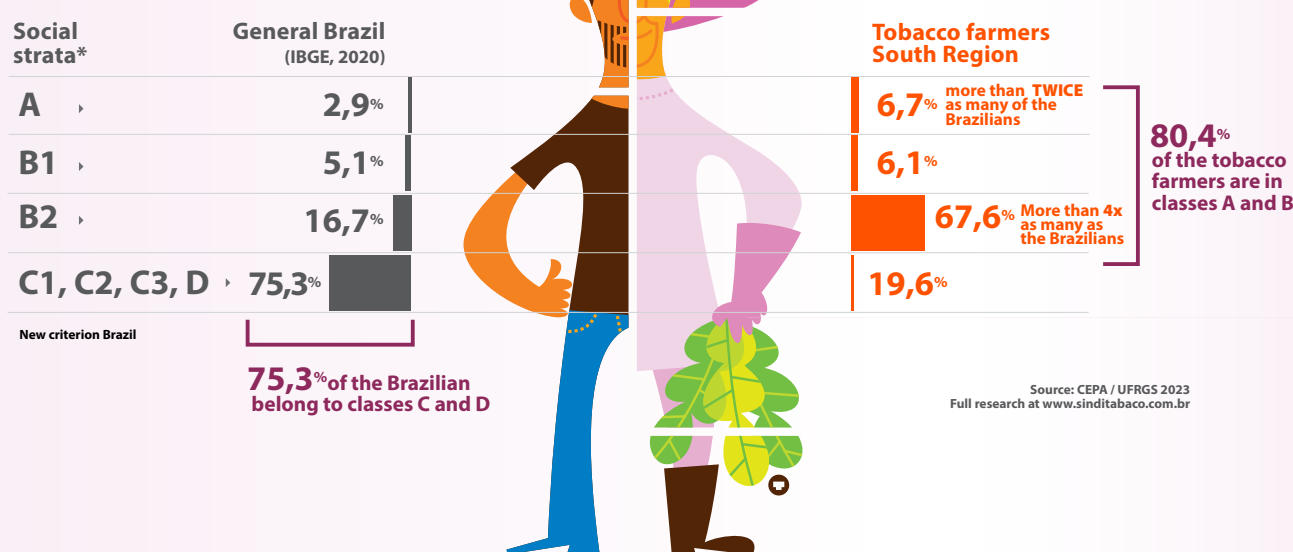


## Tobacco farmers earn 140% more compared with the average income of the Brazilian workers



**Study conducted by the UFRGS reveals that the per capita income of the tobacco farmers amounts to R\$ 3,935.40, while the average salary in Brazil remains at R\$ 1,625.**

The good socioeconomic standard of the tobacco farmers was again confirmed in a new survey conducted by the Federal University of Rio Grande do Sul (UFRGS) and corroborates that, while 80% of the tobacco farmers fall into the category of classes A and B, the general Brazilian average of this social stratum barely reaches 25%. These data ratify the study carried out in 2016, as they attest to the higher income earned by the tobacco farmers.

The report of the second edition of the economic profile of the tobacco farmers in the South Region of Brazil, presented in October by the Center of Studies and Research in Administration (CEPA) of the UFRGS, attests that, taking into consideration all the income sources, the tobacco farmers reach a total average monthly income of R\$ 11,755.30, and per capita income remains at R\$ 3,935.40, while per capita income in Brazil is R\$ 1,625 (IBGE, 2022).

With this relevant income, 6.7% of the tobacco farmers fall into the category of class A (more than twice as many as the 2.9% ascertained in Brazil), 6.1% in social stratum B1 (in Brazil, this rate reaches 5.1%) and 67.2% in social stratum B2 (more than four times of what is ascertained in national terms, where 16.7% of the population belong). A better social pattern is also ascertained in the lower levels of the scale, seeing that strata C1, C2, C3 and D comprise nearly 76% of the Brazilian population, but considering the tobacco farmers this sum only reaches 19.6%.

The good living conditions reflect the economic situation of the tobacco farmers. For example, nearly 72% of the households have three or more bedrooms, all the households have a bathroom and 36.4% of them have more than one. About electrical energy, 98.6% have access to it via electrical grid, and 12.3% have solar energy. With regard to consumer goods, practically 100% have a television set, all of them have at least one cellphone and 36% have a computer. More than 80% of the farmers have a tractor or a van.

**THE RESEARCH** - Conducted from June 30 to July 20 2023, in 37 municipalities, the research is based on personal interviews carried out in 1,145 households (maximum sampling error of 2.9%). Coordinated by Prof. Dr. Luiz Antonio Slongo, the research relied on support from Prof. Dr. Rafael Laitano Lionello (ESPM/SP) and doctorate candidates Lucas Dorneles Britto and Nathalia Soares Brum de Mello (PPGA/UFRGS).

# PRESIDENT'S WORD

Iro Schünke

On the eve of one more Conference of the Parties (COP10) of the Framework Convention on Tobacco Control (FCTC), we are keeping a close watch on all issues that could harm the tobacco sector in Brazil. We are worried about the lack of transparency and representativeness for opposing questions that could have a negative impact on the lives of thousands of Brazilians.

The only thing we know for certain is that only the federal government will have a seat at the sessions and is in a position to express its position relative to the agenda. Within this context, Brazil, in its role as top global tobacco producer and exporter, should be a protagonist on behalf of the tobacco supply chain. Our work has consisted in attesting to the transparency of our sector and, as far as possible, demystify radical views about the final product and ideologically oriented viewpoints.

For example, one of the questions on the agenda of COP10 is focused on Human Rights and maintains that the tobacco farmers are in a vulnerable situation. This is not what was revealed by the recent survey conducted by the Federal University of Rio Grande do Sul. In this sense, we urge you to read these pages specifically prepared to serve as a counterbalance to these affirmations.

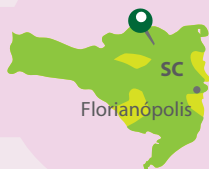
## SPEAK UP, PRODUCER!

This space is destined for the farmers who belong to the ITPS (Integrated Tobacco Production System) in all regions in South Brazil.

### ANTÔNIO JAIR SILVA DA CRUZ Itaiópolis – SC



#### ITAIÓPOLIS



With the aim of maximizing the resources of the smallholding, farmer Antônio Jair Silva da Cruz, from Santa Catarina, takes advantage of residual fertilizer, applied to the preceding tobacco crop, to cultivate corn and grass pastures. Right after harvesting the 40 thousand tobacco stalks of the 2022/2023 growing season, the farmer used the 2.5 hectares of the tobacco crop to devote one hectare to corn and, in the remaining portion he sowed pasture grass for the cattle. He does not sell the products of the second crop, because the corn and pasture grass are for the cattle, poultry and pigs, thus reducing the cost for raising the farm animals. Nowadays, this is common practice at the smallholding of the farmer and it was encouraged by the Corn, Bean and Pastureland after Tobacco Harvest Program.

In his family farm, located in the district of Poço Claro, tobacco has been grown for 30 years now. It was started by Antônio's father, Altavir Cruz, and the tobacco crop has been the main source of income over the past three decades. "For us, with a smallholding, tobacco is the most profitable crop, that is why we have opted for the crop and decided to carry on with it", Antônio Jair Silva da Cruz comments. Living on the farm with two children and a nephew, the intention is that in the future, succession will occur normally. In this regard, the family took the opportunity offered by the Growing Up Right Institute, in Itaiópolis, and one of the children, a 15-year old boy, is taking the course on rural management and entrepreneurship.

#### THE PROPERTY

- 6 hectares
- 40 thousand tobacco stalks (cultivated on 2.5 hectares)
- 2 curing barns
- 1.5 hectare covered with native forest
- 1.3 hectare reforested (eucalyptus)
- 2 hectares of pastureland
- 1 hectare with corn (winter crop)
- Technologies:** tractor, machines and implements, modern curing barns and wifi
- Diversification:** besides tobacco and corn, other productions include cattle, pigs, poultry, eggs, cassava and vegetables for family consumption.



## INTERVIEW

**JOSÉ LUIZ TEJON MEGIDO**, writer, professor, researcher, consultant and lecturer, is a global authority in agribusiness marketing, sales management, leadership and motivation. Read this interview in its entirety clicking QR Code:



**You know the various productive arrangements and attribute to the Brazilian tobacco sector the title as one of the most well organized models. What advantages do you perceive in the integrated tobacco production system?**

In 1977, I observed for the first time that the tobacco supply chain was effectively concerned with the development of its integrated farmers. Ever since that time it has been concerned with the environment, quality of life, and was already encouraging the farmers to diversify their crops. I can see in the productive arrangement of the tobacco farming activity a real concern with the preservation of the family farming model. If the tobacco sector has the capacity to do it, all other sectors should and could seek inspiration and management to do the same, from the A of avocado to the Z of zebu.

**The tobacco sector in Brazil faces several threats. Even so, it continues setting the example of excellence in management and caring for the environment and for people. What would you highlight about this supply chain in Brazil?**

I highlight exactly this “contradiction”. The most targeted sector among all supply chains is the one that is the most interested in complying with all ESG requirements. It is something that I admire, maybe because it is the most monitored sector, and is also the one that manages to contract

thousands of small family farms, stimulates their performance, and convinces them to produce at least 50% of food crops. They are a spectacular case of a well-organized supply chain, with links to technologies and with a technical and managerial service, which cares for every single integrated farmer. All other agribusiness supply chains should study this rural management competence without any prejudice.

**The Growing Up Right Institute is an initiative of the tobacco sector whose aim consists in fighting child labor and, at the same time, it generates income opportunities, learning and the qualification of rural adolescents. How do you see the future of the small family farmers in this scenario?**

Succession towards the new times of agriculture will increasingly be technological and digital. An each agricultural unit will be viewed as a crucial health topic as far as soil, plants, water, the environment and its people are concerned. The Growing Up Right is focused on the entrepreneurship side of this new “agribiocitizenship” world, a universe of citizenship. And in this agrobio and agroconscious system, everything we will witness in 2050 is already in transition and will occur by 2030. Young people will have the chance to take advantage of crop fields, waters and oceans across the planet to generate wealth, fight poverty, hunger and misery, and all this with sustainability.

## CLASSROOM

### In the media, occupational health and safety tips

Nowadays, SindiTabaco and the Tobacco Growers' Association of Brazil (Afubra) create media campaigns to attract tobacco farmers' attention to such issues as safe harvest, health, safety and protection of children and adolescents. In the current year, radio, newspaper and television broadcasting started in July and continued until the third week in November, in the States of Rio Grande do Sul, Santa Catarina and Paraná.

This initiative is carried out under the supervision of the Public Labor Prosecution Office of Rio Grande do Sul (MPT-RS) and Brasília (MPT-DF) and is part of a Term of Commitment agreed with the institution. The advertising materials remind people of the main necessary cares and attitudes that should not be overlooked. The campaign seeks to impact all the tobacco growers in the South Region of Brazil. To this end, advertisements were prepared for the dead-tree press, videos for TV and radio spots.

The campaign is split into two phases. The first was focused on the planting period and the insertions took place in July and August. The second phase extends from September to November and covers the tobacco harvest period. Emphasis is placed on good practices, use of Personal Protective Equipment (PPEs) and prohibition of hiring workers of less than 18 years old for tobacco farming jobs.

**TOBACCO  
FARMER, WEAR  
THE HARVEST  
CLOTHING...**



# Initiatives towards sustainable forestry in tobacco farming

Excerpt from an article published in Revista Observatorio De La Economia Latinoamericana, jointly written by researchers of the Forest Engineering Department of the Federal University in Santa Maria (UFSM), under the coordination of professor Dr. Jorge Antonio de Farias.



For the South Region of Brazil, tobacco represents social, cultural and economic wealth. Like any productive sector, the crop faces challenges inherent to its production peculiarities. Besides depending on edaphoclimatic conditions, the farmers depend on the availability and accessibility of raw material from forest origin for curing the Virginia variety tobacco in their drying units, also known as curing barns.

The target of the sector is zero deforestation and zero use of forest wood, and the supply chain has been investing and assuming the commitment to keep these indicators. With actions that go beyond the techniques and field orientations, technical visits in the integrated tobacco production system, supply of exotic tree species for the establishment of energetic forests, monitoring the use and source of the wood on the farms, the purchase of tobacco that was produced without any deforestation implication, among other strategies, which also encompass the present project.

Within this scenario, the creation of extension tools, like demonstration units and technical videos on forest production within the tobacco farming context, has the potential to cause a significant impact on the entire supply chain, but especially on the farmer's everyday life.

The availability of a forest, with a high sanitary status and highly productive, represents energetic guarantee for the farm, and genetic guarantee is the basis for a guaranteed crop delivery. Besides these factors, wood of good quality equally has an impact on the complete combustion process, thus improving the stability of the curing process, which could reflect on the quality (color and humidity) of the tobacco, and on the reduction of greenhouse gases, just another relevant target of the sector.

## NEWSFLASHES

### WITH AN EYE ON COP10

Several entities and government representations have demonstrated support to the sector in mobilizations aiming at the 10th Conference of the Parties (COP 10) to the Framework Convention on Tobacco Control (FCTC), seeing that the deliberations could harm the production of tobacco in Brazil. The Legislative Assembly of the State of Rio Grande do Sul created a subcommittee to advocate on behalf of the sector, and parliament members of our National Congress have also expressed support. COP 10 will be held in Panamá, 20 - 25 November and, in the sequence (27 - 30) the 3rd Meeting of the Parties to the Protocol to Eliminate Illicit Trade in Tobacco Products (MOP3).

### GROWING UP RIGHT IN PARANÁ

As of 2024, the Growing Up Right Institute will extend its operations to the State of Paraná, too. The first group of the Rural Professional Learning Program will be conducted in São João do Triunfo, where the children of tobacco growing families are hired as apprentices to attend the course on rural entrepreneurship and management. Other groups will attend a similar course in Itaiópolis, in Santa Catarina, and in the municipalities of Agudo, Gramado Xavier, Novo Cabrais, São Lourenço do Sul and Vera Cruz. Prior to it, in December this year, nearly 160 young rural adolescents will complete their course and receive their certifications. They are from the municipalities of Itaiópolis, Agudo, Canguçu, Novo Cabrais, Progresso, Rio Pardo and São Lourenço.

### HEALTH AND SAFETY

More than 45 thousand people have already been impacted by the *Awareness Cycle on farmers' health, safety, child and adolescent protection*. In 13 in-person meetings so far conducted, the events attracted 34 thousand people. The virtual meeting, in 2021, has had more than 11 thousand visualizations. The seminars mobilize tobacco farmers with the aim to reinforce guidelines inherent to the Integrated System. In 2023, the considerable number of 2,169 people attended the events in Camaquã and Passa Sete, in the State of Rio Grande do Sul; Piên and São João do Triunfo, in Paraná; and Itaiópolis and Petrolândia, in Santa Catarina.

### DIVERSIFICATION AND INCOME

R\$ 650.4 million is the total amount of income the 128 thousand tobacco farmers in the South Region in Brazil derived from the cultivation of grain crops right after tobacco harvest in the 2022/2023 growing season. Diversification in the form of a second crop is encouraged by the "Corn, Bean and Pastureland Right after Tobacco Harvest Program". Surveys conducted by the SindiTabaco attest to the 123,071 hectares cultivated with grain crops and 16,520 devoted to pasturelands. Among the grain crops, corn has proved to bring in the highest general average revenue, with R\$ 414 million; followed by soybean, with R\$ 142.5 million; and bean, with R\$ 93.8 million.

# Upwards of 19 million empty containers have been disposed of correctly

In 23 years of itinerant action conducted by tobacco growing municipalities, the *Empty Pesticide Container Collection Program* has shown great results. Nineteen million plastic containers have already been returned, of which, 93% were sent to recycling plants and the rest, to landfills legally licensed by the competent environmental organs. It is a big volume, but it does not mean that tobacco uses a great amount of pesticides, as it is only 1.01 kg of active ingredient per hectare. The program benefits the farmers without making any distinction between pesticides used on tobacco or other agricultural crops.



In its 23rd year in operation, 10 itineraries are being covered, six in Rio Grande do Sul, as follows: Center Sierra, Sierra, Northwest, Plateau Sierra, South and Rive Pardo and Taquari Valleys, and four in Santa Catarina - Alto Vale, Center North, Coastal Area and West. There are approximately 1.8 thousand collection sites located in 374 municipalities, comprising 103 thousand farmers. In the State of Paraná, similar initiatives get support from the tobacco companies.

## ITINERANT ROUTES

After passing through the region of High Valley in Santa Catarina, the teams of the Empty Pesticide Container Collection Program start their journey through 14 municipalities in the Center-North regions in Santa Catarina. The itinerary comprises 116 collection sites in the following localities: Porto União, Irineópolis, Bela Vista do Toldo, Canoinhas, Major Vieira, Papanduva, Monte Castelo, Timbó Grande, Mafra, Três Barras, Campo Alegre, São Bento do Sul, Rio Negrinho and Itaiópolis. In the sequence, the plan includes the Western Region of Santa Catarina.

## TOBACCO ROADS



The main tobacco growing regions are the highlight in every edition of SindiTabaco News. What follows will show you a little more about Rio Azul, municipality 156 kilometers away from Curitiba.

With 64.4% of the population in the countryside, the economy of the small municipality of Rio Azul is based on agriculture, and tobacco is one of the main crops. According to mayor Leandro Jasinski, tobacco plays an important social and economic role for the local population, especially for the small family farmers. The mayor took part in the mobilizations aimed at sensitizing the Brazilian government on the importance of the crop, and came to the conclusion that many people in the Brazilian capital city, Brasília, are unaware of the reality of the tobacco farmers. "This is why we always try to stress what the tobacco crop represents for every town and every family", he explains.

Nowadays, Rio Azul is the sixth largest tobacco producer in Brazil and the second in Paraná, with a total of about 2.5 thousand farmers, who produced 15,225.4 tons in the 2022/2023 growing season. Upon recalling that tobacco is also important for other sectors, like commerce, the mayor comments that the absence of the crop would harm the entire economy of Rio Azul. "We joined the group that fights for the production of tobacco and, mainly for the tobacco trade, once it is difficult to get another source of income, either equal or superior, for our families", Leandro Jasinski concludes.

Located in the Center-South region in Paraná, the economic strength of Rio Azul lies in agriculture, and the municipality is endowed with natural beauties that provide peace and tranquility.

Mayor: Leandro Jasinski

## RIO AZUL IN NUMBERS

Sources: Municipal Administration and IBGE

Population (2022): **14,025** people (estimate)

Territorial area: **599.056** km<sup>2</sup>

GDP per capita (2020): **R\$ 43,330.59**

GDP of the municipality: **R\$ 607,711,524.75**

Farmers: **5,566**

Produtores de tabaco (safra 2022/2023): **2.500**

Tobacco farmers (2022/2023 crop year): **15** hectares

Hectares devoted to tobacco: **6,408**

Main agricultural crops: soybean, tobacco, corn, yerba mate, timber, pigs, milk and bean.





## GLOSSARY

### SAFE HARVEST

Small attitudes like wearing special clothing, proper gloves and closed footwear, as well as avoiding harvesting when the leaves are wet with rain or morning dew, are tips for safety during harvest.

### COP

The Conferences of the Parties (COP) are biennial events that represent the deliberative body of the Framework Convention on Tobacco Control (FCTC), to which belong the countries that signed the treaty, among them Brazil. During the COP sessions, the delegations of the States Parties debate and approve guidelines intended to guide the countries in the process of introducing national measures.

### EDAPHOCLIMATIC FACTORS

Characteristics of the environment, like: climate, relief, lithology, temperature, humidity, radiation, type of soil, wind, atmospheric composition and precipitation.

## CALENDAR

### 17 OCTOBER

Seminar on Human Rights at Tobacco Farming, in Rio Pardo/RS

### 23 OCTOBER

23<sup>rd</sup> anniversary of the Empty Pesticide Container Collection Program

### 28 OCTOBER

World Tobacco Growers' Day

### 20 TO 25 NOVEMBER

10<sup>th</sup> Conference of the Parties (COP 10) of the Framework Convention on Tobacco Control – Panamá

### 27 TO 30 NOVEMBER

3<sup>rd</sup> Meeting of the Parties to the Protocol to eliminate Illicit Trade in Tobacco Products (MOP 3) - Panamá

### 1st DECEMBER

Official Tobacco Harvest Opening Ceremony - Rio Pardo/RS

### 13 DECEMBER

Graduation Day of the participants of the Rural Professional Learning Program and certification of the Us for Them Program – The Voice of Rural Women, of the Growing Up Right Institute

## DID YOU KNOW?

### The tobacco farmers are becoming increasingly connected.

Second edition of the research conducted by the Federal University of Rio Grande do Sul (UFRGS), through its Center of Studies and Research in Administration (CEPA), revealed that nearly **94% of the tobacco farmers have access to the internet**, more than 92% in their own household. In 2016, in the first edition of the study, less than half of the farmers were connected.

On social media, the presence of the tobacco farmers is also expressive. **WhatsApp and Facebook are two of the most used social media**, with 98.9% and 84.6%, respectively. Instagram and Youtube are used by 37.8% and 24.1% of the tobacco farmers. And Twitter (1.7%) and LinkedIn (0.8%) are used the least.



### OTHER ADVANCES COMPARED WITH 2016

Besides access to the internet, other indicators attested to improvements in comparison with the first UFRGS research, conducted seven years ago.

- The percentage of masonry houses was 65% in 2016 now it is 73%.
- Car or van ownership reached 89% and now it is 100%; motorcycle ownership increased from 61% to 62.7%.
- In 2016, 10% of the tobacco farmers had a second real estate besides the one where they lived, and now it is 13.7%.
- The use of air conditioning went up 61% since the first survey, and now 33.4% of the households have air conditioning.

## ASSOCIATED COMPANIES

SindiTabaco comprises 14 associate companies and sees to the needs of the entire Country, with the exception of the States of Bahia, Rio de Janeiro and São Paulo. Transparency and visibility are strategies implemented by the SindiTabaco, which emphasizes the social and economic importance of the sector, whether through the generation of jobs and taxes or through the relevance of tobacco for the economy of municipalities and States in the South Region. Furthermore, the entity strongly

- Alliance One Brasil Exportadora de Tabacos Ltda.
- ATC - Associated Tobacco Company Brasil Exportação e Importação de Tabaco Ltda.
- BAT Brasil
- Brasfumo Indústria Brasileira de Fumos S.A.
- China Brasil Tabacos Exportadora S.A.
- CTA - Continental Tobaccos Alliance S.A.
- JTI Processadora de Tabaco do Brasil Ltda.
- OTC Comércio e Fabricação de Fumos Ltda.
- Philip Morris Brasil Indústria e Comércio Ltda.
- Premium Tabacos do Brasil S.A.
- ProfiGen do Brasil Ltda.
- Tabacos Marasca Ltda.
- Universal Leaf Tabacos Ltda.
- UTC Brasil Indústria e Comércio de Tabaco Ltda.

## PUBLISHERS AND EDITORS



This is a quarterly publication by SindiTabaco (Interstate Tobacco Industry Union) addressed to authorities, consultants, farmers, political and entrepreneurial leaderships.

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96810-012 - Santa Cruz do Sul - RS  
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**Editorial coordination:**

**MSL**  
ANDREOLI

**Circulation:**  
3.7 thousand copies

