BACKGROUND

In June 2011, the UN Human Rights Council adopted the Guiding Principles on Business and Human Rights (UNGP). According to this, companies should counteract the negative impacts of their business activities, products and services on human rights on a voluntary basis. However, voluntarism has not led to comprehensive improvements. For this reason, the German Act on Corporate Due Diligence Obligations in Supply Chains will become effective on January 1, 2023. It obliges companies based in Germany with more than 3,000 employees (from 2024: 1,000) to fulfill their responsibility for their supply chains: To respect human rights and meet environmental standards. A comparable law at the European level is currently being negotiated.

The production and consumption of tobacco and nicotine products are linked to numerous human rights violations and environmental damage. These include economic exploitation, child labour, lack of occupational health and safety, deforestation, water scarcity, and environmental pollution in the tobacco and extractive sectors. They are an obstacle to achieving the Sustainable Development Goals (SDGs). With regard to tobacco and nicotine products, the implementation of the WHO Framework Convention on Tobacco Control (FCTC), which is part of the Sustainable Development Goals (SDG 3.a), is therefore of particular importance.

Cigarettes are used by burning a tobacco mixture wrapped in paper and inhaling the smoke through a filter. According to the DEBRA study, 35.5% of the population aged 14 and above smoked cigarettes in Germany by the end of 2022. Among adolescents and young adults, smoking prevalence has risen very sharply. Thus, towards the end of 2022, 15.9% of 14-17-year-olds smoked cigarettes as well as 40.8% of 18-24-year-olds.
CIGARETTES AND HEALTH

Smoking harms nearly every organ of the body. It is the biggest preventable risk factor for chronic non-communicable diseases such as lung and cardiovascular diseases, cancer and diabetes. Cigarette smoke is a complex mixture of substances containing 250 toxins such as acetaldehyde, cadmium or lead and 90 carcinogens such as formaldehyde and benzene. Second-hand smoke also causes serious diseases and children are particularly at risk. In addition, the nicotine contained in tobacco can quickly cause addiction. For adolescents and young adults, smoking is particularly risky, as brain development can be impaired by regular nicotine consumption.5

WHAT’S IN CIGARETTES?

The German cigarette market is dominated by four multinational corporations: Philip Morris International, Reemtsma Cigarettenfabriken (Imperial Brands), British American Tobacco and Japan Tobacco International. All of them also have production facilities in Germany.6

Filter cigarettes contain a tobacco blend with additives such as sugar and flavourings, humidifiers and solvents, fillers and binders.7 The blend is wrapped in cigarette paper together with a filter. Cigarette machines can produce up to 20,000 cigarettes per minute.8

The production of cigarettes is based on global supply chains in which human rights violations and environmental damage occur, as exemplified here. Cigarette filters are made of cellulose acetate, a synthetic fiber obtained by chemical conversion of chemical wood pulp.9 Chemical wood pulp is mostly imported to Germany from Scandinavia and North America, but also from South Africa, where industrial wood plantations consume scarce water resources.10 And after smoking, carelessly disposed filters pollute the environment because they are not biodegradable.11

Cigarette paper’s main component is pulp, which is mostly imported from Scandinavia and South America.12 In Brazil, for example, industrial plantations of fast-growing eucalyptus trees serve for pulp production and are associated with land grabbing, deforestation and the loss of biodiversity. The thirsty monocultures increase the water shortage in already dry areas. Additionally, pulp mills emit toxic wastewater as a result of the use of chemicals in the process of pulp production.13

A common additive of the tobacco blend is cocoa as a flavouring. Almost three quarters of the globally traded cocoa is harvested in West Africa, mainly in Côte d’Ivoire. Cocoa is mostly cultivated by smallholder farmers, it is labour-intensive and requires the use of a variety of chemicals. Due to the low income generated by cocoa, child labour is widespread.14

Tobacco is grown primarily in low- and middle-income countries and is associated with poverty, child labour and deforestation.15

The global cigarette industry also contributes to climate change. Its annual CO₂ emissions amount to 84 million tonnes and are equivalent to those of a small industrialised country such as Austria.16
"We grow tobacco. But to say the truth, we just do it, because we are poor and have no better choice. It takes a long time to grow tobacco. [...] Lastly, when we sell tobacco at the markets, we realise that what we get from sales is not equal to the amount of labour we go through. We do not make a reasonable profit. We have school going children, but we cannot manage to pay for their school fees from the sale of tobacco. Tobacco profit is very low, while tobacco labour is very high."*17

Woman tobacco farmer from Zambia

Every year, 6 million tonnes of tobacco are harvested worldwide from nearly 3.25 million hectares of agricultural land. Around 80% of the global crop is grown in ten countries, including India, Brazil, Zimbabwe and Indonesia. Brazil is also the world leader in tobacco leaf exports, while Malawi, for example, generates half of its export earnings from tobacco.*18 Tobacco is used to manufacture tobacco and nicotine products. In addition to filter cigarettes, these include shisha tobacco, sticks for tobacco heaters or the extracted nicotine for e-cigarettes and nicotine replacement products.*19

The global tobacco trade is determined by the four largest multinational cigarette companies (see above), China National Tobacco Company (CNTC) and two multinational tobacco leaf companies. Germany is an important player in the import and export of both tobacco leaf and cigarettes.*20

In countries like Brazil, Indonesia, Bangladesh, Zimbabwe, Malawi or Zambia, tobacco is grown in small-holder structures and is often associated with poverty.*21 Therefore, whole families often work unpaid and child labour is widespread.*22

The International Labor Organization (ILO) considers tobacco growing to be one of the most hazardous forms of child labour. The children’s education is impeded and the health risks are significant. In addition to poisoning by chemical fertilizers and pesticides, contact with the green tobacco leaves is particularly dangerous for children. The nicotine is absorbed through the skin and can cause acute nicotine poisoning, the so-called green tobacco sickness.*23 "When we’re harvesting", describes Raden, a student from Indonesia, ‘I often feel sick because of the smell of the wet tobacco leaves, and I get a strong headache. [...] Sometimes it’s hard to breathe when there’s a lot of tobacco leaves near me. I can’t describe it. I get such a headache. I’m dizzy. I see stars, and everything just looks bright.’*24

Tobacco is grown in monoculture and severely depletes the soil. That’s why new fields are developed by clearing forests in Tanzania, for example. At the same time, many fertilizers and pesticides are used on tobacco fields, and their toxic runoff enters waterways, where it damages biodiversity.*25

Every year, the curing of Virginia tobacco uses globally 8 million tonnes of firewood which is obtained by clearing more forests. The consequences are particularly severe for the miombo woodlands, a 270 million hectares dry forest belt in southern Africa. In tobacco growing areas in Tanzania, tobacco production accounts for 3.3 to 6.5% of deforestation. Estimates for Zimbabwe are 14% and for Malawi even 26%.*26

However, resistance is rising against the profits earned through exploitation and child labour in tobacco cultivation. Nearly 2,000 tobacco farmers and their children are suing two tobacco companies in the UK High Court, seeking compensation for exploitation.*27

Tobacco growing itself is also being questioned. In Brazil, Bangladesh and Kenya, for example, farmers are quitting tobacco cultivation and starting to grow potatoes, carrots, grapes, lentils, maize or beans.*28 In this way, they earn decent incomes with less work and fewer health risks. This path is forward-looking, because in six of the top ten tobacco-growing countries, significant proportions of the population are at risk of food insecurity.*29
Through international agreements, Germany has committed itself to sustainable development, human rights and the protection of the environment.\textsuperscript{30} With regard to addictive products such as cigarettes, the German government has an obligation to implement tobacco control measures\textsuperscript{31} and to fulfill its extraterritorial responsibility.

Cigarettes, with their numerous ingredients, have global supply chains that include not only tobacco but also, for example, pulp for filters and cigarette paper. The tobacco industry’s immense profits are based on both the abuses in the supply chains and the addiction created. Hence, the advertising of cigarettes at points of sale, at events and in social media is mainly targeted at young people.\textsuperscript{32}

In order to minimise the number of smokers and the potential impact on children and youth, the following measures are necessary:

- Annual increases in taxes on cigarettes
- Strengthening the regulation of cigarettes (packaging, advertising)
- Comprehensive protection of non-smokers in places where children and youth spend time
- Prevention programmes tailored to specific target groups

In global supply chains, including those of tobacco and paper, human rights violations and environmental damage must be prevented or reduced, including at the beginning of the supply chains, e.g. in tobacco fields and industrial wood plantations. The following measures are suitable for this purpose:

- Strengthen Germany’s Supply Chain Act to make it more effective\textsuperscript{33}
- Introduction of an effective supply chain law in Europe\textsuperscript{34}

For sustainable development, however, it is not enough to improve the supply chains of all kinds of raw materials. Instead, there is an urgent need for a transition, and for tobacco this means: Farmers in tobacco-growing countries need viable alternative livelihoods, such as food crops that can contribute to local food security. The necessary political, technical and financial support for this transition also falls within Germany’s extraterritorial responsibility.\textsuperscript{35}


6 These four mentioned corporations hold a combined market share of 86%. DKFZ 2020: Tabakatlas Deutschland 2020.

7 Sugar and flavourings are e.g. sugar cane, corn sugar syrup, invert sugar, honey, cocoa, liquorice. Propylene glycol and ethanol, e.g., serve as humidifiers and solvents. Used as fillers and binders are e.g. cellulose fibre and guar gum.


The global industry leader for cigarette machines and other cigarette production technology is the German company Körber AG from Hamburg with its Technologies division.

Körber Technologies 2022: Tobacco. We a a driver of innovation for the tobacco industry. Online: www.koerber-technologies.com/en/industries/tobacco.

9 The chemical company Cerdia International has its largest subsidiary in Germany and is a major player in the global market for filter tow, the raw material for cigarette filters. Wikipedia 2022: Cerdia. Online: https://de.wikipedia.org/wiki/Cerdia.

To produce cigarette filters from filter tow, cigarette companies use machines from Körber Technologies, for example.

Germany imports 75% of its chemical wood pulp from Scandinavia (234,000 tonnes) and North America (61,800 tonnes). Only about 2% (8,600 tonnes) originate from South Africa, less than 1% from Poland (247 tonnes) and Brazil (40 tonnes). The figures show the average of the years 2018 to 2021. However, during this period, imports from Poland increased from 918 kilogrammes to 984 tonnes, and imports from Brazil increase from 56 kilogrammes to 157 tonnes of chemical wood pulp.


Online: https://comtrade.un.org/data.


11 World Health Organization (WHO) 2022: Tobacco: poisoning our planet.
Online: https://apps.who.int/iris/rest/bitstreams/1425871/retrieve.

12 The leading manufacturer of cigarette paper in Germany is Julius Glatz GmbH.
Online: www.swrfernsehen.de/landesschau-rp/hierzuland/video-neidenfels-100.html.

In general, Germany imports pulp for paper production mainly from Brazil, Finland and Sweden.
Online: www.nabu.de/umwelt-und-ressourcen/ressourcenschonung/papier/30384.html.


Subject: Project Number 45987 – not aligned with IFC purpose.
Online: https://environmentalpaper.org/wp-content/uploads/2022/12/20221209-Letter-to-IFC-on-Ribas-do-
Rio-Pardo.pdf.


Online: https://fctc.who.int/publications/m/item/cigarette-smoking.

17 Tobacco-Free Association of Zambia (TOFAZA)/Unfairtobacco 2021: The Impact of Tobacco Production on Women’s Rights.
Online: www.youtube.com/watch?v=aQGN08GnavU.
In 2021, these ten countries grew the most tobacco (in weight): China, India, Brazil, Indonesia, USA, Pakistan, Zimbabwe, Malawi, Argentina and Mozambique.

Online: www.fao.org/faostat/en/#data/QCL.

In 2021, these ten countries exported the most tobacco leaf (in weight): Brazil, Belgium, China, India, Zimbabwe, Malawi, USA, Italy, Mozambique, Germany.
In 2021, these ten countries imported the most tobacco leaf (in weight): Belgium, Germany, China, Russian Federation, Poland, USA, Indonesia, United Arab Emirates, Netherlands, Türkiye.

Online: www.fao.org/faostat/en/#data/TCL.

In 2020, Malawi exported goods worth US$ 780 million, including tobacco worth US$ 410 million.
Online: https://comtrade.un.org/data.

Berlin: BLUE 21 / Unfairtobacco.

Berlin: BLUE 21 / Unfairtobacco.

Berlin: BLUE 21 / Unfairtobacco.

The two global tobacco leaf companies dominating the market are Universal Corporation and Pyxus (formerly Alliance One). They both also have branches in Germany.


In 2021, Germany was the third largest exporter and third largest importer of cigarettes by trade value.
Online: https://comtrade.un.org/data.

In many low- and middle-income countries, tobacco is grown in a contract system. The contract specifies how much tobacco the farmers grow and sell to the company. In addition, the prices for different quality levels are usually fixed in the contract. The company provides the seeds, pesticides and fertiliser needed for cultivation on credit and settles the costs at the end of the season. After delivery of the tobacco leaf, the company assesses the quality and thus determines the price, usually without any significant involvement of the farmers.


Makoka D, Appau A, Lencucha R et al. 2016: Farm-Level Economics of Tobacco Production in Malawi.
Lilongwe: Centre for Agricultural Research and Development and Atlanta: American Cancer Society.
According to the US Department of Labor, child labour in tobacco growing occurs in 17 countries: Argentina, Brazil, Cambodia, Indonesia, Kenya, Kyrgyzstan, Lebanon, Malawi, Mexico, Mozambique, Nicaragua, Philippines, Tanzania, Uganda, Vietnam, Zambia and Zimbabwe. In addition, child labour in the production of hand-rolled cigarettes (bidis) in Bangladesh and India is mentioned.


The list does not include child labour in tobacco fields in Bangladesh and the USA, from where reports are available.


UBINIG, Unfairtobacco 2020: Cost of tobacco farming - Depriving children from education. Online: www.youtube.com/watch?v=IYisGnnVqeE.


The UN Food and Agriculture Organization (FAO) collects data on food insecurity annually. For 2019-2021, the proportion of the population facing moderate or severe food insecurity in the top ten tobacco-growing countries was: China (n/a), India (n/a), Brazil (28.9%), Indonesia (6%), USA (8.2%), Pakistan (32.6%), Zimbabwe (73%), Malawi (81.3%), Argentina (37%) and Mozambique (73.7%). Large segments of the population were also at risk of food insecurity in Bangladesh (31.7%), Tanzania (57.6%), Zambia (69.5%) and Kenya (69.5%).


Despite the reinforced advertising ban on tobacco and nicotine products in Germany since 2021, advertising at the point of sale and at events, among other things, is still allowed. In addition, advertising bans on the internet are regularly circumvented.

Unfairtobacco 2020: Germany's new tobacco advertising ban.  

Tagesschau 2021: Im Dunstkreis der Tabaklobby. Umgehung des Werbeverbots.  


Initiative Lieferkettengesetz 2022: Civil society statement on the proposed EU corporate sustainability due diligence directive.  

Unfairtobacco 2022: Alternative Livelihoods to Tobacco Growing.  

Several articles of the WHO FCTC oblige State Parties such as Germany, to specifically provide this support.  
Art. 17: „Provision of support for economically viable alternative activities“, Art. 22: „Cooperation in the scientific, technical and legal fields and provision of related expertise“, Art. 26: „Financial resources“.  
Online: https://apps.who.int/iris/bitstream/handle/10665/42811/9241591013.pdf.

Malawi, for example, is supported by the German Gesellschaft für internationale Zusammenarbeit (GIZ) with a Green Innovation Centre that focuses on pulses as an alternative to tobacco cultivation.  
Online: https://bonnsustainabilityportal.de/2016/02/giz-sonnenblumen-statt-tabak-unterstuzung-fur-malawis-bauern.

Makoka D 2017: Legumes and Sunflower in Malawi.  