



38th UNITAB EUROPE CONGRESS

European tobacco outlook
regulatory challenges and market opportunities

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TOBACCO SPANISH REPORT

FEDERACION NACIONAL CULTIVADORES DE TABACO
COOPERATIVAS AGROALIMENTARIAS DE ESPAÑA



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CROP 2024/2025

Summary of Contracted and Delivered Volumes Crop 2024/2025

VARIETY	Num. Farmers	Area (Has.)	Contracted (Tons)	Produced (Tons)	%
FLUE CURED	801	5.898,00	21.733,88	19.055,23	87,68
BURLEY E	57	90,00	290,43	184,02	63,36
HAVANA	26	14,00	48,50	35,22	72,61
KENTUCKY	7	56,00	182,10	130,07	71,43
TOTAL	891	6.058,00	22.254,91	19.404,54	87,19



CROP 2024/2025

2022-2025 DATA EVOLUTION SPAIN

Crop Year	Farmers	Area (Ha)	Contracted (Tons)	Produced (Tons)
2022	962	6.269,22	23.035	19.900
2023	884	5.598,00	22.053	12.234
2024	891	6.058,00	22.255	19.405
2025	855	6.301,00	22.864	22.864



CROP 2025/2026

VARIETY	Farmers	Contracted Area (Ha)	Contracted Volume (Ton)
Flue Cured	796	6.200,00	22.512,15
Burley E	44	70,00	242,68
Havana	7	16,00	63,50
Kentucky	8	15,00	45,50
TOTAL	855	6.301,00	22.863,83



CHALLENGES AND OPORTUNITIES

LABOUR SHORTAGE AND GENERATIONAL RENEWAL:

- The sector is working to complete the mechanization of cultivation by introducing new plant protection treatment machines and replacing the current fleet of harvesters with new-generation harvesters that are simpler and more versatile, equipped with 4.0 technology. Support from the administration is needed through incentives for investment in cooperatives (more funding for 4.0 technologies).
- New investments to increase the tobacco curing capacity are underway using biomass as source of energy.
- It is a good time for generational renewal, due to the recovery in profitability, so it is proposed that the administration's support measures for the incorporation of young people be more agile and rapid.



CHALLENGES AND OPORTUNITIES

PHYTOSANITARY PROBLEMS.

- There has been a noticeable reduction in yields as a result of the lack of phytosanitary products. From 2021 onwards, yields have fallen by between 300 and 500 kg/ha, depending on the farm. There is a well-known need for a product to control nematodes, which cause damage themselves and are also the source of diseases such as fusarium.
- Working with the Regional and National administration and the Phytosanitary sector to make the most of the possibilities offered by European and national legislation on minor uses (tobacco in Spain is considered a minor crop), as well as continuing to work on other options such as mutual recognition between countries in the same climate zone, without abandoning exceptional authorizations.
- On the other hand, the EU needs to finalize the regulation of new genome editing techniques that could contribute to the creation of new varieties resistant to pests and diseases. It also needs to regulate the use of drones for the application of plant protection products in the field.



CHALLENGES AND OPORTUNITIES

THE NEW CAP FROM 2028.

- Need to exert influence to make it less environmentalist and more oriented towards socially and economically sustainable production. Importance of recognizing as singular crop associated with certain territories.
- No to legislative discrimination against tobacco. Equality with respect to other crops listed in Annex 1.
- NEW MFP 2028-2034:
 - Drastic cut: 66% increase in the MFP, but 22% decrease in the CAP budget.
 - Disappearance of the two pillars.
 - New governance: Member States choose the destination of the Single Fund.
 - Co-financing: renationalization of the CAP.



CHALLENGES AND OPORTUNITIES

MARKETS.

- The market is recognizing the overall quality of Virginia tobacco produced in Extremadura, so we must continue working along the right path and achieve the price levels we deserve, in line with other EU countries that we have not yet caught up with.

ENVIRONMENT AND BIODIVERSITY.

- There is a widespread belief that intensive irrigated crops have a negative effect on biodiversity. It is important to work to prove the opposite. Projects are being developed to address this issue and promote the improvement of biodiversity through current good practices. Winter cover crops are essential for improving the health of our soils.

NEW GEOPOLITICAL SITUATION.

- US TARIFFS. IMPACT ON EUROPEAN TOBACCO TRADE.

CLIMATE CHANGE.

- Need for continuous improvement of agricultural insurance to meet new needs.

TOBACCO CHAIN ORGANIZATION

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PRODUCERS CONTRACTING ORGANIZATIONS

NUM.	ENTITY	Legal form	Number of producers	Contracted Volume (Kg.) 2025	% Market share
1	SAT ASOCIACIONES AGRUPADAS TAB	Agricultural Transformation Society - SAT- (OP)	341	8.093.894	35,40
2	COTABACO	Second-degree cooperative integrated by 5 members (OP)	169	4.500.228	19,68
3	IBERTABACO	Second-degree cooperative integrated by 3 members	164	4.271.020	18,68
4	SAT TABACOS DE TALAYUELA	Agricultural Transformation Society - SAT- (OP)	83	3.631.993	15,89
5	TABACO DE CACERES	First-degree cooperative	68	1.258.690	5,51
6	S.C. TABAQUERA LA UNION	First-degree cooperative	26	625.000	2,73
SUB-TOTAL Colective Contracts			851	22.380.825	97,89
	INDIVIDUALS		4	483.000	2,11
TOTAL CONTRACTED BY PRODUCERS			855	22.863.825	100,00



FIRST PROCESSORS CONTRACTING ORGANIZATION

NUM.	ENTITY	Legal form		Contracted Volume (Kg.) 2025	% Market share
1	CETARSA	Spanish public business entity (80% spanish government and 20% I.T.)		15.563.689	68,07
2	DELTAFINA S.R.L.	Italian member of Universal Leaf Tobacco Group		3.646.420	15,95
SUBTOTAL MEMBERS OITAB				19.210.109	84,02
3	MELLA S.R.L.	Italian company		3.608.216	15,78
4	MOSSI	Italian Manufacturer		45.500	0,20
	TOTAL CONTRACTED BY PROCESSORS			22.863.825	100,00



Representative Entities of the Tobacco Chain

Representative Entity	Members	Contracted Volume (Kg.) 2025		% M.S.
F.N.C.T.	Sat Asociaciones Agrupadas TAB	8.093.894	11.725.887	52,39
	SAT Tabaco de Talayuela	3.631.993		
Cooperativas Agroalimentarias	COTABACO	4.500.228	10.654.938	47,61
	IBERTABACO, S.C.	4.271.020		
	TABACO DE CACERES, S.C.	1.258.690		
	S.C. TABAQUERA LA UNION	625.000		
TOTAL		22.380.825	22.380.825	100,00

Representative Entity	Members	Contracted Volume (Kg.) 2025		% M.S.
ANETAB	CETARSA	15.563.689	19.210.109	100,00
	DELTAFINA S.R.L.	3.646.420		
TOTAL		19.210.109		



INTERBRANCH ORGANIZATION (OITAB)

PRODUCTION SIDE	Representatives of the economic production activity		% MS	% corrected	Number of votes	Members on General Assembly	Members of Board Director
	Representatives of the Production Entities	FNCT	52,39	36,67	37	7	4
		COOPS	47,61	33,33	33	7	3
		Sub_Total	100,00	70	70	14	7
	Farmer Unions	ASAJA		10	10	2	1
		UPA		10	10	2	1
		COOPS		10	10	2	1
		Sub_Total		30	30	6	3
	TOTAL PRODUCERS SIDE			100	100	20	10
PROCESSING SIDE	Representatives of the economic production activity		% MS	% corrected	Number of votes	Members on General Assembly	Members of Board Director
	Spanish First Processors Asociation	ANETAB	100	100	100	20	10
	TOTAL PROCESSING SIDE			100	100	20	10

SPECIFIC REGULATORY FRAMEWORK FOR TOBACCO IN SPAIN

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Royal Decree 969/2014

1.- **RD 969/2014**, which regulates the recognition of producer organizations, the extension of standards, contractual relations and the communication of information in the raw tobacco sector.

This is a national regulation (Ministry of Agriculture), based on European regulations on the common organization of markets.

It defines raw tobacco producer organizations, their recognition and their associations. It also regulates the possibility of extending standards and, most importantly, **the regulation of contractual relations** in the sector, with the obligation to contract all national tobacco between producers or their organizations and first processing companies. It also regulates the minimum requirements for contracts, their registration and administrative controls. Finally, it regulates the communication of information by first processing companies and the penalty system.



Regional Decree 117/2018 (I)

2.- DECREE 117/2018 on raw tobacco leaves. In this case, it is a regional regulation that covers all raw tobacco production in the Extremadura region (98.5% of national production). This tool was developed in response to the administration and the sector itself to combat the illicit trade in tobacco, which had increased in the region.

It arose from an initiative by the regional administration in conjunction with the production and processing sector to establish a system for the verification and control of raw tobacco leaf in the region of Extremadura. It contains a system of penalties for non-compliance based on RD 1945/1983 on infringements in the defense of consumers and agri-food production, as well as Law 38/1994 on interprofessional organizations.

It is defined as a system for verifying and controlling tobacco leaves from the place where they are cured until they are delivered to the primary processing industry. It is based on Royal Decree 969/2014 and the obligation to contract the entire national tobacco production and determines the following aspects:



Regional Decree 117/2018 (II)

Producers.

- Obligation to contract tobacco.
- Prior notification to the control body (Directorate-General for the CAP), either directly or through their organizations, of the START OF TOBACCO CURED ACTIVITY, before any movement of the leaves.
- Movements of cured tobacco. All movements shall be accompanied by a transport guide containing the minimum information required by the Decree.
- Labelling. All boxes shall bear an identification label containing all the information required by the Decree.
- Annual declaration, directly or through their organizations, by electronic means, with all the information on deliveries made during the season and a declaration of surpluses, within a maximum of 30 days after the end of the delivery period.

First processing companies.

- Communication to the control body of all contracts signed with producers or their organizations.
- Annual communication prior to the start of purchases.
- Annual declaration of all purchases made with the minimum requirements required in the Decree.

In both cases, all required documentation must be kept available for a minimum of 2 years.



Royal Decree 12/2023

3.- ROYAL DECREE 12/2023, of 17 January, of the MINISTRY OF FINANCE AND PUBLIC ADMINISTRATION. This is a regulation that develops the rules for the control of raw tobacco and the penalty system.

In this case, it is also a national regulation that is incorporated as an additional provision in Law 11/2021 on measures to prevent and combat tax fraud in application of Directive 2016/1164 of the Council of the EU.

It takes into account both Royal Decree 969/2014 and Decree 117/2018 of the Regional Government of Extremadura and goes one step further in controlling the movement of raw tobacco at the national level.

The Regulation develops the following aspects:

- Register of Raw Tobacco Operators. It establishes the obligation for any operator to register in this register before initiating any movement of tobacco.
- Accounting and tobacco circulation obligations. It regulates the maintenance of a computerized accounting system in which purchase and sale operations and movements into and out of Spanish territory or raw tobacco warehouses or storage facilities are recorded. There is an exemption for producers of less than 75,000 kg, whose accounting is replaced by the communications made in compliance with Decree 117/2018.
- Tobacco circulation documents. These are completed by the tobacco retailer and must be submitted via the Spanish Tax Agency (AEAT) website.

The opinion of the sector and the regional administration was also taken into account in the development of this law, although many of the contributions made were not taken into consideration. The penalty system is very harsh.



THANK YOU!