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Tobacco and Products

Annual

2001

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Report Highlights: 2001 Italian tobacco leaf production is estimated at 130,000 tons (farm weight), virtually unchanged from 2000 and within Italy's quota. Export levels will decline slightly mainly due to decreased sales of Burley. The EU remains Italy's major customer (over 50%), while Eastern Europe accounts for 10 percent of trade. Exports to the U.S. rose by 40 percent last year, due to increased sales of Dark air cured. Manufacturer's reduced imports in 2001 by 12 %, while imports from the U.S. declined by 28% due to large stocks from last year but numbers are expected to recover in 2001.

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

PRODUCTION

GENERAL

Italian tobacco output in 2000 is preliminarily and unofficially estimated at 130,500 tons (farm weight), or virtually unchanged from the official figure reported by AGEA (formerly AIMA, the State Market Intervention Agency) for 1999 of 130,762 tons, and only slightly below the national quota fixed for Italy by the EU (around 132,500 tons). The official production figure for 1999, however, does not include some 4,400 tons produced in excess of the quotas for the various 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 is not traditionally included in the AgOffice estimates because it is generally the lowest quality of the crop and farmers generally do not sell it due to the very low market price.

Weather conditions in 2000, were not particularly favorable for tobacco production. After a mild early summer, weather conditions were very hot and dry through all of August until mid September, followed then by hail storms, or some frosts in October. As a result, both the final volume and quality of the crop, especially in central and northern Italy, was affected. The most seriously affected was Flue cured production, which is concentrated in two regions (Veneto in the north and Umbria in the center). In Campania (in the south), however, where most of the Burley and Dark air cured tobaccos are cultivated, dry weather slightly cut the yields, but allowed for an average crop of good quality.

PRODUCTION TABLE

	AREA (Hectares)			**PRODUCTION (Metric Tons, Farm Weight)**		
	1999	2000	2001	1999	2000	2001
Flue Cured	16,168	16,400	16,500	46,768	49,000	49,200
Light Air Cured	10,414	10,200	10,100	46,731	47,700	47,500
Dark Air Cured	6,767	6,200	6,000	18,009	17,800	17,500
Fire Cured	2,662	2,400	2,300	6,832	6,300	6,200
Oriental	4,114	3,700	3,500	12,422	9,700	9,600
TOTAL	40,215	38,900	38,400	130,762	130,500	130,000

Note: Light Air Cured tobacco includes Burly and Maryland tobaccos.
Sources: AIMA, 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 2000 by variety are not yet available. However, unofficial sources indicate a continued slow reduction, following a long term trend, of 38,900 hectares compared to 40,215 in 1999. This decline is mainly due to the ageing of the tobacco farmer and a decline in producers as younger workers move to urban areas or find other, less labor intensive, work. In 1999, there was a of 31,700, tobacco producers in Italy, down from the 33,700 units of 1998. Almost 85 percent of Italian tobacco farms were very small, averaging less than 10 hectares of size, while less than 2 percent of the total had a size of over 50 hectares.

The following table shows the breakdown of Italian tobacco area by region and variety for the 1999 crop (latest available data).

ITALY: 1999 Tobacco Area by Region and Variety (1,000 Hectares)

	Flue Cured	Light Air Cured	Dark Air Cured	Dark Fire Cured	Oriental	Total
Veneto	5.4	0.8	-	0.3	-	6.5
Tuscany	1.4	0.1	0.1	0.8	-	2.4
Umbria	7.3	-	-	0.2	-	7.5
Latium	0.5	0.5	0.2	0.2	-	1.4
Abruzzi	0.7	-	-	-	0.4	1.1
Campania	-	8.9	6.3	1.2	0.1	16.5
Apulia	0.3	-	0.1	-	3.6	4.0
Other Regions	0.6	0.1	0.1	-	-	0.8
TOTAL	16.2	10.4	6.8	2.7	4.1	40.2

Source: AIMA

As can be seen from the above table, about 41 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. Tobacco area in Italy is likely to continue its slow decline over the coming years, in line, particularly in areas where Dark air cured and Oriental tobaccos are produced as the demand for these varieties drops and they become less competitive.

YIELDS

Despite the unfavorable weather, average yields for 2000 are estimated to have increased slightly from the levels reported in 1999 as a result of the decreased planted area in which the least productive lands were not used. Official figures for the national average for the 1999 crop (latest available data) are as follows:

Variety	MT/hectare
Flue Cured	2.81
Burley	4.63
Maryland	2.62
Dark Air Cured	2.66
Dark Fire Cured	2.57
Oriental	3.02
Total	3.25

CROP QUALITY

The quality of the 2000 tobacco crop, as mentioned above, was generally good for the varieties produced in southern Italy. Quality was less satisfactory in Umbria and Veneto due to the adverse weather conditions.

PRODUCTION POLICY

Based on the last CAP reform (July 1998) for the tobacco sector, production quotas have been fixed as follows:

ITALIAN PRODUCTION QUOTAS (Metric Tons)			
	1997 and 1998	1999	2000 and 2001
Flue Cured	48,222	48,240	48,500
Light Air Cured	47,040	46,848	47,000
Dark Air Cured	18,170	18,200	17,900
Dark Fire Cured	6,820	7,173	6,965
Oriental Tobaccos	12,500	12,000	10,100
Katerini	-	48	1,500
Total Italy	132,752	132,509	131,965

The objective of the current CAP for the tobacco sector is to emphasis quality more than volume, which had traditionally been the major factor affecting income for the tobacco farmers. As a result, the current premium system is tied to the quality of the crop, which, assuming a substantial improvement in overall crop quality, is supposed to result in a net increase in prices paid by the packers to the growers. The premiums fixed by the EU for the 1999 through 2001 crop years are as follows:

	1999
Variety	EURO's/Kilo
Flue Cured	2.98062
Light Air Cured	2.38423
Dark Fire Cured	2.38423
Fire Cured	2.62199
Oriental Tobaccos	2.38423
Katerini	3.50395

[1.00 EURO=1,937 Lire=$.89, at current rate of exchange]

As mentioned last year, EU premiums are broken down into a fixed element and a variable element based on the quality of the tobacco. For Italy the percentage of the variable element, which increases over the 1999-2001 period, has been fixed as follows:

	1999	2000	2001
Flue Cured	20	25	35
Light Air Cured	20	25	35
Dark Air Cured	20	25	40
Fire Cured	20	25	32
Sun Cured	25	35	45

The premiums are very generous and, in most cases, represent, on average, over 80 percent of the producers' income. Grower prices from the packers in 1999, paid in addition to the premiums, for Flue cured tobacco stabilized after the drop reported in the previous year due to the lower demand from both ETI (the former Tobacco Monopoly) and the leading manufacturing plants located in northern Europe. 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 (Lire/Kilogram)				
	1996 crop	1997 crop	1998 crop	1999 crop
Flue cured	1,226	1,417	1,193	1,139
Light Air Cured	339	353	392	453
Dark Air Cured	101	169	183	228
Dark Fire Cured	2,135	2,534	2,541	3,029
Oriental	157	379	430	334

source: AGEA

[1.00 USD=1,534 Lire in 1996, 1,703 Lire in 1997, 1,737 in 1998, and 1,818 in 1999]

No official price data are yet available for the 2000 crop. However, our trade contacts indicate a slight recovery in price for Flue cured, particularly for the best quality product from the Veneto region, due to increased sales to northern Europe. Prices of Burley, on the contrary, are reported to have declined due to increased competition from Malawi on the export markets. No substantial variation in price is reported for Dark air cured or Oriental tobaccos, whose prices are nominal and represent only a minimal share of farmers' income..

A EU Commission check of the Common Agricultural Policy on the tobacco sector is scheduled to take place between the end of 2001 and the beginning of 2002, to verify the current situation in regards to both the volume of the expenditures from the EU, and the actual results in terms of market orientation of the whole sector. Given the current trend of very low prices for many varieties, mainly Oriental and Dark air cured, there is the impression that the quality of the Italian crop has not improved. As a result, a dramatic drop of the premiums may be possible for some varieties. The Italian farm organizations are stressing the social economic impact of the tobacco sector in southern Italy, where farmers who plant tobacco have few crop alternatives.

CONSUMPTION

Domestic tobacco leaf consumption (assumed to equal to manufactured tobacco output) is expected to continue a slow decline through 2001, due to the continued reduction in output of domestically produced cigarettes. As a result, ETI (formerly the Tobacco Monopoly) has gradually reduced its purchases of domestic tobacco (which cover only a marginal share of the domestic crop). In 2000, ETI bought about 9,300 tons (dry weight) of Italian tobacco (mainly Flue cured and Burley) for the production of domestic brand cigarettes. In addition, about 4,000 to 5,000 tons of Italian tobacco were used for the production of foreign brands under license, while the remaining portion of domestic consumption (over 30,000 tons) is represented by foreign tobacco.

TRADE

Total Italian tobacco exports in 2000 rose by 7 percent, mainly due to expanded sales of Flue cured, and, at a lesser extent, Burley and Oriental tobaccos. The most important export market remained the EU, absorbing more than half of total Italian tobacco shipments. Exports to Eastern Europe, on the other hand, totaled only 10,300 tons, or 36 percent less than in 1999, consequent to the difficult financial situation in those countries, as well as the increase in domestic production reported in Bulgaria and Romania. Exports to the United States (totaling 7,708 tons) increased by about 40 percent, due mainly to an almost doubling of shipments of Dark air cured tobacco 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 13,000 tons in 2000, followed by some of the Latin American countries, and Japan. Prospects for the 2000 crop, to be shipped in 2001, are again favorable for Flue cured due to the continued good import demand from northern Europe. Shipments of Burley, however, are expected to be negatively affected by strong competition from Malawi.

In 2000, overall Italian tobacco imports declined by 12 percent in volume, and by 27 percent in value, reflecting a larger share of cheaper tobacco cuts being imported from other EU countries. 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 the 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 decreased by 17 percent from 1999, due to the ETI's decision to use their considerable stocks from previous years' purchases. Total imports of Burley, were slightly larger than in 1999, 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.

Total imports from the United States in 2000 totaled 6,119 tons, or 28 percent lower than in 1999, and were valued at 74.4 billion lire ($35.4 million), or 21 percent less than in the previous year. U.S. shipments of both Flue cured and Burley dropped by 41 and 31 percent, respectively, due to, as mentioned above, the ETI's current policy to reduce their huge stocks. Imports of Maryland tobacco were also 27 percent lower than in 1999, while those of Dark Fire Cured totaled only 90 tons, compared to the 286 tons of 1999. Total imports from the U.S., however, are expected to recover substantially in 2001, due to the need from ETI to at least partially rebuild their stocks of high quality tobaccos in order to launch some planned new cigarette brands into the Italian market.

ETI sources indicate the following purchases from the United States:

	Metric Tons 2000 CROP	2001 CROP (preliminary)
Flue Cured	3 400	3,900
Burley	1,300	1,800
Maryland	360	300
Kentucky	100	460
TOTAL	5,160	6,460

Prospects for U.S. tobacco after 2001, however, are not particularly bright, 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. According to our ETI contacts, the gap between the tobacco produced in these countries and the U.S. tobacco, in terms of price/quality, is closing.

MARKETING

In order to make the tobacco sector more efficient and market oriented, the government of Italy has begun a privatization process. As a result, ETI has replaced the Tobacco Monopoly as the only tobacco manufacturer in Italy. Currently, the company has been changed from a government agency into a state controlled company. The goal is to further transform it into a joint stock company through either a public stock offer to small investors, or an overall sale to another private company. According to our contacts, such a sale, however, 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 almost 60 percent of the total Italian cigarette market. Marketing by ETI is being hampered by large scale smuggling of cigarettes (despite the successful anti-smuggling action from the Italian police forces), indirect advertising carried out by foreign manufacturers (which pulls sales from domestic brands), and excess manufacturing facilities and labor costs.

CIGARETTES

PRODUCTION

Italian cigarette production in 2000 totaled 44,218 tons, of which 28,149 tons were domestic brands (-5 percent) and 16,069 tons were foreign brands produced by ETI under license (+5 percent).

CONSUMPTION

CIGARETTE SALES IN ITALY DURING 1991/2000 (1,000 metric tons)										
	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
Domestic Brands	43.2	42.9	40.0	38.8	37.9	35.5	33.5	32.1	31.3	30.0
Foreign Brands	45.9	45.3	48.6	50.5	52.0	53.9	55.7	58.9	64.6	70.3
Total Sales	89.1	88.2	88.6	89.3	89.9	89.4	89.2	91.0	95.9	100.3

Source: Tobacco Monopoly

As can be seen from the table above, the long term decline in sales of domestic brands continued through 2000, where their market share dropped to only 30percent. The market share of foreign brands is actually larger than officially reported because of significant sales of smuggled cigarettes, estimated at over 14,000 tons in 1999. The increase of total cigarette sales in both 1999 and 2000, however, does not reflect an actual expansion of smoking, but rather an increase in legal sales due to a more severe anti-smuggling program which is tied into the political and military events in the Balkans, as well as the measures to curb illegal immigration through the south-eastern coasts of Italy which are also used by the cigarette smugglers.

PRICES

Cigarette prices in Italy are fixed by law. A general price increase was set by the Italian authorities in March 2001 increasing the price of the leading Italian domestic brand (MS) to 4,200 Lire per pack ($1.95), while that of the most popular foreign brand (Marlboro) is 5,800 Lire per pack ($2.69). 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 2000, Italian cigarette imports rose by 12 percent in volume and 6 percent in value. As usual, most imports came from the Netherlands and Germany, where American brands are produced under license to avoid the very high EU import duty. As a result of the WTO agreement, this duty has been reduced, however, to 57.6 percent as of July 1, 2000. Italian exports, on the other hand, remained negligible.

SECTION II. STATISTICAL TABLES

PS&D TABLES

Tobacco, Unmfg, Total

PSD Table						
Country	Italy					
Commodity	Tobacco, Unmfg., Total				(HA)(MT)	
	Revised	1999	Preliminary	2000	Forecast	2001
	Old	New	Old	New	Old	New
Market Year Begin		01/1999		01/2000		01/2001
Area Planted	46900	40215	46900	38900	0	38400
Beginning Stocks	140922	140922	152772	151464	157302	151274
Farm Sales Weight Prod	132300	130762	132200	130500	0	130000
Dry Weight Production	112455	111147	112370	110925	0	110500
U.S. Leaf Imports	8552	8552	5660	6119	0	7700
Other Foreign Imports	30293	30293	28000	28129	0	27000
TOTAL Imports	38845	38845	33660	34248	0	34700
TOTAL SUPPLY	292222	290914	298802	296637	157302	296474
Exports	93900	93900	94500	100608	0	95000
Dom. Leaf Consumption	29800	29800	31600	27555	0	26500
U.S. Leaf Dom. Consum.	7000	7000	6700	6900	0	7000
Other Foreign Consump.	8750	8750	8700	10300	0	10500
TOTAL Dom. Consumption	45550	45550	47000	44755	0	44000
TOTAL Disappearance	139450	139450	141500	145363	0	139000
Ending Stocks	152772	151464	157302	151274	0	157474
TOTAL DISTRIBUTION	292222	290914	298802	296637	0	296474

Tobacco, Unmfg, Flue Cured

PSD Table						
Country	Italy					
Commodity	Tobacco, Unmfg.,Flue Cured				(HA)(MT)	
	Revised	1999	Preliminary	2000	Forecast	2001
	Old	New	Old	New	Old	New
Market Year Begin		01/1999		01/2000		01/2001
Area Planted	19200	16168	19200	16400	0	16500
Beginning Stocks	52553	52553	53951	52649	52906	48104
Farm Sales Weight Prod	48300	46768	48300	49000	0	49200
Dry Weight Production	41055	39753	41055	41650	0	41820
U.S. Leaf Imports	5372	5372	3700	3108	0	3900
Other Foreign Imports	13572	13572	12000	12552	0	12000
TOTAL Imports	18944	18944	15700	15660	0	15900
TOTAL SUPPLY	112552	111250	110706	109959	52906	105824
Exports	23601	23601	22000	28500	0	28000
Dom. Leaf Consumption	25000	25000	25800	23355	0	22800
U.S. Leaf Dom. Consum.	4000	4000	4000	4000	0	4050
Other Foreign Consump.	6000	6000	6000	6000	0	6000
TOTAL Dom. Consumption	35000	35000	35800	33355	0	32850
TOTAL Disappearance	58601	58601	57800	61855	0	60850
Ending Stocks	53951	52649	52906	48104	0	44974
TOTAL DISTRIBUTION	112552	111250	110706	109959	0	105824

Tobacco, Unmfg, Burley

PSD Table						
Country	Italy					
Commodity	Tobacco, Unmfg., Burley				(HA)(MT)	
	Revised	1999	Preliminary	2000	Forecast	2001
	Old	New	Old	New	Old	New
Market Year Begin		01/1999		01/2000		01/2001
Area Planted	11000	9655	1100	9400	0	9300
Beginning Stocks	41409	41409	44021	43884	44286	45418
Farm Sales Weight Prod	44900	44739	44900	45500	0	45300
Dry Weight Production	38165	38028	38165	38675	0	38505
U.S. Leaf Imports	2332	2332	1300	2520	0	3000
Other Foreign Imports	9189	9189	9000	10922	0	11000
TOTAL Imports	11521	11521	10300	13442	0	14000
TOTAL SUPPLY	91095	90958	92486	96001	44286	97923
Exports	42374	42374	43000	45083	0	40000
Dom. Leaf Consumption	2000	2000	2700	1700	0	1500
U.S. Leaf Dom. Consum.	2200	2200	2000	2200	0	2200
Other Foreign Consump.	500	500	500	1600	0	1700
TOTAL Dom. Consumption	4700	4700	5200	5500	0	5400
TOTAL Disappearance	47074	47074	48200	50583	0	45400
Ending Stocks	44021	43884	44286	45418	0	52523
TOTAL DISTRIBUTION	91095	90958	92486	96001	0	97923

Unmfg, Oriental

PSD Table						
Country	Italy					
Commodity	Tobacco, Unmfg., Oriental				(HA)(MT)	
	Revised	1999	Preliminary	2000	Forecast	2001
	Old	New	Old	New	Old	New
Market Year Begin		01/1999		01/2000		01/2001
Area Planted	4700	4114	4800	3700	0	3500
Beginning Stocks	20989	20989	23861	23200	26081	22806
Farm Sales Weight Prod	13200	12422	13200	9700	0	9600
Dry Weight Production	11220	10559	11220	8245	0	8160
U.S. Leaf Imports	0	0	0	0	0	0
Other Foreign Imports	6293	6293	6000	4611	0	4000
TOTAL Imports	6293	6293	6000	4611	0	4000
TOTAL SUPPLY	38502	37841	41081	36056	26081	34966
Exports	12791	12791	13000	10550	0	10000
Dom. Leaf Consumption	400	400	500	0	0	0
U.S. Leaf Dom. Consum.	0	0	0	0	0	0
Other Foreign Consump.	1450	1450	1500	2700	0	2800
TOTAL Dom. Consumption	1850	1850	2000	2700	0	2800
TOTAL Disappearance	14641	14641	15000	13250	0	12800
Ending Stocks	23861	23200	26081	22806	0	22166
TOTAL DISTRIBUTION	38502	37841	41081	36056	0	34966

Tobacco, Unmfg, Dark Air & Sun Cured

PSD Table						
Country	Italy					
Commodity	Unmfg.,Dark Air & Sun Cured				(HA)(MT)	
	Revised	1999	Preliminary	2000	Forecast	2001
	Old	New	Old	New	Old	New
Market Year Begin		01/1999		01/2000		01/2001
Area Planted	8200	6767	8100	6200	0	6000
Beginning Stocks	15619	15619	20514	21287	24464	24124
Farm Sales Weight Prod	17100	18009	17000	17800	0	17500
Dry Weight Production	14535	15308	14450	15130	0	14875
U.S. Leaf Imports	0	0	0	0	0	0
Other Foreign Imports	1252	1252	1000	34	0	0
TOTAL Imports	1252	1252	1000	34	0	0
TOTAL SUPPLY	31406	32179	35964	36451	24464	38999
Exports	9392	9392	10000	11627	0	12000
Dom. Leaf Consumption	700	700	800	700	0	500
U.S. Leaf Dom. Consum.	0	0	0	0	0	0
Other Foreign Consump.	800	800	700	0	0	0
TOTAL Dom. Consumption	1500	1500	1500	700	0	500
TOTAL Disappearance	10892	10892	11500	12327	0	12500
Ending Stocks	20514	21287	24464	24124	0	26499
TOTAL DISTRIBUTION	31406	32179	35964	36451	0	38999

Tobacco, Mfg, Cigarettes

PSD Table						
Country	Italy					
Commodity	Tobacco, Mfg., Cigarettes				(MIL PCS)	
	Revised	1999	Preliminary	2000	Forecast	2001
	Old	New	Old	New	Old	New
Market Year Begin		01/1999		01/2000		01/2001
Filter Production	43065	43065	44500	42318	0	41700
Non-Filter Production	2000	2000	2000	1900	0	1800
TOTAL Production	45065	45065	46500	44218	0	43500
Imports	50492	50492	49000	56475	0	57000
TOTAL SUPPLY	95557	95557	95500	100693	0	100500
Exports	235	235	300	193	0	200
Domestic Consumption	95322	95322	95200	100500	0	100300
TOTAL DISTRIBUTION	95557	95557	95500	100693	0	100500

TRADE TABLES

Table I Italy: Tobacco Leaf Exports, Quantity & Value

	1999		2000	
	MT	Bill. Lire	MT	Bill. Lire
FLUE CURED	23,601	91.8	28,500	124.0
Belgium	2,137	8.5	1,663	7.4
Netherlands	897	3.8	1,003	4.8
Germany	1,197	5.1	3,886	18.9
U.K.	3,985	20.3	4,744	24.2
Greece	1,630	5.1	11330	5.3
Switzerland	496	2.3	562	2.8
Egypt	2,351	7.4	4,124	14.5
U.S.	569	2.1	583	3.3
Russia	658	1.1	457	1.6
Romania	2,344	6.3	862	2.5
Algeria	1,150	4.7	499	1.3

	1999		2000	
	MT	Bill. Lire	MT	Bill. Lire
LIGHT AIR CURED, BURLEY	24,478	114.8	26,219	132.9
Netherlands	2,663	13.4	2,701	14.2
Germany	7,195	37.8	8,698	47.0
France	754	4.1	559	4.4
Belgium	1,951	9.3	1,674	7.8
U.K.	607	3.0	983	4.9
Romania	283	0.7	42	0.1
U.S.	2,139	10.8	1,560	8.7
Japan	601	3.4	1,425	9.1
Algeria	1,600	5.6	799	3.7
Egypt	1,602	6.4	391	1.0
Czech Repub.	418	2.1	40	0.2

	1999		2000	
	MT	Bill. Lire	MT	Bill. Lire
LIGHT AIR CURED, MARYLAND	273	1.2	304	0.7
Germany	229	1.1	0	0
LIGHT AIR CURED, OTHER	167	0.1	0	0

	1999		2000	
	MT	Bill. Lire	MT	Bill. Lire
FIRE CURED, KENTUCKY	5,449	24.7	4,544	20.3
Netherlands	3,367	18.4	2,598	13.9
Egypt	807	2.0	1,094	3.3
U.S.	350	1.3	508	1.7
FIRE CURED, OTHER	20	0.1	0	0
SUN CURED, ORIENTAL	4,861	14.2	6,457	18.5
U.S.	0	0	40	0.1
Latvia	516	1.2	411	1.0
Egypt	521	1.3	243	0.7
Germany	0	0	1,935	6.7
Romania	583	1.6	120	0.3
Russia	1,247	4.1	1,596	4.0
Poland	475	1.2	269	0.6

	1999		2000	
	MT	Bill. Lire	MT	Bill. Lire
DARK AIR CURED	9,392	22.2	11,627	24.4
U.S.	2,334	5.5	4,574	9.3
Egypt	1,630	4.0	2,229	4.0
Algeria	2,776	7.1	2,599	5.4
Tunisia	1,239	2.7	750	1.5
Mexico	394	0.8	416	2.0
OTHERS	7,930	54.3	4,093	32.7
Ivory Coast	1,922	12.8	1,027	6.6
U.S.	73	0.3	165	1.0
Poland	1,840	11.7	588	4.1
U.K.	2,351	18.6	1,112	12.5
WASTE	17,729	12.3	18,864	15.2
France	5,449	3.2	4,199	3.1
Germany	1,747	1.2	4,852	3.7
U.K.	1,783	1.7	1,273	1.4
U.S.	43	0.1	265	0.1
Bulgaria	170	0.1	528	0.5
Russia	5,024	3.5	4,344	3.2
TOTAL TOBACCO LEAF EXPORTS	93,900	335.7	100,608	368.7

Source: Central Institute of Statistics

TABLE II Italy: Tobacco Leaf Imports, Quantity & Value

	1999		2000	
	MT	Bill. Lire	MT	Bill. Lire
FLUE CURED	18,944	148.1	15,660	129.7
U.S.	5,372	51.1	3,108	41.4
Brazil	2,747	18.1	2,265	16.4
Greece	819	2.1	2,652	4.2
Spain	880	1.8	464	1.5
Zimbabwe	1,837	13.4	1,630	11.6
Netherlands	958	16.4	1,062	23.0
Portugal	744	2.5	1,407	4.4
LIGHT AIR CURED, BURLEY	9,001	70.0	9,441	66.9
Portugal	602	2.1	507	1.6
Zimbabwe	237	1.4	323	2.5
U.S.	1,990	28.6	1,381	23.0
Greece	1,031	3.7	1,575	3.1
Malawi	1,990	13.2	1,654	12.9
Brazil	59	0.5	134	1.2
Thailand	180	1.0	149	0.9
Spain	84	0.2	1,435	4.8
LIGHT AIR CURED, MARYLAND	549	7.9	401	6.1
U.S.	549	7.9	401	6.1

	1999		2000	
	MT	Bill. Lire	MT	Bill. Lire
LIGHT AIR CURED, OTHER	0	0	0	0
FIRE CURED, KENTUCKY	286	6.1	90	2.1
U.S.	286	6.1	90	2.1
FIRE CURED, OTHER	0	0	10	0
SUN CURED, ORIENTAL	6,293	60.9	4,611	45.9
U.K.	125	1.2	349	4.2
Greece	2,246	25.3	1,104	13.0
Turkey	2,005	14.7	2,496	20.8
Macedonia	774	7.8	80	0.7
DARK AIR CURED	800	2.2	34	0.7
Algeria	600	1.6	0	0
OTHERS	452	7.8	0	0
Netherlands	432	7.7	0	0
WASTE	2,520	3.6	4,001	6.4
U.S.	342	0.5	1,139	1.7
Brazil	439	0.7	1,760	3.2
Zimbabwe	1,013	1.1	608	0.7
TOTAL TOBACCO LEAF IMPORTS	38,845	306.6	34,248	257.8

Source: Central Institute of Statistics

TABLE III Italy: Total Tobacco Trade, Quantity and Value by Major Country of Destination/Origin in 2000

IMPORTS	MT	BILL. LIRE	USD MILLION *
TOTAL	34,248	275.8	122.7
Spain	2,218	6.5	3.1
Netherlands	1,715	30.6	14.5
Greece	5,344	20.3	9.7
Portugal	1,994	6.1	2.9
Other EU	801	7.7	3.7
Total EU	12,072	71.2	33.9
Turkey	2,496	20.8	9.9
U.S.	6,119	74.4	35.4
Zimbabwe	2,561	14.8	7.1
Brazil	2,399	17.6	8.4
Malawi	1,654	12.9	6.1
Bulgaria	234	1.3	0.6
Other Countries	6,713	44.8	21.3
* [1.00 USD=2,102 Lire]			

EXPORTS	MT	BILL. LIRE	USD MILLION*
TOTAL	100,608	368.7	175.4
France	5,993	9.6	4.6
Belgium	3,424	15.5	7.4
Netherlands	6,977	35.2	16.7
Germany	19,634	76.8	36.5
U.K.	8,112	43.0	20.5
Greece	3,579	11.1	5.3
Other EU	3,372	15.4	7.3
Total EU	51,111	206.6	98.3
Switzerland	1,148	5.6	3.1
Russia	1,340	6.8	3.2
Poland	1,068	4.9	2.3
Romania	1,310	3.4	1.6
Ukraine	1,166	2.3	1.1
Tunisia	953	2.0	0.9
Egypt	8,211	23.7	11.3
Algeria	3,896	10.5	5.0
Uruguay	1,611	4.6	2.2
Colombia	2,215	7.3	3.5
U.S.	7,708	24.3	11.6
Japan	2,184	13.3	6.3
Other countries	11,079	49.4	23.5
* [1.00 USD=2,102 Lire]			

TABLE IV Italy: Cigarette Foreign Trade Quantity & Value

	1999		2000	
	MT	Bill. Lire	MT	Bill. Lire
IMPORTS				
Total	50,492	2,201.8	56,475	2,330.7
France	343	13.3	437	15.8
Netherlands	46,344	2,027.9	45,601	1,901.2
Germany	3,495	147.4	7,210	295.0
Spain	0	0	2,883	104.4
U.K.	130	5.3	140	5.7
Others	307	12.4	604	8.6
Source: Central Institute of Statistics				