

TOBACCO BOARD OF ZAMBIA

2020 TOBACCO MARKETING BRIEF REPORT

**TOBACCO BOARD OF ZAMBIA
PLOT 19288,MUNGWI ROAD
LUSAKA**



2020 Tobacco Marketing season in review

- 2020 Tobacco Marketing season commenced on 7th April for Burley and 22nd April for Flue Cured Virginia tobacco
- The season officially closed on 30th September, 2020.
- The season under review was characterised by strict adherence to the COVID-19 Health protocols
- There were no official cases of Covid-19 cases during the Marketing season.
- 2020 Marketing rules were put in place to provide guidelines on the sales processes during the season.



2020 Tobacco Licenses

Table 1: 2020 Tobacco Buyers;

Tobacco Buyer	Sales Floor
Alliance One Zambia	Lusaka Main and Katanga
Tombwe Processing Limited (TPL)	Lusaka Main and TPL Project
Japan Tobacco Leaf Zambia (JTI)	Rosewood and Baobab
Pemba Leaf Tobacco Company (PLTC)	Chipata Main
Gold N Grain	Chipata Main
Golden Eagle Tobacco International (z) Ltd	Lusaka Main

2020 Tobacco Licenses

Table 2: 2020 Approved Tobacco Sales Floors

Sales Floor	Floor Manager	Location
Lusaka Main	Tobacco Association of Zambia (TAZ)	Lusaka
Rosewood	Japan Tobacco Leaf Zambia (JTI)	Kaoma
Baobab	Japan Tobacco Leaf Zambia (JTI)	Chipata
TPL Project	Tombwe Processing Limited (TPL)	Lusaka
Chipata Main	Tobacco Board of Zambia (TBZ)	Chipata
Katanga	Alliance One Zambia	Chipata

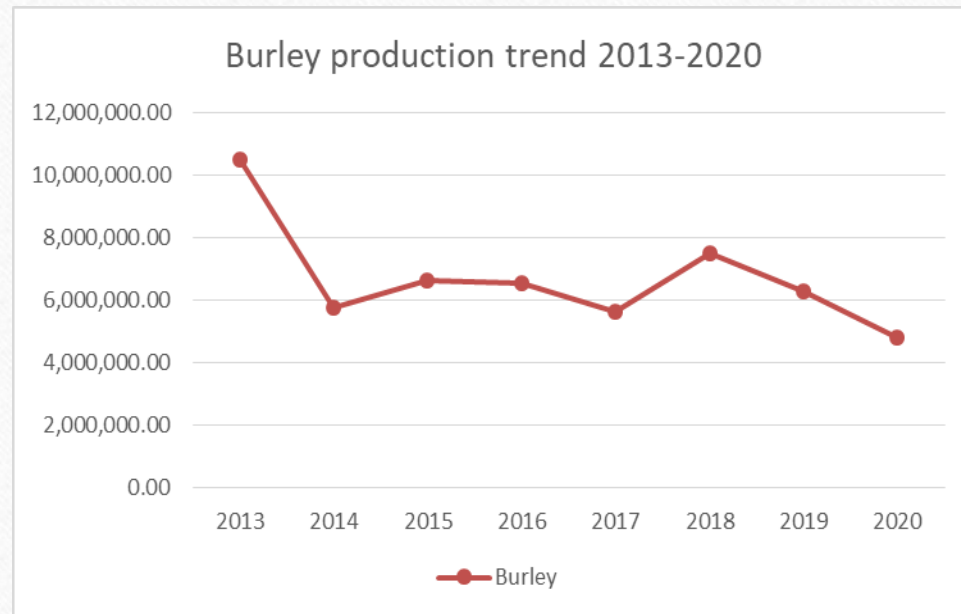
Tobacco Sales and Production statistics

Table 3: 2020 Tobacco Sales Statistics by tobacco type

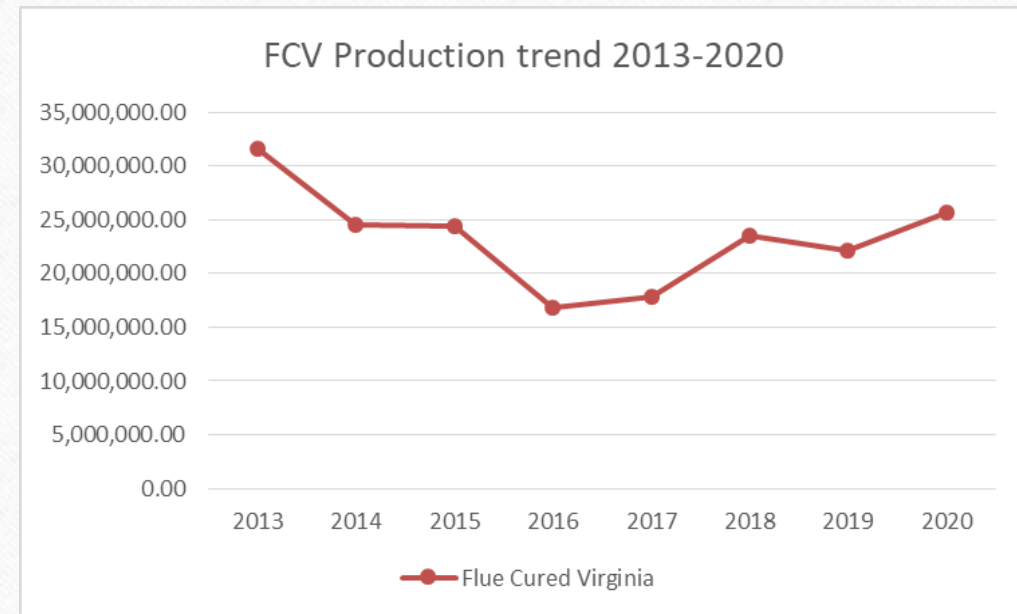
Tobacco Type	Mass (Kg)	Average Price /Kg (USD/Kg)	Value (USD)
FCV	25, 691 ,965.00	2.64	67,826,787.60
Burley	4,821,134.00	1.69	8,147,716.46
Total	30,513, 099.00		75,974,504.06

Tobacco Sales Statistics by tobacco type

Burley trends (2013-2020)



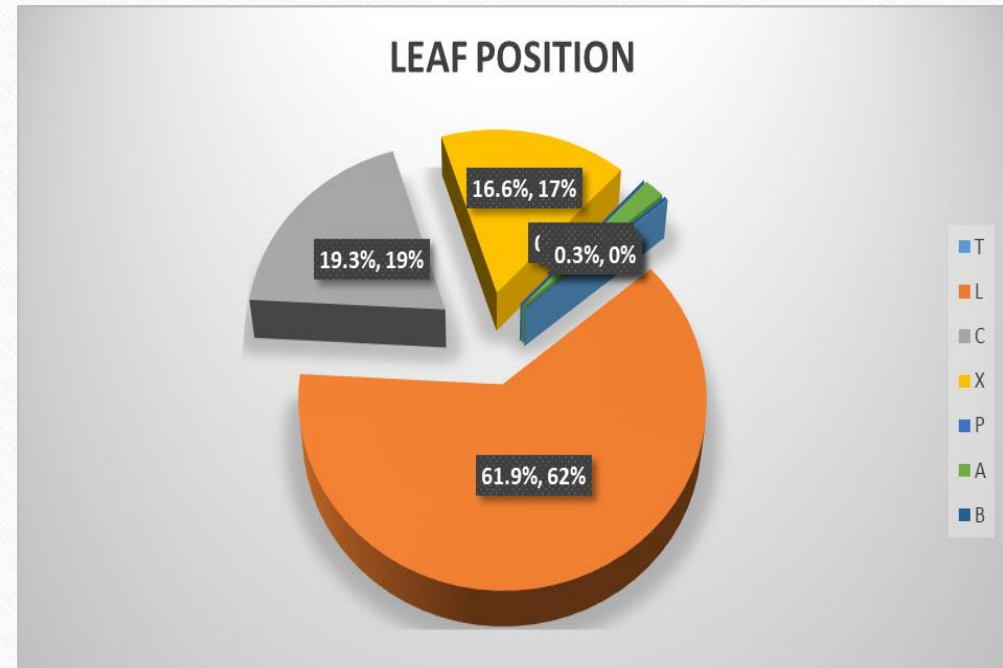
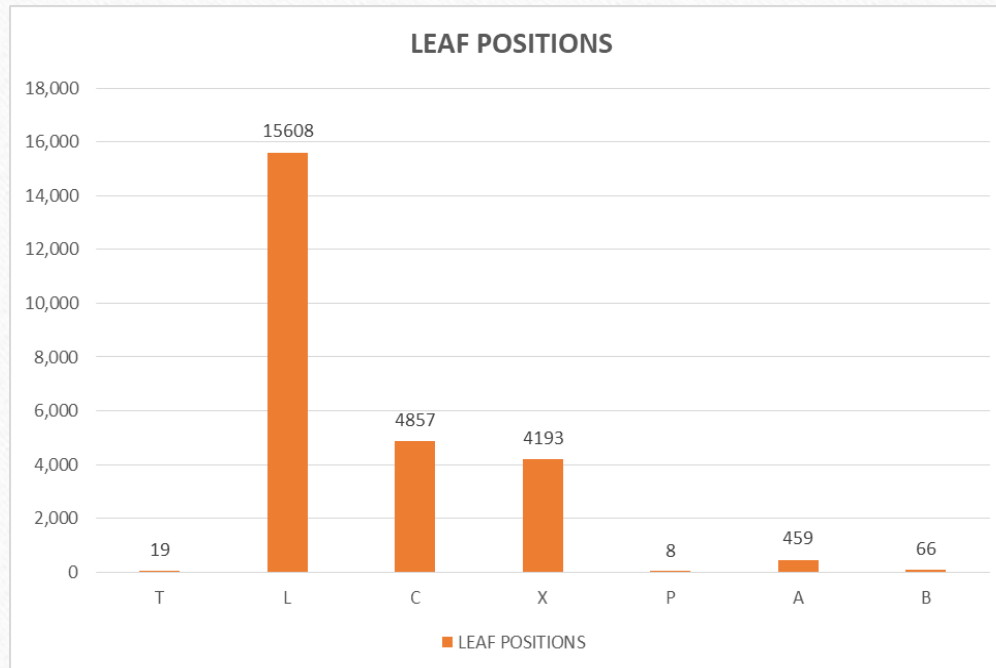
FCV trends (2013-2020)



2019 vs 2020 Production

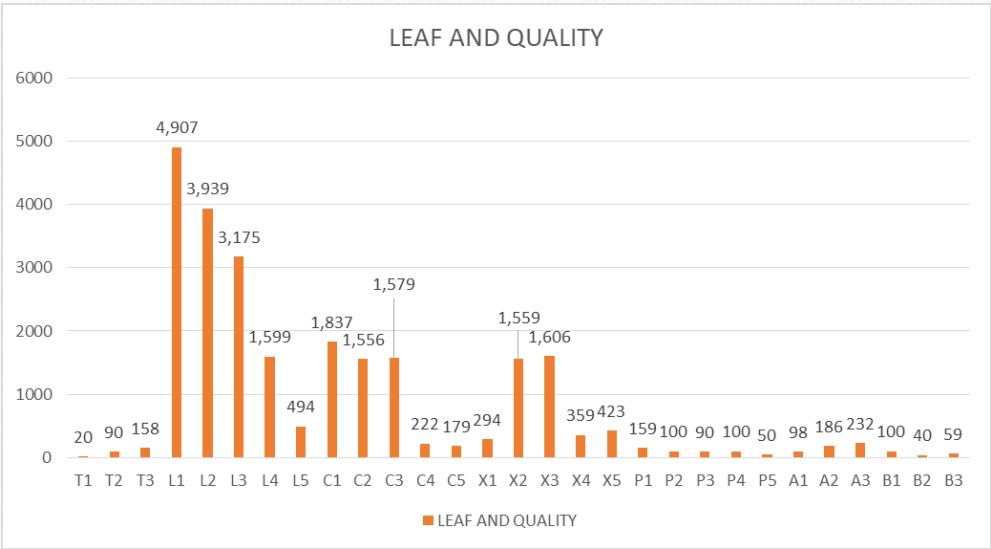
TOBACCO TYPE	2019 PRODUCTION (Kg)	2020 PRODUCTION (Kg)	PRODUCTION CHANGE
Flue Cured Virginia	22,169,729.61	25,691,965.00	15% Increase
Air Cured Burley	6,303,022.00	4,821,063.00	24% Decrease
TOTAL	28,472,751.00	30,513,099.00	5% Overall production increase

Grade classification results



Grade classification results

Leaf quality results

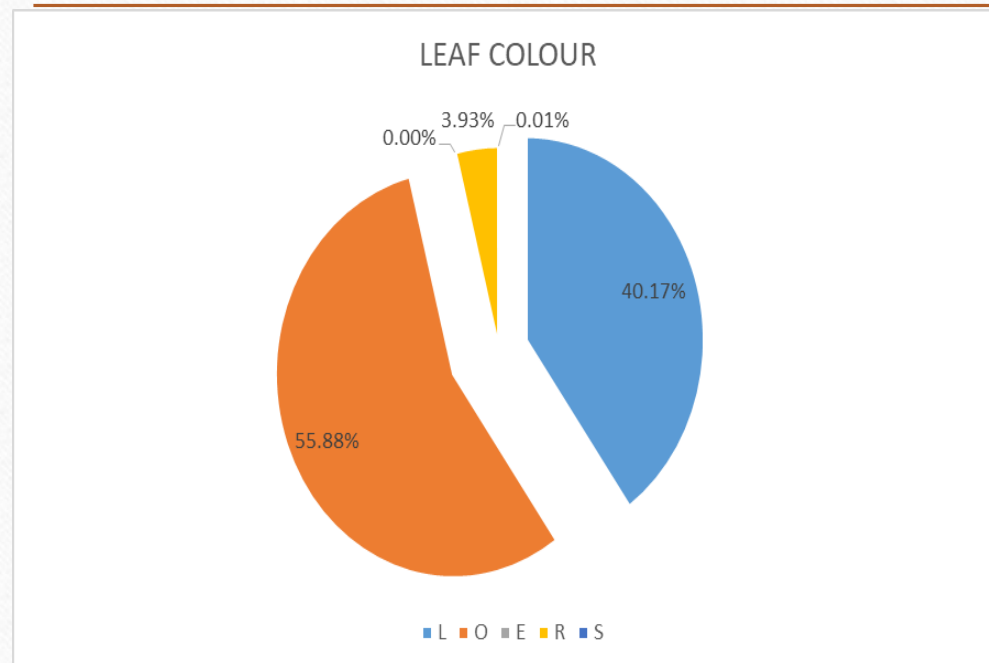


Quality guide

QUALITY SYMBOL	DEFINITION	APPEARANCE(A GE OF BLEMISH/INJURY	USABILITY(% OF WASTE)
1	Choice	5%	0 %
2	Very Good	10%	5%
3	Good	30%	15%
4	Fair	50%	30%
5	Low	80%	60%
NG(No- Grade)	Poor	Over 80%	Over 60 %



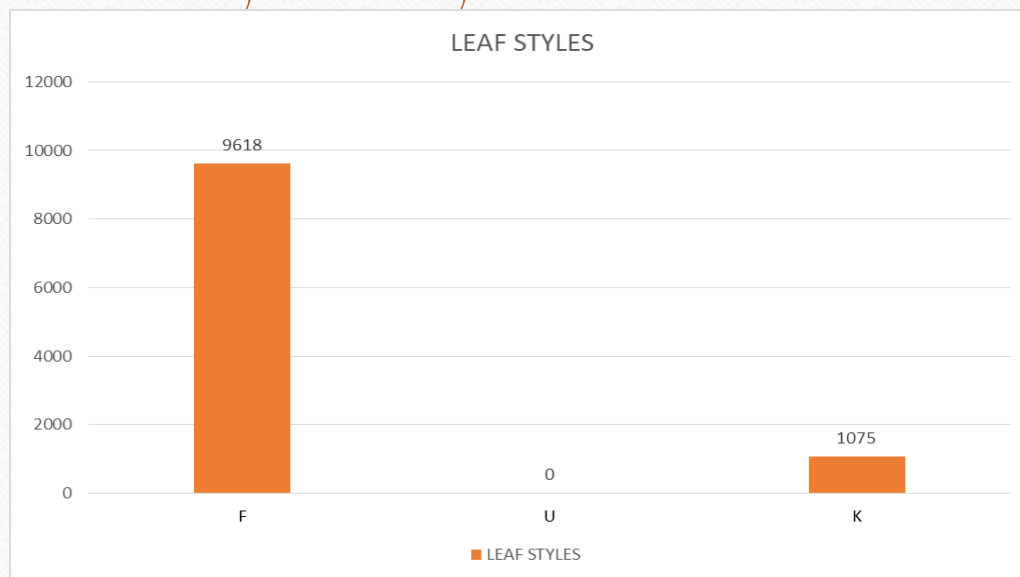
Grade classification results





Grade classification results

Leaf style analysis

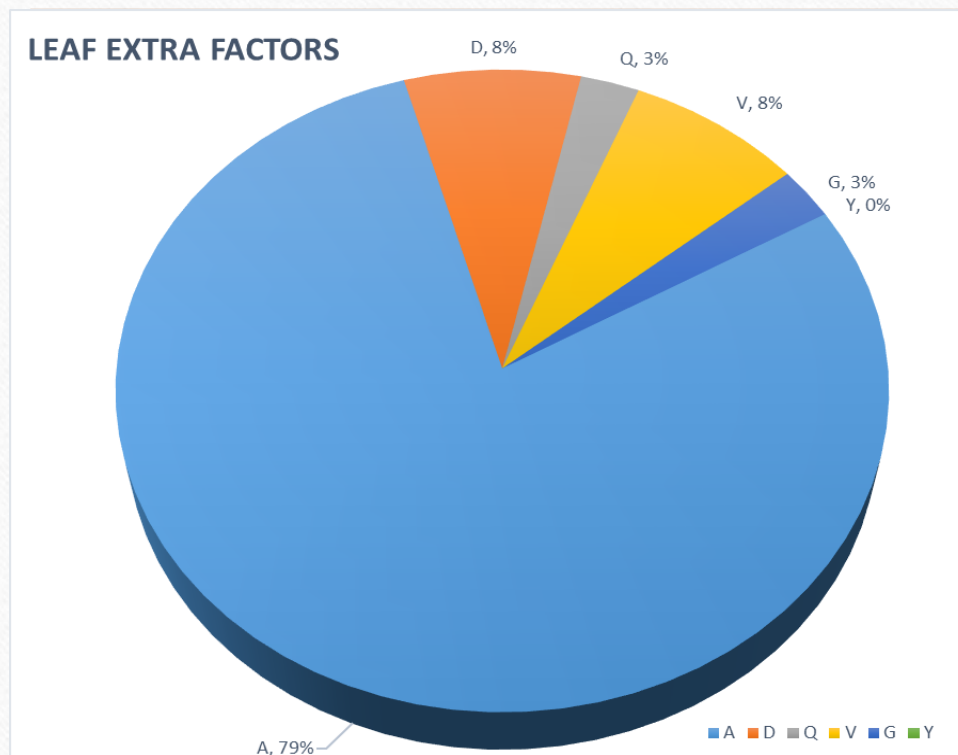


Leaf style guide

- Leaf styles describes the resultant leaf texture caused by weather, curing and fertilization regime.
- **Ripe (F)** - Tobacco in all groups which displays a superior degree of maturity- DESIRABLE
- **Close grained (K)** – describes substandard, immature leaves which are close grained or have a closed cell structure- NOT DESIRABLE
- **Slatey (U)**- Leaves are thick bodied, very close grained, slicky and pale in colour-NOT DESIRABLE
- Generally the crop was between F and K



Grade Classification results



- **Spot (A)** - It occurs on the leaf as small brownish blotches with an off-white centre.
- **Scorched (Q)** - Tobacco showing a noticeable degree of red colouring. Caused by raising barn temps before excess moisture is removed from the leaf
- **Greenish (V)** - Any tobacco, which has a greenish tinge or cast and is referred to as 'running green' often along the midrib and veins. Usually disappear after further maturation.
- **Fixed Green (G)** Any tobacco, which contains a 'hard set green' color on the leaf surface.
- **Guinea-fowl spot (Y)** - Blemish showing speckling of small greenish-black to black spots commonly known as "weather spot". Mostly common in lower leaves (primings and lugs)



Industry Marketing Achievements

- E- Registration of all tobacco growers on the system was done successfully, growers both sponsored and self-sponsored are on the system.
- Enforcement and adherence to the 2020 marketing rules leading to decongestion on the Sales Floors and an orderly marketing season.
- Placement and involvement of TBZ arbitrators on the Sales Floors to uphold transparency and independence in the buying process.
- Improved tobacco quality and yield (5%) for the season under review, summary grade for the season indicates L1OFA for the tobacco classified under international system.

Recommendations to Extension officers Inspectors and the Growers

Based on grade classification the following recommendations should be followed during the 2020 production season;

- Farmers to use the recommended tobacco fertilizers and apply the right amount at the right time.
- Correct construction of curing facilities with attention to Furnace construction, air vents and flue pipe distribution in the Barn
- Enough barn capacity equivalent to the hectares grown
- Field officers to intensify on grading clinics and Field demonstration meetings with the growers.
- Tobacco Inspectors working together with tobacco sponsors to conduct pre-marketing meetings and Field Days in the growing areas.
- Intensify farmer education and extension programs during the production season.

SUMMARY GRADE CLASS (2020) : L 1 O F A



Crop Marketing Challenges-2020

- Poor rainfall patterns that affected the quality and yield of tobacco especially Burley tobacco in the Eastern Province, leading to burley tobacco total yield reducing by 24% compared to 2019 Season.
- Tobacco Nesting and Non Tobacco Related Material (NTRM) witnessed during the period under review.



Way forward

- Intensify farmer extension training and sensitization programs for the 2021 Production and Marketing season.
- In line with the Act continue grower sensitization on nesting and good grading practices. TBZ will work closely with the Buyers, Floor Managers and Tobacco Associations on the sensitization programs.
- All licensed Sales Floor Managers to engage experienced and qualified Growers Representatives to guide growers on sales processes and represent the growers .
- Integration of the Registration and booking system of tobacco with Licensed Sales Floors system so as to address issues of side-selling and monitor sales processes.
- For the 2021 Marketing season, the issuance of tobacco movement permits.
- Engage with tobacco stakeholders in sustainable tobacco programs such as tree planting in the tobacco production areas.