ESTABLISHMENT

TOBACCO BOARD OF ZAMBIA WAS ESTABLISHED IN 1967 THROUGH THE TOBACCO ACT CHAPTER 237 AND THE TOBACCO LEVY ACT CHAPTER 238 OF THE LAWS OF ZAMBIA.

THIS WAS TO PROVIDE GUIDANCE TO ALL TOBACCO STAKEHOLDERS IN THE INDUSTRY.
FUNCTIONS AND DUTIES

• TO REGULATE AND CONTROL PRODUCTION, MARKETING AND EXPORT OF TOBACCO.

• PROMOTE, PROTECT, FACILITATE AND OPERATE SUCH SERVICES AS MAYBE NECESSARY FOR THE TOBACCO INDUSTRY.
TOBACCO PRODUCING AREAS

TOBACCO IS PRODUCED IN THE FOLLOWING PROVINCES:

- EASTERN
- SOUTHERN
- WESTERN
- CENTRAL
- LUSAKA

NEW EXPANSION AREAS ARE IN THE FOLLOWING PROVINCES:

- NORTHERN
- MUCHINGA
- LUAPULA
- COPPER-BELT
- NORTH-WESTERN
TOBACCO PRODUCING AREAS IN ZAMBIA
## NATIONAL PRODUCTION STATISTICS

<table>
<thead>
<tr>
<th>YEAR</th>
<th>PRODUCTION(KGS)</th>
<th>TOTAL VALUE($)</th>
<th>AV. PRICE US$/Kg</th>
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<tr>
<td>2011</td>
<td>41,394,584</td>
<td>86,963,252.00</td>
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<td>2012</td>
<td>34,400,000</td>
<td>102,000,000.00</td>
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<td>2013</td>
<td>41,415,415</td>
<td>118,454,534.00</td>
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<tr>
<td>2014</td>
<td>33,246,922</td>
<td>100,073,235.00</td>
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</table>
CATEGORIES OF GROWERS

THERE ARE ABOUT 26,000 REGISTERED GROWERS CATEGORIZED AS FOLLOWS:

• LARGE SCALE... (COMPANIES AND INDIVIDUALS)
• SMALL SCALE (98% OF TOTAL REGISTRATION).
TYPES OF TOBACCO

THE TOBACCO TYPES GROWN IN ZAMBIA ARE:

• FLUE-CURED VIRGINIA..........REPRESENTS ABOUT 70 % OF NATIONAL PRODUCTION, GROWN IN ALL PROVINCES.

• BURLEY......REPRESENTS ABOUT 29% OF NATIONAL PRODUCTION, CONCENTRATED IN EASTERN AND MUCHINGA PROVINCES

• DARK-FIRED......REPRESENTS ABOUT 1 % OF NATIONAL PRODUCTION, GROWN IN CENTRAL PROVINCE ONLY.
ECONOMIC IMPORTANCE OF TOBACCO

• TOBACCO IS A 100 % CASH/EXPORT CROP AND GENERATES INCOME CONTRIBUTING ABOUT 2 % OF THE GDP. THEREFORE, IT IS ONE CROP THAT HAS A SIGNIFICANT IMPACT ON THE ECONOMY OF ZAMBIA.

• THE CROP CREATES EMPLOYMENT FOR OVER 450,000 PEOPLE; THROUGH FARMING, REGULATION, MARKETING, WAREHOUSING, PROCESSING, AGRO-INPUTS SUPPLIERS, TRANSPORTERS, COMMUNICATIONS, ETC.

• TOBACCO HAS HIGHER RETURNS/HA COMPARED TO OTHER CROPS LIKE COTTON, MAIZE, SOYA BEANS AND WHEAT. AT SMALL-SCALE LEVEL, A YIELD OF 1200 KGS/HA AT USD3.00/KG AVERAGE PRICE, WOULD VALUE AT A GROSS INCOME OF ABOUT US$3600 (ZMK22680).
CHALLENGES

• INCREASE IN COST OF PRODUCTION.
• INADEQUATE GROWER SPONSORSHIP.
• ILLICIT TRADE (SIDE-MARKETING AND VENDING).
• LOW PRODUCER PRICES.
• LACK OF WATER RESOURCES FOR IRRIGATED TOBACCO.
• DEFORESTATION
• CHILD LABOUR
• WHO-FRAMEWORK CONVENTION ON TOBACCO CONTROL (WHO-FCTC)
WAY FORWARD

1. NEED TO INCREASE VOLUMES OF NATIONAL TOBACCO PRODUCTION

* ATTRACT MORE INVESTORS (LOCAL AND FOREIGN) IN ORDER TO INCREASE FUNDING FOR TOBACCO EXPANSION.

* GOVERNMENT COULD ALSO IMPOLORE DELIBERATE INTERVENTIONS TO INCREASE SMALL-SCALE SECTOR EXPANSION PROGRAMS. TOBACCO BOARD OF ZAMBIA HAS INFRA-STRUCTURE LOCATED IN DIFFERENT PARTS OF THE COUNTRY; SHEDS, HOUSES, FARMS AND DAMS BUT MOST OF THESE REQUIRE REHABILITATION AND CAN BE USED TO REVITALISE THE INDUSTRY.

* THERE IS NEED FOR GOVERNMENT TO CONSIDER EXTENDING THE FERTILIZER SUPPORT & INPUT PROGRAMME (FSIP) FACILITY TO TOBACCO GROWERS.
WAY FORWARD

2. LOW PRODUCER PRICES
* INVITING MORE INVESTORS/BUYERS TO PARTICIPATE IN TOBACCO MARKETING. THIS WILL INDUCE COMPETITION AND CAN TRIGGER AN INCREASE IN PRODUCER PRICES. TO MAKE THE TOBACCO ENTERPRISE A Viable VENTURE, THE NET-INCOME SHOULD CORRELATE TO THE RISING COST OF PRODUCTION.
WAY FORWARD

*VALUE-ADDITION ON ‘GREEN’ TOBACCO.

THERE IS NEED FOR THE ESTABLISHMENT OF A PROCESSING FACTORY (THRESHING) AND CIGARETTE MANUFACTURING ENTITIES. THESE WOULD CREATE JOBS WHICH ZAMBIA IS CURRENTLY CREATING FOR NEIGHBOURING COUNTRIES SUCH AS MALAWI AND ZIMBABWE, TO WHICH THE ‘GREEN ‘TOBACCO IS EXPORTED.

THE BENEFITS FROM SUCH VALUE ADDITION COULD THEN TRICKLE-DOWN TO THE PRIMARY PRODUCERS (THE TOBACCO GROWERS).
WAY FORWARD

3. INVESTMENT IN CONSTRUCTION OF DAMS TO SUPPLY IRRIGATION WATER.

* CLIMATE CHANGE HAS CAUSED UNCERTAINTY IN RAINFALL AMOUNTS AND DISTRIBUTION.

CONSTRUCTION OF COMMUNAL DAMS BY GOVERNMENT WILL FACILITATE EARLY NURSERY PREPARATIONS AND PRODUCTION OF IRRIGATED TOBACCO BY SMALL SCALE FARMERS. TOBACCO CAN BE PLANTED UNDER IRRIGATION WELL BEFORE THE ON-SET OF THE RAINS. THIS CAN INCREASE THE YIELD AT NATIONAL LEVEL.

IRRIGATED TOBACCO HAS HIGH YIELD POTENTIAL AND MAKES DOUBLE CROPPING POSSIBLE IN ONE GROWING SEASON.
WAY FORWARD

4. INCREASE COLLABORATION WITH NEIGHBOURING COUNTRIES IN THE FIGHT AGAINST CROSS-BORDER ILLICIT TRADE.

SENSITISATION OF FARMERS ON THE NEGATIVE IMPACT OF VENDING AND SIDE-MARKETING.

5. CONTINUED COLLABORATION WITH WHO-FCTC ON THE FOMULATED ARTICLES ESPECIALLY ARTICLES 17 & 18 WHICH DWELL ON ENCOURAGEMENT OF ALTERNATIVE CROPS TO TOBACCO.
WAY FORWARD

- PROMOTING AFFORESTATION ALONGSIDE TOBACCO PRODUCTION (PLANTING OF FAST GROWING TREE SPECIES SUCH AS EUCALYPTUS).

- DISCOURAGING THE USE OF CHILD LABOUR IN TOBACCO PRODUCTION AND ENCOURAGING THE UNDER-AGE TO GO TO SCHOOL.
THANK YOU