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CIRCULAR NO. 4/2018

24th September, 2018

TO	:	☐ ALL TOBACCO GROWERS IN ZAMBIA
		☐ ALL TOBACCO BUYING COMPANIES IN ZAMBIA
		☐ ALL TOBACCO SPONSORS
		\square ALL AUCTION AND SALES FLOOR MANAGERS
		☐ ALL TOBACCO GRADERS
		☐ ALL TOBACCO PROCESSORS AND MANUFACTURERS
		☐ ALL TBZ BOARD MEMBERS & STAFF

UPDATE ON THE PROGRESS REGARDING THE BUYERS AND SALES FLOOR MANAGERS LICENCE FOR 2019 MARKETING SEASON

1.0 PREAMBLE

Circular No. 4/2018 outlines the activities done so far with regards to the preparation of the 2019 marketing season. The purpose of all these preparatory activities is to ensure that as stakeholders we prepare for the 2019 marketing season well and ensure uniformity starting from the source of seeds, grower registration, issuance of Buyers and Sales Floor licence.

2.0 SEEDS FOR THE 2017/2018 TOBACCO AGRICULTURAL SEASON.

Working in collaboration with Seed Control and Certification Institute (SCCI), Tobacco Board of Zambia (TBZ) issued Circular No. 2/2018 which outlines all the Tobacco seed varieties allowed to be grown in Zambia. It also outlines the various companies that have imported seeds in Zambia and the source of their seeds. It is therefore our duty as Tobacco Industry stakeholders to ensure that any Grower or Company seen growing or selling the seeds that are not scheduled under Circular 2/2018 is immediately brought to the attention of TBZ and SCCI. SCCI will then act in accordance to the Seed Act. Circular 2/2018 also advises the Tobacco growers to ensure that they have the contract and agreed quotas with the buyers of Tobacco before starting their Tobacco production Business. For those who have no Buyer contracts, they should consult TBZ before they start their production.

3.0 GROWER REGISTRATION

Tobacco Board of Zambia issued Circular No. 3/2018 outlining how the Tobacco Registration will be done starting from 2018. For details refer to Circular 3/2018. It is Important however to mention with the introduction of the Integrated Database System and effective 2018/2019 production and marketing Season, the old grower registration numbers will be phased out and replaced with the new Grower registration numbers. To ensure orderly transition from old Grower registration numbers to new numbers, all Sponsors of tobacco Growers will be required to upload data of their registered Growers into the TBZ Integrated Database System. The new system will help the country to project the expected yield in the year, it will control vending and side selling and will give confidence to credit and insurance Companies as the system will make it easy to trace the growers. The system will also help establish the actual number of Tobacco growers in Zambia. During the 2019 marketing season, booking for the sales will be on individual basis using the individual new Grower Number. Group booking will not be allowed.

4.0 DEVELOPMENT OF THE MONTHLY TOBACCO ACTIVITY CYCLE.

The Tobacco Activity Cycle is faced with various challenges, it is difficult at any given time for the industry stakeholders including the TBZ Field Inspectors to clearly spell out activities that need to be implemented in each particular month of the year. This has made it difficult for TBZ to effectively regulate the Tobacco Marketing, grower registration, timely stakeholder meetings, estimate production volumes to mention but a address these challenges, TBZ has introduced a Monthly Tobacco Activity Cycle in form of a booklet which will provide a checklist of the annual activity cycle that all TBZ Field Inspectors need to implement and at the same time guide other industry stakeholders on activities at various stages of the tobacco cycle. The "Guide" shows various activities such as stakeholder meetings; Farmers Registration; Seed Registration; seed germination percentage and estimated tobacco volumes and when they should be implemented, including guidance on Tobacco Marketing. The Monthly Tobacco Activity Cycle is 90% completed and will be shared with all industry stakeholders by first week of November, 2018.

5.0 DEVELOMENT OF MARKETING RULES AND THE ISSUE OF THE TOBACCO BUYERS AND SALE FLOOR LICENCE.

The development of the Marketing rules will draw the input from Circular 2/2018, Circular 3/2018 and the Tobacco Monthly Activity Cycle. The Tobacco Marketing Rules including the Sales Floor Management rules will be completed and shared with all stakeholders in the second week of November, 2018 following the completion of the development of the Tobacco Monthly Activity Cycle.

The request for application for the Buyers and Sales Floor Managers will therefore be done in the Third week of November, 2018. Tobacco Board of Zambia expects great improvement in the area of issuance of Buyers and Sales Floor licences from 2019 going forward since the foundation is being laid this year aimed at bringing in efficiency, effectiveness and timely issuance of Buyers and Growers' Licences.

Finally Tobacco Board of Zambia is in consultation with Zambia Environment Management Agency (ZEMA) on the prospects of forming a team drawn from various stakeholders who include the Growers, Merchants, processors, Manufacturers, Ministry of Agriculture and representatives of Companies involved in the sale of various Tobacco production Chemicals. The team will undertake research on the allowed chemicals for Tobacco production. Once the chemicals are agreed upon, ZEMA will then schedule such chemicals and they will be the only allowed chemicals to be used in the Tobacco production in Zambia.

Once discussions are concluded with ZEMA, TBZ will call upon yourselves as stakeholders for input on how best such any activity can be done.

Be advised accordingly,

James C. Kasongo Chief Executive Officer

Tobacco Board of Zambia

Cc: The Permanent Secretary -Ministry of Agriculture

Cc: The Director ZARI
Cc: The Director SCCI

Cc: The Deputy Director (Crops)- Ministry of Agriculture

Cc: File