04
 - o Secretary: Francis Egger

13.b – Swiss leaf tobacco market functioning

5) Activities of the ELTI national Members

In 2019, 126 planters of Burley Tobacco have cultivated a total surface of ~277 ha. – 37 planters of Virgin Tobacco have cultivated ~99 ha. – 13 planters of Burley Stem have cultivated a total surface of ~ 21 ha.

In 2020, 125 planters of Burley Tobacco have cultivated a total surface of ~296 ha. – 39 planters of Virgin Tobacco have cultivated ~106 ha. – 13 planters of Burley Stem have cultivated a total surface of ~ 23 ha.

In 2021, 125 planters of Burley Tobacco will cultivate a total surface of ~271 ha. – 51 planters of Virgin Tobacco will cultivate ~130 ha. – 14 planters of Burley Stem will cultivate a total surface of ~ 31 ha.

6) Registration system/requirements, contracts, controls, sanctions

SwissTabac manages the quotas of tobacco(s) granted to planters all over Switzerland and has mandated a company to control these planters according to very precise specifications in order to satisfy the Industry which buys all tobacco in Switzerland.

7) Manufacturing

All growers sell their tobacco to a central purchasing organisation called SOTA, which is the link to the cigarette and cigar industries in Switzerland.

8) Marketing

SwissTabac doesn't really care about marketing. The Industry care about marketing directly. There are different firms in Switzerland who sell the cigarettes (BAT, PMI, etc.).