

## The honorable Minister of Agriculture of Zambia Reuben M'Tolo Phiri addressed the Issues Day of the International Tobacco Growers' Association 2021 Annual General Meeting recognizing ITGA's key role in the global tobacco sector

On 18-19 November the International Tobacco Growers' Association (ITGA) held its 36th Annual General Meeting (AGM). Due to the ongoing challenges posed by the global pandemic, the event took place online for the second time in a row. The Issues Day on November 18th attracted more than 100 attendees from five continents, representing more than 20 countries, including Argentina, Brazil, Bulgaria, Colombia, Dominican Republic, France, Germany, India, Italy, Malawi, Netherlands, Portugal, Russia, Spain, Switzerland, South Africa, Turkey, Uganda, USA, Zambia and Zimbabwe.

During his keynote address, Reuben M'Tolo Phiri, the Minister of Agriculture of Zambia, highlighted the importance of ITGA's mission by pointing out its main objective: "To help improve growers' members livelihoods through respectful agricultural practices." Phiri also noted that "ITGA's main strength is in its member associations around the world. Thanks to them, ITGA can benefit from national and regional engagements and build up its global network."

Abiel Masache Banda, ITGA President, focused his remarks on the important role that tobacco growers' associations are playing in the fight against child labour: "ITGA and its member associations in different regions are the perfect platforms to reach out to farmers, either to work with them or to provide support when needed."

The market information block began with Antonio Abrunhosa, ITGA CEO. During his speech it was highlighted that 2021 has brought some growth in both production volumes and prices in many of the leading tobacco growing markets. However, future regulations will become even tougher, ultimately impacting growers across the globe. In order to ensure the sustainable development of the sector, income has to be sustainable as well. Tobacco growers have proven to be the most resilient farmers in the world having the experience of dealing with multiple problems. Ultimately, Abrunhosa believes that growers will continue to fight to better their perspectives and support their families.

The session continued with Ivan Genov, ITGA Tobacco Expert. Genov revealed that the 2021 production momentum is forecast to remain, and even increase in 2022 but the situation remains volatile. What seems certain is that the pressure on the sector

will remain strong. Growing prices of key inputs, inflation, logistics complications and the increasing sustainability pressures, that create new supply chain requirements from companies and governments, will impact the sector's trajectory.

According to Shane MacGuill, Euromonitor International Global Lead Nicotine & Cannabis, global cigarette volumes declined by 4% while illicit penetration maintained its importance at 12%. In addition, the proportion of cigarettes in the total tobacco value sales mix continues to decline. Alternatively, heated tobacco is getting established as the most important reduced-risk category, in part due to investment from companies and to regulatory issues surrounding e-vapour. MacGuill also shared his insights on the evolving nicotine manufacturers that are beginning to actively look towards adjacent industries, such as legal cannabis, which is now forecast to grow to over USD 90 billion by 2026.

Following the market session, Michiel Reerink, Alliance One International Corporate Affairs Director and Managing Director, updated the audience about the recently held COP9 of the Framework Convention on Tobacco Control (FCTC), which remained largely closed to the public. The reports about technical matters including heated tobacco, research of evidence on novel and emerging products as well as the guidelines on advertising were deferred without discussion until COP10. Another focus was the increasing regulatory requirements around supply chains and EU's resolution on corporate accountability. It is very likely that in the near future companies that want to sell products in the EU will be required to do supply chain due diligence in order to demonstrate there are no violations of human rights and no environmental standards are being broken. Reerink advised that every company and supplier should prepare for this legislation accordingly.

The case of Colombia was presented by Heliodoro Campos, General Manager of the Colombia tobacco Federation (FEDETABACO). After explaining the difficult situation tobacco growers in Colombia have been put through with the decision by the two companies to withdraw from the country, Campos made a call on behalf of Colombian growers and communities depending on tobacco to the wider global community seeking solidarity and support to promote the reconversion plan FEDETABACO has been developing to help growers find a substitute to tobacco.

Efforts in the sector in the fight against child labor were analyzed by Dr Innocent Mugwawa from the Foundation for the Elimination of Child Labor in Tobacco (ECLT). Mugwawa gave details about the programs the ECLT is developing in different regions and the fruitful partnerships with ITGA members in some of them. Moreover, Mugwawa referred to the visionary role of ITGA and IUF twenty years ago when the ECLT was founded: "If you look back (to ECLT's History) 20 years ago, sustainability and child labour were not the typical issues of the day. This shows the vision and leadership of the IUF and ITGA to address this problem together in a unified way."

The logo for the ITGA Annual General Meeting is centered at the top of the page. It features a white speech bubble icon on a green background. Inside the speech bubble, the text "ITGA ANNUAL GENERAL MEETING" is written in white, uppercase letters. The background of the entire page is a vibrant green with a repeating pattern of white and blue geometric shapes, including circles, squares, and lines, some resembling leaves or abstract patterns.

## ITGA ANNUAL GENERAL MEETING

The meeting closing remarks were given by Jose Javier Aranda, ITGA Vice President: "We, the ITGA members, should never forget the honorable goals that brought this International body together and what it makes to remain the only worldwide tobacco growers' association. We see the value it brings having worked through all these years benefiting from our global platform, the ITGA".

On November 19th, the second day of the ITGA AGM 2021, the closed general assembly was held. ITGA members from all markets attended the meeting and participated actively in the run out of the agenda, which included decisions and guidelines to be taken to the strategic plan for 2022 and beyond. ITGA members agreed on the increasing number of challenges the sector is facing. Growers' involvement in key issues related with the sector must be reinforced on the global scene. ITGA has to keep its role by providing tools and networks, hence, helping its members to make informed decisions advocating on their behalf, reinforcing the ITGA membership worldwide, promoting respectful social and environmental agriculture practices.

Finally, ITGA CEO, António Abrunhosa, announced his retirement as CEO position he has held since 1998. ITGA Members express their gratitude and highlighted his extraordinary role in positioning ITGA in the global scenario as a key player in the tobacco sector. António will still be committed to ITGA as Senior advisor. Mercedes Vázquez was appointed as new CEO of ITGA. Mrs Vázquez thanked the ITGA members for their trust and promised to continue the work done: "In my new role I will do my best to continue this learning process from all of you so I can ensure and reinforce the long-lasting relations with our Partners so we can together overcome the common challenges we are facing in our sector"