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Tobacco and Products

Annual

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Report Highlights: 2002 Italian tobacco leaf production is forecast at 130,400 tons (farm weight), virtually unchanged from 2001 and within Italy's quota. Export levels will remain on the high side, due to the strong world demand. The EU remains Italy's major customer (about 50%), while Eastern Europe accounts for 10 percent, and the U.S. for 8 percent of exports. Total imports declined by 6 percent in volume, while imports from the U.S. dropped by 60 percent, due to large stocks from the previous years, and continued decline of domestic brand cigarette sales.

Includes PSD changes: Yes
Includes Trade Matrix: Yes
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SECTION I. SITUATION AND OUTLOOK

PRODUCTION

GENERAL

Italian tobacco output in 2001 is preliminarily estimated at 130,487 tons (farm weight), or virtually unchanged from the official figure reported by AGEA (the State Market Intervention Agency) for 2000 of 129,937 tons, and only slightly below the national quota fixed for Italy by the EU (around 132,000 tons in 2001). The official production figure for 2000, however, does not include some 4,500 tons produced in excess of the quotas for the different varieties. These amounts are not part of the AGEA official production statistics, which include only the quantities which receive premiums from the EU. This production has not traditionally been included in the AgOffice estimates because it is generally the lowest grades of the crop and farmers generally do not market it due to their minimal profitability.

Weather conditions in 2001 have been generally unfavorable in Veneto, where the best quality of the Italian Flue cured is produced. Wet conditions during last spring caused a certain delay of the trans-planting operations, while the summer drought, accompanied by unusually high temperatures raised a need for irrigation support, thus affecting the production costs. Moreover, during September intense hailstorms caused the loss of part of the local crop. In the rest of Italy weather conditions were less unfavorable and average yields were normal.

PRODUCTION TABLE

	AREA (Hectares)			**PRODUCTION (Metric Tons, Farm Weight)**		
	2000	2001	2002	2000	2001	2002
Flue Cured	16,364	17,216	17,500	48,649	49,205	49,500
Light Air Cured	10,229	10,738	10,700	47,990	49,794	49,500
Dark Air Cured	6,214	5,822	5,800	17,658	16,329	16,200
Fire Cured	2,353	2,392	2,400	6,105	6,168	6,200
Oriental	3,631	3,036	3,000	9,535	8,991	9,000
TOTAL	38,791	39,204	39,400	129,937	130,487	130,400

Note: Light Air Cured tobacco includes Burley and Maryland tobaccos.
Sources: AGEA, AgMinCoun

CROP AREA

AGEA, the only official source for tobacco production information in Italy, usually calculates tobacco planted area only after the production figures are finalized. Thus, the estimates for 2001 by variety are not yet available. However, unofficial sources indicate a minimal increase over the 2000 figure, in connection to slight rise of area planted to both Flue cured and Burley. The medium term trend, however, indicates a substantial decrease of the tobacco area, in line with possible EU policy measures reducing current subsidy levels. Another limiting factor is represented by the decline in producers as younger workers move to urban areas or find other, less labor intensive, work. A large share of Italian tobacco farms are very small, averaging less than 10 hectares in size, while a minimal part of the total has a size of over 50 hectares, located mainly in northern Italy.

The following table shows the breakdown of Italian tobacco area by region and variety for the 2000 crop (latest available data).

ITALY: 2000 Tobacco Area by Region and Variety (1,000 Hectares)						
	Flue Cured	Light Air Cured	Dark Air Cured	Dark Fire Cured	Oriental	Total
Veneto	5.7	0.7	-	0.3	-	6.7
Tuscany	1.3	0.1	0.1	0.8	-	2.3
Umbria	7.5	-	-	0.2	-	7.7
Latium	0.5	0.4	0.2	0.2	-	1.3
Abruzzi	0.5	-	-	-	0.4	0.9
Campania	-	8.9	5.5	0.8	-	15.2
Apulia	0.2	-	0.1	-	3.2	3.5
Other Regions	0.7	0.1	0.3	-	-	1.2
TOTAL	16.4	10.2	6.2	2.4	3.6	38.8

Source: AGEA

As can be seen from the above table, about 39 percent of tobacco area in Italy is concentrated in the Campania region, where light air cured and dark air cured tobaccos prevail. Umbria and Veneto are the two most important producers of Flue cured tobacco. Area planted to Oriental tobaccos in Apulia keeps decreasing, in line with the critical market situation of these tobaccos.

YIELDS

As said above average yields for 2001 are estimated to have decreased slightly from the levels obtained in 2000, which are officially reported as follows:

Variety	MT/hectare
Flue Cured	2.97
Burley	4.86
Maryland	2.81
Dark Air Cured	2.84
Dark Fire Cured	2.59
Oriental	2.63
Total	3.35

CROP QUALITY

The quality of the 2001 tobacco crop is reported at fair to good quality, with minor exceptions in southern Italy.

PRODUCTION POLICY

After long discussions, the EU Council of Ministers of Agriculture has finally reached in mid March an agreement on the next three year CAP (Common Agricultural Policy) for the tobacco sector. The new CAP basically confirms, except minor adjustments, the previous policy for the 2002, 2003 and 2004 crops. The agreement represents a substantial victory for the Italian delegation (Italy is the leading EU tobacco producer), against the attempt, made especially by the northern countries, to cut sharply the aids to the tobacco sector. Compared to the current budget of 960 Euro, in 2004 total expenditures will be reduced by only 60 million Euro (30 million coming from a minor quota reduction and 30 million from a 3 percent withdrawal from the premiums). The money coming from the above withdrawal will be spent by a special Fund to develop initiatives targeted at finding alternative crops or economic activities, especially in the least advantaged tobacco producing areas. The following table shows the breakdown of the production quotas fixed for Italy.

ITALIAN PRODUCTION QUOTAS (Metric Tons)			
	1999	2000 and 2001	2002-2004
Flue Cured	48,240	48,500	49,008
Light Air Cured	46,848	47,000	49,436
Dark Air Cured	18,200	17,900	16,267
Dark Fire Cured	7,173	6,965	6,253
Oriental Tobaccos	12,000	10,100	9,045
Katerini	48	1,500	498
Total Italy	132,509	131,965	130,507

As can be seen from the above table, the major change from the previous regime is given by the cuts for the varieties facing the most critical market problems (especially oriental and Dark air cured tobaccos), partially offset by minor increases for Flue cured and Light air cured tobaccos. Regarding the premiums paid to the growers, there has been a confirmation of the previous levels for all varieties, except oriental tobaccos, for which a 10 percent reduction has been implemented. Current premiums fixed by the EU for the 2002 through 20022004 crop years are as follows:

	2002-2004
Variety	Euros/Kilo
Flue Cured	2.98062
Light Air Cured	2.38423
Dark Fire Cured	2.38423
Fire Cured	2.62199
Oriental Tobaccos	2.14581
Katerini	3.50395

[1.00 EURO=$ 0.89, at current rate of exchange]

The premiums are very generous and, in most cases, represent, on average, over 80 percent of the producers' income. Grower prices from the packers for the 2000 crop, paid in addition to the premiums, for Flue cured tobacco recovered substantially after the drops reported in the two previous years, mainly thanks to the good export demand. Prices of the other varieties, on the other hand, remained relatively low, with the exception of an increase of Dark fire cured tobacco due to good both domestic and export demand.

Grower Prices (Euro/Kilogram)				
	1997 crop	1998 crop	1999 crop	2000 crop
Flue cured	0.73	0.62	0.59	0.67
Light Air Cured	0.18	0.20	0.23	0.30
Dark Air Cured	0.09	0.09	0.12	0.13
Dark Fire Cured	1.31	1.31	1.53	1.77
Oriental	0.20	0.22	0.17	0.27

source: AGEA

[1.00 USD=0.88 Euro n 1997, 0.90 in 1998, 0.94 in 1999, and 1.09 Euro in 2000]

No official price data are yet available for the 2001 crop. However, our trade contacts indicate a further recovery in price for Flue cured, for both the best quality product from the Veneto region (sold to ETI and to northern Europe) and medium-low quality tobaccos (sold eastern Europe and north Africa). Prices of the other varieties are also reported to increase slightly over last year's levels, thanks to an overall increase of the export demand...

CONSUMPTION

Domestic tobacco leaf consumption (assumed to equal the manufactured tobacco output) is now stable at about 45,000 tons (dry weight), after the remarkable drops reported in past years, due to the continued decline in output of domestically produced cigarettes. As a result of this development, ETI (formerly the Tobacco Monopoly) has gradually reduced its purchases of domestic tobacco (which cover only a marginal share of the domestic crop). For the 2001 crop, ETI bought only 6,5000 tons (dry weight) of Italian tobacco (mainly Flue cured and Burley) for the production of domestic brand cigarettes, with a sharp cut from the previous year, due to a stock reduction need. In addition, about 5,000 tons of Italian tobacco were used for the production of foreign brands under license (since 2002 under manufacturing agreement), while the remaining portion of domestic consumption is represented by foreign tobacco.

TRADE

Total Italian tobacco exports in 2001 further rose by 9 percent, mainly due to expanded sales of Flue cured and Burley, which more than offset slightly reduced shipments of Oriental, Dark air cured and Dark fire cured tobaccos. The most important export market remained the EU, absorbing about half of total Italian tobacco shipments. Exports to Eastern Europe, on the other hand, totaled 11,400 tons, or 10 percent more than in 2000, thus recovering partially after the dramatic drop reported in the previous year. Exports to the United States (totaling 8,390 tons) rose by about 9 percent, due mainly to increased shipments pf both Flue cured and Burley to be used for filling purposes. Other major importers of Italian tobacco were the northern African countries (mainly Egypt, Algeria and Tunisia), which absorbed on the whole about 12,000 tons in 2001, followed by some of the Latin American countries, and Japan. Prospects for the 2001 crop, to be shipped in 2002, are again favorable for most varieties, due to the generally good export demand, with the only exception of oriental tobaccos, whose use is declining worldwide..

In 2001, overall Italian tobacco imports declined by 6 percent in volume, and by 19 percent in value, reflecting a larger share of cheaper tobacco being imported from other EU countries (Greece, Spain and Portugal). These imports consist of tobacco leaves, which are processed in Italy and then transhipped, (official data for transhipments are not available but it is assumed that this tobacco is re-exported to Eastern Europe and North Africa). Total imports also include the quantities of tobacco blends that are imported by ETI (generally from northern Europe) to produce foreign cigarettes under license. Total imports of Flue cured increased by 5 percent from 2000, reflecting large imports from Greece and Portugal for re-exports, while imports for domestic use (from the U.S. and Brazil) declined sharply, due to the ETI's decision to utilize their considerable stocks from previous years' purchases. Total imports of Burley rose by 11 percent from 2000, with decreased purchases from the U.S. and Malawi being more than offset, in volume terms, by increased imports of cheap tobacco from the EU (again to be re-exported).

Total imports from the United States in 2001 totaled only 2,453 tons, or 60 percent lower than in 2000, and were valued at 20.2 million euro ($18 million), or 47 percent less than in the previous year. U.S. shipments of both Flue cured and Burley dropped by 76 and 35 percent, respectively, due to, as mentioned above, the ETI's current policy to reduce their huge stocks, as well as continued decrease sales of domestic brand cigarettes. Imports of Maryland tobacco were also 12 percent lower than in 2000, while those of Dark Fire Cured recovered substantially, after the dramatic drop reported in the previous year. Total imports from the U.S are expected to recover only marginally in 2002, as the need from ETI to at least partially rebuild their stocks of high quality tobaccos is almost totally offset by the extremely bad situation on the domestic cigarette market.

ETI sources indicate the following purchases from the United States:

(preliminary)	Metric Tons 2001 CROP	2002 CROP
Flue Cured	1 800	1,300
Burley	500	750
Maryland	0	0
Kentucky	400	400
TOTAL	2,700	2,450

Prospects for U.S. tobacco into the Italian market, as above outlined, are unfavorable, in view of both the continued reduction of domestic brand cigarettes sold on the Italian market, and stronger competition from other suppliers, such as Brazil and Zimbabwe.

MARKETING

The privatization process of ETI (which replaced the former tobacco Monopoly) has not yet been completed. A big progress on this purpose, however, was reported at the end of January, 2002, when a manufacturing agreement was signed between ETI and Philip Morris, replacing the former under license contract. This three year new contract, as ETI sources point out, represent the actual end pf the previous monopolist regime and ETI's entrance into the private market. The next step will be the final sale of ETI to another private company. According to press sources, the potential buyers are five companies: BAT, Altadis, Japan Tobacco, Gallaher and a cartel of domestic leading entrepreneurs. Such a sale, as a matter of fact, cannot be made to Philip Morris, one of the major players in the Italian market, due to anti trust legislation because it already accounts for over 60 percent of the total Italian cigarette market. The basic sale price will be of at least 1.3 billion euro (about $1.14 billion).

CIGARETTES

PRODUCTION

Italian cigarette production in 2001 totaled 44,726 tons, of which 31,450 tons were domestic brands and 13,276 tons were foreign brands produced by ETI under license.

CONSUMPTION

CIGARETTE SALES IN ITALY DURING 1992/2001 (1,000 metric tons)										
	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001
Domestic Brands	42.9	40.0	38.8	37.9	35.5	33.5	32.1	31.3	30.0	27.9
Foreign Brands	45.3	48.6	50.5	52.0	53.9	55.7	58.9	64.6	70.3	74.3
Total Sales	88.2	88.6	89.3	89.9	89.4	89.2	91.0	95.9	100.3	102.2

Source: Tobacco Monopoly

As can be seen from the table above, the long term decline in sales of domestic brands continued through 2001, where their market share dropped to only 27 percent. The market share of foreign brands is actually larger than officially reported because of still significant, although declining, sales of smuggled cigarettes. The increase of total cigarette sales, however, reported in the recent years , does not reflect an actual expansion of smoking, but rather an increase in legal sales due to a more severe anti-smuggling program, connected also to the government's measures to curb illegal immigration through the south-eastern coasts of Italy which are traditionally used by the cigarette smugglers.

PRICES

Cigarette prices in Italy, fixed by law, are virtually unchanged since March 2001, The price of the leading Italian domestic brand (MS) is fixed at 2.18 euros per pack ($1.92), while that of the most popular foreign brand (Marlboro) is 3 euros per pack ($2.64). On average, 74 percent of the retail price is represented by taxes, 10 percent by retailers' commissions, 15 percent by manufacturers' incomes and the remaining 1 percent wholesalers' remunerations.

TRADE

As can be seen from the trade table, in 2001, Italian cigarette imports rose by 9 percent in volume and 13 percent in value. As usual, most imports came from the Netherlands and Germany, where American brands are produced by the leading multinational manufacturers to avoid the very high EU import duty. As a result of the WTO agreement, this duty currently is fixed at 57.6 percent. Italian exports, on the other hand, remain negligible.

SECTION II. STATISTICAL TABLES

PS&D TABLES

Tobacco, Unmfg, Total

PSD Table						
Country	Italy					
Commodity	Tobacco, Unmfg., Total				(HA)(MT)	
	Revised	2000	Preliminary	2001	Forecast	2002
	Old	New	Old	New	Old	New
Market Year Begin		01/2000		01/2001		01/2002
Area Planted	46900	38791	0	39204	0	39400
Beginning Stocks	152772	151464	157302	150795	0	139073
Farm Sales Weight Prod	132200	129937	0	130487	0	130400
Dry Weight Production	112370	110446	0	110914	0	110840
U.S. Leaf Imports	5660	6119	0	2453	0	4500
Other Foreign Imports	28000	28129	0	29810	0	30000
TOTAL Imports	33660	34248	0	32263	0	34500
TOTAL SUPPLY	298802	296158	157302	293972	0	284413
Exports	94500	100608	0	109524	0	105000
Dom. Leaf Consumption	31600	27555	0	26725	0	26700
U.S. Leaf Dom. Consum.	6700	6900	0	5650	0	5300
Other Foreign Consump.	8700	10300	0	13000	0	13500
TOTAL Dom. Consumption	47000	44755	0	45375	0	45500
TOTAL Disappearance	141500	145363	0	154899	0	150500
Ending Stocks	157302	150795	0	139073	0	133913
TOTAL DISTRIBUTION	298802	296158	0	293972	0	284413

Tobacco, Unmfg, Flue Cured

PSD Table						
Country	Italy					
Commodity	Tobacco,Unmfg.,Flue Cured				(HA)(MT)	
	Revised	2000	Preliminary	2001	Forecast	2002
	Old	New	Old	New	Old	New
Market Year Begin		01/2000		01/2001		01/2002
Area Planted	19200	16364	0	17216	0	17500
Beginning Stocks	53951	52906	52906	47806	0	42072
Farm Sales Weight Prod	48300	48649	0	49205	0	49500
Dry Weight Production	41055	41352	0	41824	0	41824
U.S. Leaf Imports	3700	3108	0	749	0	3000
Other Foreign Imports	12000	12552	0	15677	0	16000
TOTAL Imports	15700	15660	0	16426	0	19000
TOTAL SUPPLY	110706	109918	52906	106056	0	102896
Exports	22000	28500	0	33984	0	30000
Dom. Leaf Consumption	25800	23355	0	20000	0	20000
U.S. Leaf Dom. Consum.	4000	4000	0	3000	0	3000
Other Foreign Consump.	6000	6000	0	7000	0	7000
TOTAL Dom. Consumption	35800	33355	0	30000	0	30000
TOTAL Disappearance	57800	61855	0	63984	0	60000
Ending Stocks	52906	47806	0	42072	0	42896
TOTAL DISTRIBUTION	110706	109661	0	106056	0	102896

Tobacco, Unmfg, Burley

PSD Table						
Country	Italy					
Commodity	Tobacco, Unmfg., Burley				(HA)(MT)	
	Revised	2000	Preliminary	2001	Forecast	2002
	Old	New	Old	New	Old	New
Market Year Begin		01/2000		01/2001		01/2002
Area Planted	1100	9380	0	9800	0	9800
Beginning Stocks	44021	43884	44286	45512	0	46125
Farm Sales Weight Prod	44900	45610	0	4200	0	46500
Dry Weight Production	38165	38769	0	39270	0	39525
U.S. Leaf Imports	1300	2520	0	1020	0	500
Other Foreign Imports	9000	10922	0	10467	0	11000
TOTAL Imports	10300	13442	0	11487	0	11500
TOTAL SUPPLY	92486	96095	44286	96269	0	97150
Exports	43000	45083	0	40644	0	41000
Dom. Leaf Consumption	2700	1700	0	4500	0	4500
U.S. Leaf Dom. Consum.	2000	2200	0	2000	0	2000
Other Foreign Consump.	500	1600	0	3000	0	3500
TOTAL Dom. Consumption	5200	5500	0	9500	0	10000
TOTAL Disappearance	48200	50583	0	50144	0	51000
Ending Stocks	44286	45512	0	46125	0	46150
TOTAL DISTRIBUTION	92486	96095	0	96269	0	97150

Tobacco, Unmfg, Oriental

PSD Table						
Country	Italy					
Commodity	Tobacco, Unmfg., Oriental				(HA)(MT)	
	Revised	2000	Preliminary	2001	Forecast	2002
	Old	New	Old	New	Old	New
Market Year Begin		01/2000		01/2001		01/2002
Area Planted	4800	3631	0	3036	0	3000
Beginning Stocks	23861	23200	26081	22666	0	21195
Farm Sales Weight Prod	13200	9535	0	8991	0	9000
Dry Weight Production	11220	8105	0	7642	0	7650
U.S. Leaf Imports	0	0	0	0	0	0
Other Foreign Imports	6000	4611	0	3512	0	3500
TOTAL Imports	6000	4611	0	3512	0	3500
TOTAL SUPPLY	41081	35916	26081	33820	0	32345
Exports	13000	10550	0	9625	0	10000
Dom. Leaf Consumption	500	0	0	0	0	0
U.S. Leaf Dom. Consum.	0	0	0	0	0	0
Other Foreign Consump.	1500	2700	0	3000	0	3000
TOTAL Dom. Consumption	2000	2700	0	3000	0	3000
TOTAL Disappearance	15000	13250	0	12625	0	13000
Ending Stocks	26081	22666	0	21195	0	19345
TOTAL DISTRIBUTION	41081	35916	0	33820	0	32345

Tobacco, Unmfg, Dark Air & sSun Cured

PSD Table						
Country	Italy					
Commodity	Unmfg.,Dark Air & Sun Cured				(HA)(MT)	
	Revised	2000	Preliminary	2001	Forecast	2002
	Old	New	Old	New	Old	New
Market Year Begin		01/2000		01/2001		01/2002
Area Planted	8100	6214	0	5842	0	5800
Beginning Stocks	20514	21287	24464	24003	0	16747
Farm Sales Weight Prod	17000	17658	0	16329	0	16200
Dry Weight Production	14450	15009	0	13880	0	13770
U.S. Leaf Imports	0	0	0	0	0	0
Other Foreign Imports	1000	34	0	98	0	0
TOTAL Imports	1000	34	0	98	0	0
TOTAL SUPPLY	35964	36330	24464	37981	0	30517
Exports	10000	11627	0	21231	0	13000
Dom. Leaf Consumption	800	700	0	0	0	0
U.S. Leaf Dom. Consum.	0	0	0	0	0	0
Other Foreign Consump.	700	0	0	0	0	0
TOTAL Dom. Consumption	1500	700	0	0	0	0
TOTAL Disappearance	11500	12327	0	21231	0	13000
Ending Stocks	24464	24003	0	16747	0	17517
TOTAL DISTRIBUTION	35964	36330	0	37978	0	30517

Tobacco, Mfg, Cigarettes

PSD Table						
Country	Italy					
Commodity	Tobacco, Mfg., Cigarettes				(MIL PCS)	
	Revised	2000	Preliminary	2001	Forecast	2002
	Old	New	Old	New	Old	New
Market Year Begin		01/2000		01/2001		01/2002
Filter Production	44500	42318	0	42926	0	44100
Non-Filter Production	2000	1900	0	1800	0	1700
TOTAL Production	46500	44218	0	44726	0	45800
Imports	49000	56475	0	61354	0	62000
TOTAL SUPPLY	95500	100693	0	106080	0	107800
Exports	300	193	0	433	0	500
Domestic Consumption	95200	100500	0	105647	0	107300
TOTAL DISTRIBUTION	95500	100693	0	106080	0	107800

TRADE TABLES

Table I Italy: Tobacco Leaf Exports, Quantity & Value

	2000		2001	
	MT	Mill. Euro	MT	Mill. Euro
FLUE CURED	28,500	64.0	33,984	78.0
Belgium	1,663	3.8	2,176	4.8
Netherlands	1,003	2.5	1,624	5.1
Germany	3,886	9.8	6,824	17.8
U.K.	4,744	12.5	973	2.6
Greece	1,330	2.7	1,755	3.3
Switzerland	562	1.5	483	1.1
Egypt	4,124	7.5	3,090	5.6
U.S.	583	1.7	1,392	3.4
Russia	457	0.8	692	1.1
Romania	862	1.3	314	0.2
Algeria	499	0.7	466	0.5

	2000		2001	
	MT	Mill. Euro	MT	Mill. Euro
LIGHT AIR CURED, BURLEY	26,219	68.6	30,644	79.0
Netherlands	2,701	7.3	2,763	7.6
Germany	8,698	24.3	9,951	28.1
France	559	2.3	553	1.0
Belgium	1,674	4.0	2,157	5.5
U.K.	983	2.5	764	2.0
Romania	42	0.1	0	0
U.S.	1,560	4.5	2,615	7.1
Japan	1,425	4.7	802	3.0
Algeria	799	1.9	1,650	3.0
Egypt	391	0.5	1,797	3.2
Czech Repub.	40	0.1	135	0.4

	2000		2001	
	MT	Mill. Euro	MT	Mill. Euro
LIGHT AIR CURED, MARYLAND	304	0.3	27	0.2
LIGHT AIR CURED, OTHER	0	0	24	0.1

	2000		2001	
	MT	Mill. Euro	MT	Mill. Euro
FIRE CURED, KENTUCKY	4,544	10.5	3,989	9.6
Netherlands	2,598	7.2	2,572	6.9
Egypt	1,094	1.7	247	0.6
U.S.	508	0.9	488	0.8
FIRE CURED, OTHER	0	0	0	0
SUN CURED, ORIENTAL	6,457	9.6	4,929	6.5
U.S.	40	0.1	0	0
Latvia	411	0.5	130	0.2
Egypt	243	0.4	200	0.3
Germany	1,935	3.5	18	0.1
Romania	120	0.2	0	0
Russia	1,596	2.1	3,021	3.5
Poland	269	0.3	236	0.2

	2000		2001	
	MT	Mill. Euro	MT	Mill. Euro
DARK AIR CURED	11,627	12.6	10,747	10.6
U.S.	4,574	4.8	3,634	3.8
Egypt	2,229	2.1	2,437	2.1
Algeria	2,599	2.8	1,100	1.0
Tunisia	750	0.8	1,017	0.8
Mexico	416	1.0	297	0.5
OTHERS	4,093	16.9	4,696	18.7
Ivory Coast	1,027	3.4	1,387	4.6
U.S.	165	0.5	135	0.4
Poland	588	2.1	106	0.4
U.K.	1,112	6.5	1,441	8.4
WASTE	18,864	7.9	20,484	8.9
France	4,199	1.6	6,197	2.1
Germany	4,852	1.9	2,872	1.1
U.K.	1,273	0.7	379	0.2
U.S.	265	0.1	126	0.1
Bulgaria	528	0.3	647	0.3
Russia	4,344	1.7	4,170	1.9
TOTAL TOBACCO LEAF EXPORTS	100,608	190.4	109,524	211.6

Source: Central Institute of Statistics

TABLE II Italy: Tobacco Leaf Imports, Quantity & Value

	2000		2001	
	MT	Mill. Euro	MT	Mill. Euro
FLUE CURED	15,660	67.0	16,426	48.4
U.S.	3,108	21.4	749	4.4
Brazil	2,265	8.5	1,899	7.3
Greece	2,652	2.2	4,190	3.6
Spain	464	0.8	1,527	2.1
Zimbabwe	1,630	6.0	622	2.1
Netherlands	1,062	11.9	839	9.8
Portugal	1,407	2.3	2,441	3.8
LIGHT AIR CURED, BURLEY	9,441	34.5	10,537	31.1
Portugal	507	0.8	1,280	0.9
Zimbabwe	323	1.3	4	0
U.S.	1,381	11.9	897	8.1
Greece	1,575	1.6	1,280	0.9
Malawi	1,654	6.7	1,346	4.5
Brazil	134	0.6	206	0.7
Thailand	149	0.5	109	0.3
Spain	1,435	2.5	3,001	4.9
LIGHT AIR CURED, MARYLAND	401	3.1	353	3.0
U.S.	401	3.1	353	3.0

	2000		2001	
	MT	Mill. Euro	MT	Mill. Euro
LIGHT AIR CURED, OTHER	0	0	128	0.5
FIRE CURED, KENTUCKY	90	1.1	345	4.6
U.S.	90	1.1	312	4.0
FIRE CURED, OTHER	10	0	0	0
SUN CURED, ORIENTAL	4,611	23.7	3,512	18.1
U.K.	349	2.2	14	0.1
Greece	1,104	6.7	787	4.3
Turkey	2,496	10.7	1,931	9.3
Macedonia	80	0.4	33	0.2
DARK AIR CURED	34	0.4	95	0.5
Algeria	0	0	85	0.5
OTHERS	0	0	45	0.2
Netherlands	0	0	19	0.1
WASTE	4,001	3.3	822	0.9
U.S.	1,139	0.9	123	0.2
Brazil	1,760	1.7	443	0.4
Zimbabwe	608	0.4	80	0.1
TOTAL TOBACCO LEAF IMPORTS	34,248	133.1	32,263	107.3

Source: Central Institute of Statistics

TABLE III Italy: Total Tobacco Trade, Quantity and Value by Major Country of Destination/Origin in 2001

IMPORTS	MT	MILL EURO	USD MILLION *
TOTAL	32,263	107.3	95.8
Spain	4,528	4.8	4.3
Netherlands	1,675	14.8	13.2
Greece	6,361	8.8	7.9
Portugal	3,000	4.6	4.1
Other EU	573	2.5	2.2
Total EU	16,137	35.5	31.7
Turkey	1,999	9.6	8.6
U.S.	2,453	20.2	18.0
Zimbabwe	703	2.3	2.1
Brazil	2,547	8.5	7.6
Malawi	1,346	4.5	4.0
Bulgaria	110	0.3	0.3
Other Countries	6,968	26.4	23.5
* [1.00 USD=1.12 Euro]			

EXPORTS	MT	MILL. EURO	USD MILLION*
TOTAL	109,524	211.6	188.9
France	8,296	5.7	5.1
Belgium	4,996	11.0	9.8
Netherlands	7,809	20.6	18.4
Germany	19,759	47.3	42.2
U.K.	3,571	13.7	12.2
Greece	4,345	6.8	6.1
Other EU	5,255	12.3	11.0
Total EU	54,031	117.4	104.8
Switzerland	1,851	5.4	4.8
Russia	8,557	7.7	6.9
Poland	961	1.3	1.2
Romania	610	0.3	0.3
Ukraine	1,240	1.3	1.2
Tunisia	1,343	1.5	1.3
Egypt	7,973	12.0	10.7
Algeria	2,750	4.6	4.1
Uruguay	1,959	2.6	2.3
Colombia	1,995	2.6	2.3
U.S.	8,390	15.7	14.0
Japan	1,714	6.1	5.4
Other countries	16,150	33.1	29.6
* [1.00 USD=1.12 Euro]			

TABLE IV Italy: Cigarette Foreign Trade Quantity & Value

	2000		2001	
	MT	Mill. Euro	MT	Mill. Euro
IMPORTS				
Total	56,475	1,203.7	61,354	1,357.3
France	437	8.2	456	8.9
Netherlands	45,601	981.9	43,202	980.4
Germany	7,210	152.4	16,197	339.0
Spain	2,883	53.9	1,069	20.3
U.K.	140	2.9	233	4.5
Others	604	4.4	197	4.2
Source: Central Institute of Statistics				