Over 30 million Tobacco Farmers at Risk!

TISA CEO says: “FCTC tobacco farming proposals are ill-conceived and ideologically motivated”

30 Million tobacco farmers
3.9 Million hectares
1.1 Billion consumers
1 FCTC working group manipulating the future of tobacco

7.49 times higher than cotton
7.66 times higher than peanuts
11.49 times higher than corn
22.47 times higher than soybeans

Tobacco return over cash expenses per acre
USA Department of Agriculture 1996.

The intention of this edition of ‘New Leaf’ is to broaden and deepen the discussion raised by the Framework Convention on Tobacco Control (FCTC) Working Group, by providing an alternative perspective on tobacco farming.
The current remit of the World Health Organizations’ tobacco control treaty, the Framework Convention on Tobacco Control (FCTC), calls on governments to promote “as appropriate,” economically viable alternatives to tobacco growing.

Policy decisions are being taken without robust, peer-reviewed evidence.

To justify their unconvincing recommendations, the FCTC Working Group report makes generalisations and accusations of tobacco farming practices that must be questioned and demand scrutiny. It claims that,

“Tobacco growing entails a number of irreversible costs to farmers, which not only seriously damage their living standards, but also erode their long-term prospects. Health risks, working conditions, contractual arrangements, the use of children in tobacco growing, and the environmental practices of tobacco growing have negative impacts on human capital and land, the two crucial assets in rural livelihoods.”

In 1999, Dr. David Patched, an agricultural economist at the Commonwealth Secretariat, found tobacco production in Malawi and Zimbabwe to be 6.5 times more profitable than maize, twice as profitable as cotton and 60 times more than sorghum. In 2007 tobacco in Zambia was 7.5 times more profitable per hectare than maize production and 14 times more profitable than cotton.

In Kenya, tobacco generates twice the income that maize does and 7.5 times that of cotton. In South Africa, where tobacco is produced on a commercial scale, the turnover on tobacco is 10.0 times that of maize and 13 times that of cotton.

Because we are concerned that policy decisions are being taken without robust, peer-reviewed evidence, the tobacco industry commissioned ‘Development Delivery International’ (DDI), an independent international development consultancy, dedicated to improving the wellbeing of resource-poor communities in the developing world, to critically review the evidence base for these claims. We summarise its findings below:

Initially, DDI International reviewed over 300 published sources on the subject and concluded that the existing research base was both limited and lacked contextual understanding.

“No clear evidence to support a causal link between tobacco cultivation and poverty.”

The study concluded that:

• Tobacco is not the only source of income for the farmers, nor the only crop grown;
• Income from tobacco farming is mostly seen to increase, rather than threaten, or reduce food security;
• There is movement in and out of cultivation of tobacco, suggesting a degree of choice whether or not to grow tobacco and this movement does not support any picture of entrapment in tobacco cultivation through debt;
• There is no evidence of tobacco cultivation leading to adverse labour or employment outcomes; and
• The market support for tobacco cultivation is comparable, or better than, that available for other cash crops.

The case studies show that the claims for a direct causal link between tobacco cultivation and poverty do not hold true as a generalisation. “Tobacco is grown as part of a cropping system and contributes to a diverse income portfolio; it is also seen to be an important and reliable income source that enhances food security, rather than reducing it and has contributed to increasing farmers’ welfare”.

The second part of the study consisted of an empirical investigation in three contrasting tobacco growing countries – Bangladesh, Brazil and Uganda – investigating whether tobacco cultivation poses a greater hazard to the welfare of poor people in comparison to the cultivation of other available crop alternatives.

Tobacco farming does not cause poverty.

The purpose of the FCTC Working Group recommendations is to provide Parties with a general working framework within which they may adopt the comprehensive policies and effective measures required to fulfill their obligations under Articles 17 and 18 of the WHO FCTC.
Tobacco growing is often portrayed as one of the major causes, if not the main one, of deforestation in the world, especially due to deforestation for expansion and for use of wood to cure tobacco.

However, more than half of the tobacco grown worldwide does not make use of wood for curing, and in the cases where it does, there is evidence of woodlot planting and responsible behaviour of the tobacco growers and the tobacco industry.

Deforestation impacts are site-specific, but can be mitigated. In Zimbabwe, for instance, a tobacco sector forestry department has been created with the objective of effectively establishing and managing ‘tobacco energy wood-lots’.

The tree planting projects will facilitate the establishment and management of almost 5,000 hectares of wood-lots in the next seven years, thereby approaching sufficiency for tobacco crop volumes.

Growing Tobacco - we discuss the difficult questions

0.3 of one per cent of the world’s arable land is used to cultivate tobacco. That’s less than half the land given over to coffee, and tobacco is only grown for part of the year.

The fact is that the world tobacco cultivated surface has decreased by 14% in the last 10 years from 4,646,149 hectares in 1990 to 3,980,218 hectares in 2010. To give a sense of proportion to the issue, this is an area smaller than Switzerland or just twice the size of the Kruger National Park in South Africa. (2,000,000 hectares)

The accusation is made that “tobacco growing ruins the soil - leaving land useless for other food crops; uses high quantities of pesticides, large amounts of water; and results in deforestation due to land clearance.”

Deforestation

Tobacco growing is often portrayed as one of the major causes, if not the main one, of deforestation in the world, especially due to deforestation.

“Evidence suggests that industry/farmer contract systems tend to reduce the risks associated with tobacco cultivation. By providing advice on better farm management practices and stabilising input and output markets, combined with the income that tobacco cultivation can generate for farmers, the standard is set to which other ‘alternative crops’ must aspire if they are to provide ‘alternative livelihoods’ to tobacco cultivation.”

Child Labour

“Child labour is no more prevalent in tobacco cultivation than other crops”.

There is strong evidence of the widespread use of child labour in agriculture throughout the world. But there is little evidence that supports tobacco cultivation being a causative factor. A major review of child labour in tobacco production in Africa concluded that there was no evidence to indicate that child labour was any higher, or lower, than the use of child labour in other sectors.

Children work in tobacco growing, since this is a labour-intensive agricultural activity taking place mainly in developing countries. This fact cannot be denied. At the same time it cannot be denied that the tobacco sector is well aware of this problem and it is actively working to solve it.

In 2001 the tobacco sector helped to establish the Eliminating Child Labour in Tobacco Growing Foundation.

The mission of the ECLT Foundation is to ‘Contribute to the elimination of the use of child labour in the tobacco growing sector so that children are provided with an upbringing that gives them the best chance in all aspects of life.’

Already other agricultural sectors have benefitted from our research and experience. The ECLT Foundation has served as a model in the creation of a similar initiative in the cocoa growing sector.

Soil Degradation

Soil degradation is a generic issue that affects the agricultural sector generally. This risk is managed by following an appropriate crop rotation policy. Farmers are almost always well aware of this and specifically include leguminous crops as a part of their crop mix to restore soil fertility.

The reality is that many of the social, environmental and economic challenges given as a reason to move farmers out of growing tobacco are common to all types of agricultural crops and are certainly not unique to tobacco growing.
There are not many official comparative studies reporting the amount of plant protection products used on different crops to enable a definitive understanding of whether tobacco uses more agrochemicals than other crops. However, from information taken from the database of the US Department of Agriculture, which conducted a survey on the use of plant protection products in 1992, 1997 and 2002, it appears clearly that tobacco uses less agrochemicals than other major crops, such as strawberries, citrus fruits, apples, potatoes, or carrots. A similar comparison was carried out in 2007 by the Sugarcane Industry Association of Brazil, which described the amount of pesticides used in terms of active substance per hectare on tobacco as one of the lowest among major crops and certainly much lower than the quantities used on apples, tomatoes, potatoes, oranges, cotton, grapes, garlic, onions, bananas, soybean, peanuts, coffee, sugarcane, wheat, millet, or rice.

While it is recognised that the regulation of pesticide use in middle- and low-income countries can be poor, no comprehensive evidence has been found to indicate that the use of pesticides on tobacco is greater, more toxic or persistent than in other comparable agricultural commodities, such as cotton or vegetables and particularly ‘brassicas’ e.g. cauliflower, cabbage, cress and broccoli. Safe handling of agrochemicals is important, but the arguments against tobacco need to be seen in context as the majority of possible alternatives face very similar challenges.

Dermatological risks associated with the handling of tobacco are infrequent and not widely reported, or significant in their effects. The majority of risks relate to handling dry tobacco products, especially in cigar manufacture, which could probably easily be avoided by use of gloves, or other protective clothing. There are reports that Green Tobacco Sickness (GTS) has been experienced by some tobacco workers. However, there is no credible evidence to indicate that GTS can have long-term effects and appropriate farming practices, including the use of protective clothing and avoiding contact with the tobacco plant when it is wet, can effectively manage the risk.

Cases associated with growing the crop are particularly rare and at least some of these relate to pesticide use.

The study concludes that there is probably not a significant dermatological concern when growing tobacco, especially when compared with other crops that are more frequently implicated as causes of phytodermatitis such as hot peppers, citrus and cashew.

Often, what is not taken into consideration, is the soil requirements of ‘alternative crops’, while tobacco is normally grown on poor, marginal soils.

What is Green Tobacco Sickness?

Green Tobacco Sickness (GTS) very occasionally affects those who have direct skin contact with tobacco plants that are wet with rain or morning dew (such as during hand harvesting). The cause of GTS is nicotine poisoning resulting from dermal absorption of dissolved nicotine from the surface of wet tobacco.

Note:
Agrochemicals: herbicide, fungicide, insecticide, acaricide and others (sucker killers, growth regulators, mineral oil and adhesive spread).
Why do tobacco framers choose to grow tobacco rather than other alternative crops?

The reasons are:

- Tobacco is a legally-traded agricultural commodity for which, in global terms, there continues to be brisk demand.
- Tobacco can grow in low-fertile soils, that have been subjected to the leaching of nutrients and erosion.
- Some tobaccos, such as the Oriental type, are also best grown in arid environments. Such conditions are invariably not suitable for successful production of other crops.
- In many areas where tobacco is grown, crops grow after the cultivation of tobacco, benefiting from the residual fertilisers in the soil.
- Tobacco growing is a labour-intensive activity that requires vast expertise of farming techniques. The ‘farming experience’ these farmers acquire in growing tobacco frequently proves invaluable in the cultivation of other crops.
- Areas that are distant from air and shipping ports are unsuitable for crops grown in bulk, unless the crop yields high returns that allow for the travel costs to be covered.
- Tobacco is less susceptible to perish than most other alternative crops and can easily be stored.
- There is no better cash crop in most environments suited to tobacco.
- Tobacco enjoys very high price stability. As a rule, sale is guaranteed and price is negotiated, or determined, by free auctions. In many parts of the world, tobacco is the only crop paid for in cash on delivery, or very shortly thereafter.
- Generally speaking, in tobacco growing areas, the size of the land available to farmers is small, requiring high-value cash crops to ensure family income.
- Tobacco yields high returns per acre.
- Tobacco growing attracts sound infrastructure, providing financial aid, technical assistance, transport and storage.
- Successful production of other crops and animal rearing is often more feasible when a high-value crop, such as tobacco, is part of the farming system.
- The wealth generated by leaf tobacco production helps to improve the quality of life by attracting educational, health and social facilities, in otherwise relatively impoverished rural areas.

As one of the best cash crops in several countries, tobacco has provided the opportunity to farmers to also start growing other crops for a profit rather than for subsistence.

Future Tobacco Consumption

It seems highly likely that in future, millions of people will continue to be tobacco consumers. Although more people are quitting smoking the world’s population is also growing.

“The future consumption of cigarettes and tobacco products is estimated to increase from 1.1 billion smokers in 2010 to about 1.6 billion smokers by the year 2025.” *

While acknowledging that effective tobacco regulation and education programmes can help to limit this increase, the WHO estimates that an average decline of one per cent a year would still see 100 million more smokers by the mid 21st century.

*WHO Working Group draft policy options and recommendations on economically sustainable alternatives to tobacco growing in relation to Articles 17 and 18 of the FCTC
Antonio Abrunhosa, CEO of the ITGA

For centuries, tobacco has been the mainstay of a prosperous agricultural sector in many countries in the world.

As in other sectors, the global economic crisis, which began in 2008, has not left tobacco farmers’ unscathed. Over the past four years, their main concern has been to balance the increasingly high price of oil and ever-increasing production input costs, against the sluggish increase in the price paid for tobacco leaf.

These concerns are now overshadowed by a far greater threat posed by the World Health Organization’s Framework Convention on Tobacco Control (FCTC). The proposals of the Working Group on FCTC Articles 17 & 18 are a direct attack on the livelihoods of tobacco farmers and on tobacco production as we know it.

These FCTC Working Group proposals range from the banning of contracts and technical assistance provided by buyers to farmers, to the end of auctions, the dismantling of tobacco boards and other intermediary institutions between growers and governments, the banning of minimum support prices, and even, suggestions to ban bank loans to tobacco growers.

Other proposals are discriminatory and absurd, such as recommending that governments reduce the area of land under tobacco production by decree.

Many of these ideas are based on one completely flawed assumption, that tobacco consumption can be curbed by limiting tobacco production.

Obviously, these suggestions come from people who have lost touch with reality.

The reality is that if tobacco cultivation were to be restricted by legislation, just the three tobacco producing countries that have not ratified the FCTC would be in a position to rapidly increase their capacity and replace any overall drop in production.

To add insult to injury, whilst knowing that these measures would have no health benefit whatsoever, they plainly couldn’t care less about the devastating impact their policies would have on the lives of millions of families of growers and workers in the tobacco growing regions and countries in the world.

The FCTC has failed to consult the very people whose livelihoods will be put at risk by their proposals.

Tobacco growers from all over the world have, on many occasions, expressed their willingness to cooperate with the FCTC Secretariat and the Working Group mandated to develop FCTC Articles 17&18.

They have offered to share their vast experience and their successes and failures in their quest for viable alternatives to tobacco from many countries in the world, but to no avail.

The FCTC Working Group’s failure to consult with tobacco farmers during the course of its deliberations, is elitist and undemocratic and ignores the economic interests of tobacco farmers and tobacco growing countries.

If for no other reason than this, tobacco growers, tobacco organisations and their governments will not stop protesting until the FCTC’s actions reflect their words and they are prepared to cooperate with the very people their policies will directly affect, the Tobacco Growers.

Antonio Abrunhosa
Tobacco has been a part of the economic and social fabric of South Africa since the Dutch East India Company mandated Commander Jan van Riebeeck to establish a refreshment station at Table Bay in 1652.

Whilst the tobacco plant is not indigenous to South Africa, tobacco soon became a popular trading item between the Dutch and the Khoisan who bartered livestock for tobacco, beads, copper and iron. The San and Khoikhoi peoples, collectively called the Khoisan, were users of dagga (wild hemp or marijuana), which they used to trade with the Xhosa, especially in the eastern parts of the country.

A number of words were borrowed from the Khoi, including dagha and buchu. An entry dated November 24th, 1652 Jan van Riebeeck recorded in his journal the use of pipes for trading with the Khoikhoi and another in 1658 mentions the use of ‘dacha’.

In 1657 nine Company servants were freed at Van Riebeeck’s instigation to farm and keep livestock on freehold land along the Liesbeeck River. These ex-servants, called "free burghers", were exempted from taxation, but prohibited from planting tobacco, as tobacco leaf was considered so profitable that it was managed exclusively by the Company.

**These attempts to restrict the cultivation of tobacco were soon to be proved futile.**

Willem ten Rhyne recorded how he saw “men and women, children and old men, indulge in tobacco” whilst visiting the Cape in 1673.

In 1718, Dutch East India Company Directors in Amsterdam authorised that tobacco planting experiments should be conducted and sent Cornelius Hendricks, a tobacco expert from Amsterdam, to manage this process. After traveling to the farthest limits of the Cape Colony his analysis was that the hot dry Cape summers, ever prevalent wind and poor soil in most parts was unsuitable for tobacco.

Despite Hendricks’ observations, by the end of the 18th century, small-scale growers were cultivating tobacco in Stellenbosch, Paarl, Swellendam, Graaff-Reinet and Uitenhage.

In 1793, ‘Sturk’s’, South Africa’s oldest surviving retailer opened a small tobacco store in Shortmarket Street in central Cape Town. Today it continues to offer consumers a selection of hand-blended smoking mixtures, international and local branded cigarettes and imported cigars.

A report on the very favourable quality of turkish tobacco grown in ‘Frenchhoek’ induced the Director of Agriculture in 1906 to employ Mr. Stella to supervise the laying out of seed beds and the cultivation of Turkish tobacco on ten farms in the Franschhoek and Drakenstein areas.

Today there are 177 commercial tobacco farmers in South Africa, growing both Virginia Flue-cured and Dark Air-cured tobacco on 5,452 hectares. This delivers a yield of 16,100 metric tonnes of tobacco. The average price paid to farmers in 2011 was $4.13 and $3.72 per kilogram* for Virginia Flue-cured tobacco and Dark Air-cured tobacco respectively.

*(ROE ZAR 7.50)
What we believe

• We do not have any issue with governments deciding to promote, as appropriate, economically sustainable alternatives to tobacco growing, if tobacco farmers in their countries are seriously affected as a consequence of local tobacco control programmes.

• However, we don’t believe that governments should try to drive farmers out of tobacco growing, as this will result in adverse social, economic and other impacts for those currently established within the framework of the tobacco value chain.

• Any assessment of economically-sustainable alternative livelihoods to tobacco cultivation should be evidence-based, look at all the potential impacts for all involved and use a methodology agreed in consultation with impacted growers, key tobacco producing countries, tobacco merchants and manufacturers.

• We believe that while the demand for tobacco exists, farmers should have the right to choose whether they grow tobacco or not.

• Given that the ITGA represents millions of tobacco farmers worldwide, we believe they should be actively involved in all FCTC policy discussions that directly affect the livelihoods of those tobacco farmers.

If the FCTC working group wants to focus on these issues, we believe it is only right that independent research should be carried out to assess the impacts of tobacco growing in comparison with other types of crops.

Key points of concern on the FCTC 17 & 18 Working Group draft proposals are:

• They do not reflect the discussions which took place at the last Articles 17 and 18 Working Group meeting (Geneva, 14-16 February) and have been written with a general direction that would be in conflict with the scope of the Working Group (references that suggest a reduction in the area under tobacco production and the forced transition or shift of growers and workers out of tobacco production are out of the scope of the Working Group’s remit);

• They present draft policy options and recommendations, without having the relevant evidence and data to support their proposals, which should be within a framework that reflects the voluntary nature of the various options to different countries;

• They are predominantly focused on Article 17 with little content on Article 18, and do not reflect the fact that issues of concern regarding Article 18 are common to the whole agricultural sector, not just tobacco farming alone.

Useful Websites

DD International: www.ddinternational.org.uk
The International Tobacco Growers Association: www.tobaccoleaf.org
Eliminating Child Labour in Tobacco Foundation: www.eclt.org

Contact Us

If you have enjoyed reading this “New Leaf” bulletin from the Tobacco Institute of Southern Africa and would like to receive our next edition, please e-mail us at the address below. We would be very interested to read your comments.

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