

European Leaf Tobacco Interbranch organization



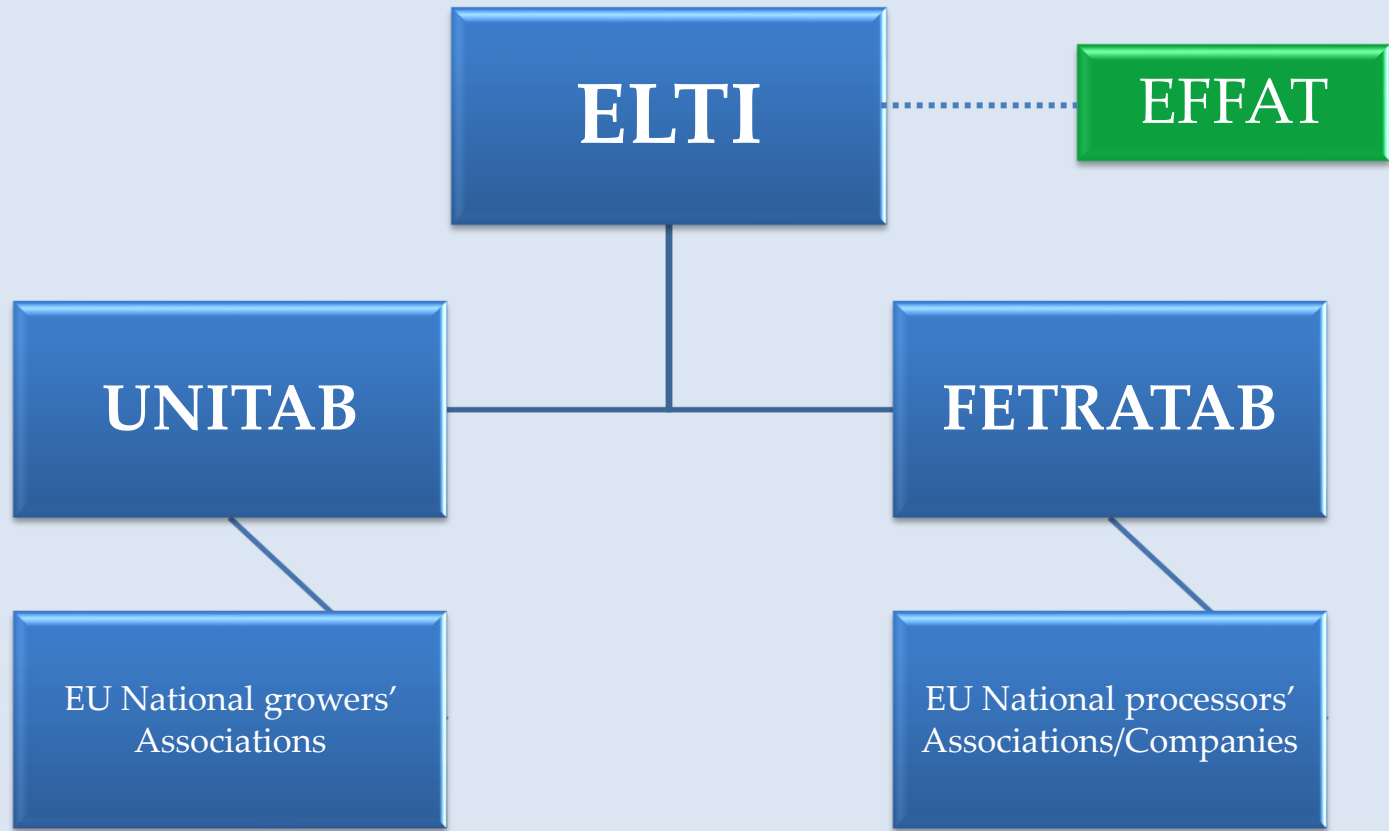


Establishment October 4, 2016
Presentation May 22, 2017
EU Recognition August 3, 2018

ELTI Founding Members

UNITAB (EU growers' federation)

FETRATAB (EU first processors' federation)



Leaf tobacco growers, first processors and workers united for the defence and the perennity of the sector

ELTI Organization

Theodoros Iordanidis
Vice President

Tsvetan Filev
President

Domenico Cardinali
Vice President

ELTI Board

Members: 8 Unitab + 8 Fetratab

General Secretariat: Carlo Sacchetto – Przemysław Noworyta
Legal seat: Rome - offices: Rome, Krakow





ELTI - EU CAP Organization Champion



ELTI is the first, and currently only transnational EU Interbranch Organization officially recognized in all EU agriculture-agribusiness sectors, according to the Common Agriculture Policy Reg. 1308/2013 of the EP and Council and to Commission Delegated Reg. 2016/232



ELTI Members presence in Europe

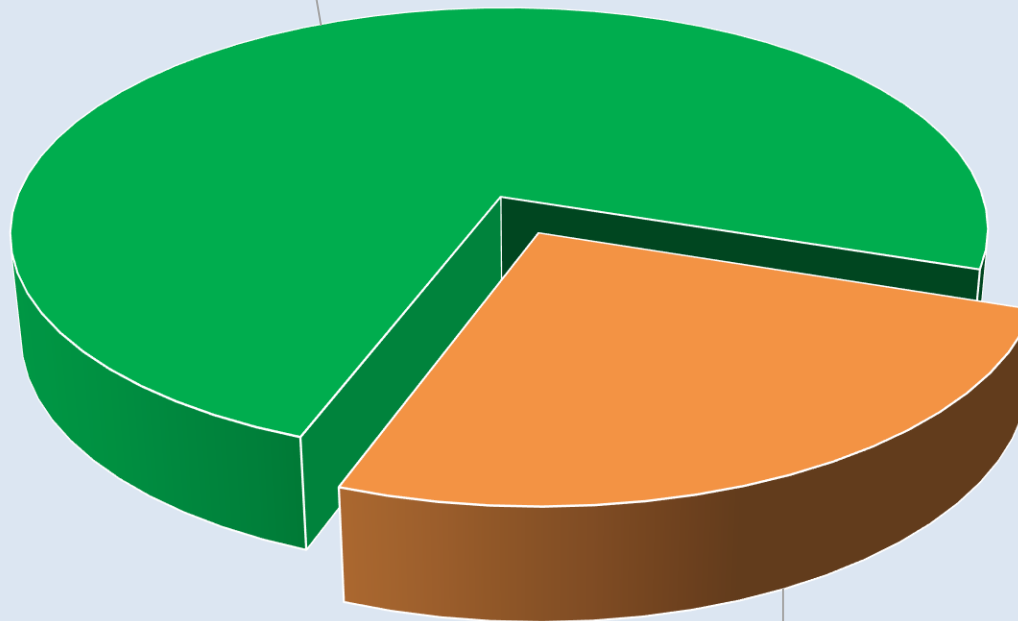
1. Italy
2. Spain
3. Poland
4. Greece
5. Bulgaria
6. France
7. Hungary
8. Germany
9. Portugal
10. Belgium
11. Switzerland



ELTI level of representativeness

EU leaf tobacco contracted volumes (Tons)
Crop 2020

ELTI; 118 505 ; 75%

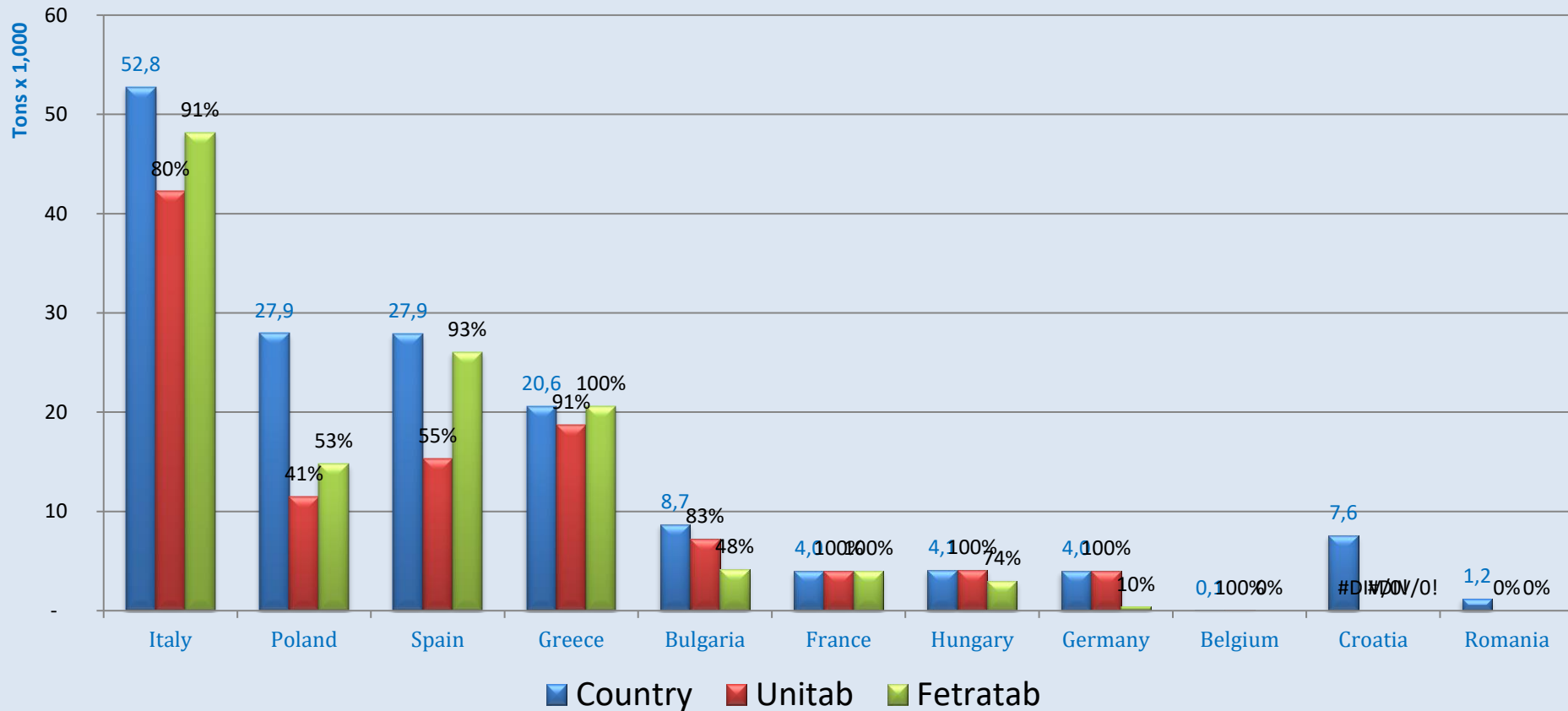


NON ELTI; 40 417 ; 25%



ELTI level of representativeness

ELTI: All Varieties crop 2020 volumes



ELTI main figures

- 🌿 **11** tobacco producing countries
- 🌿 **76,000** hectares of tobacco cultivated land
- 🌿 **150,000** tobacco tons delivered
- 🌿 **500M€** tobacco farmers revenue (commercial price paid)
- 🌿 **12** National growers' Associations
- 🌿 **46** Producers Organisations/Cooperatives
- 🌿 **51,000** individual growers/farms
- 🌿 **4** first processors' National Associations
- 🌿 **18** first processing Companies
- 🌿 **350,000** workers (50% women) + tens of thousands in associated jobs



ELTI goals

- 🌿 Strengthen the aggregation and the **contractual power of EU tobacco growers** to achieve farming economic sustainability
- 🌿 Officially **represent the EU leaf tobacco sector common issues at EU Institutions** to re-gain dignity for the tobacco growers among all EU farmers, fighting discrimination in the CAP
- 🌿 Define **EU umbrella harmonized rules** for the proper functioning and control of the leaf tobacco market, tackling the illicit
- 🌿 Achieve the **world best quality standards** in terms of leaf tobacco integrity, overall quality, Good Agriculture and Labour Practices
- 🌿 Provide **economic sustainability and perspectives** to EU leaf tobacco, **boosting manufacturers' multiannual purchase programs** and commitments
- 🌿 Support the activities of national IBOs or growers' and processors' Associations in MS without national IBOs, in a coordinated way and **increase position and level of representativeness**



ELTI activities in progress



Amendments to the CAP:

- Remove the current hypocrite discrimination of tobacco growers (exclusion from coupled subsidies and sectoral strategic plans)
- Recognize the role of recognized EU transnational Interbranch Organizations, allowing to extend to all operators the agreed rules and provide financing for their functioning



Negotiates with international manufacturers (Philip Morris, Japan Tobacco, British American Tobacco and Imperial Brands) to obtain mid-term commitments to continue to buy adequate volumes of raw tobacco from all the EU producing countries

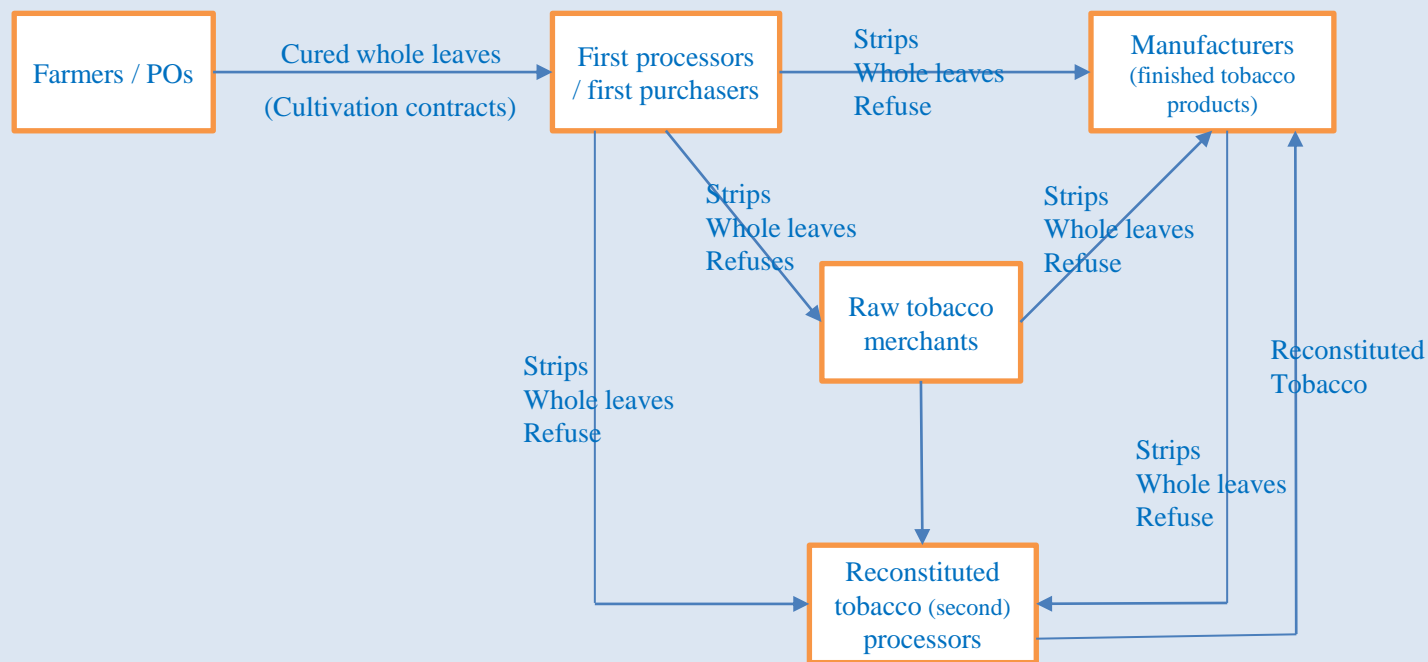


Implementation of an EU umbrella regulation to control the marketing of raw tobacco to:

- Certify the legality of the EU grown/processed tobacco - tackle illicit trade
- Definitively exclude EU raw tobacco from the risk of applying excise duties



EU raw tobacco marketing flows control scheme



Control system requirements

1. All operators to be authorized/registered
2. Cultivation contracts compulsory (CAP CMO rules)
3. Commercial contracts/shipments registered/traced
4. EU centralized database (OLAF, Agri, Taxud)
5. Controls (Administrative, on site, satellite, etc.)
6. Sanctions on non-compliant (seizure, destruction)

Unmanufactured tobacco Custom Codes

Whole leaves: HS 240110
Strips: HS 240120
Refuse: HS 240130
Reconstituted Tobacco: HS 240391



To Do

- ✓ Establish a permanent EU level tobacco table: ELTI, MoAs, PermReps, MEP, EFFAT, experts
- ✓ Define EU level raw tobacco:
 - ✓ Phytosanitary strategy
 - ✓ Good Agricultural Practices
 - ✓ ESG and Corporate Due Diligence common rules
- ✓ Apply the ELTI Labour Code of conduct (with EFFAT)
- ✓ Establish ELTI specialized Working Groups

ELTI

**European Leaf Tobacco Interbranch
organization**

Thank you for your attention

