

Unfair Supply Chains. Focus on the Tobacco Industry

Executive summary

This brochure discusses the tobacco supply chain and the German Act on Corporate Due Diligence in Supply Chains (Lieferkettensorgfaltspflichtengesetz, LkSG). Its goal is to educate on how the tobacco supply chain is harmful to human rights, highlighting companies in Germany, for which the LkSG applies. These include Philip Morris GmbH (Philip Morris International), Reemtsma Cigarettenfabriken GmbH (Imperial Brands) and JT International Germany GmbH (Japan Tobacco Inc.).

The LkSG legally obliges companies in Germany to protect human rights and environmental standards in their supply chains by closely observing them and taking measures against potential violations. In the introduction, the authors explain the law, how it relates to the tobacco supply chain as well as to the broader European legal framework, the EU Corporate Sustainable Due Diligence Directive (CSDDD).

The next chapter deals with cigarette supply chains, focusing on the main resources for cigarettes, including where they come from, and on important suppliers for the cigarette business in Germany. A world map graphic shows the origins of tobacco, (chemical) cellulose, sugar cane, and cocoa beans. Another info graphic shows different German companies involved in the cigarette supply chain producing different components such as cigarette paper, packaging or filters. However, the focus of this brochure is specifically on the tobacco supply chain, considering its importance for the production of cigarettes, its devastating consequences for human rights and the environment and its inherited colonial power structures.

The human rights risks at the beginning of the tobacco supply chain are further explained in chapter three. It focuses on the lack of occupational safety and health, poverty, and child labour. It also takes a look at how cigarette companies engage in creating policies to protect human rights standards. Their voluntary programmes consist largely in guidelines for farmers and suppliers and the threat to end contracts if these are not considered. Nevertheless, these programmes overlook deep-rooted issues within the industry and are therefore often considered as greenwashing.

The following two chapters describe cases, in which tobacco farmers have taken legal action against companies for human rights violations, specifically in Malawi and Brazil. Both law suits are still pending.

Donald Makoka from Malawi outlines how more than 7,000 tobacco farmers sued two British companies. The plaintiffs claim that the companies are profiting from the hazardous working conditions as well as the impoverishment of the farmers in Malawian tobacco farms, in short: from exploitation.

Raquel Torres Gurgel from Brazil focuses on the lawsuit filed by a woman tobacco farmer against a leaf merchant company claiming compensation for occupational safety failures. She was diagnosed with an incurable degenerative disease due to constant exposure to pesticides while working in tobacco fields. The author also highlights the importance of this case as a possible legal benchmark for other affected workers.

The concluding chapter discusses the opportunities and initial successes of the LkSG in terms of educating farmers and workers about human rights violations and about the complaint mechanisms of the LkSG. It also considers how farmers and workers could assert civil liability claims against companies under the future EU CSDDD.

As a final conclusion, the authors emphasize that the ultimate goal is to create a tobacco free world, because the business model of the tobacco industry is inherently harmful for the health of workers and consumers.

Authors Sonja von Eichborn, Voila Dannenmaier, Raquel Torres Gurgel, Donald Makoka
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For a tobacco-free world, for human rights and the environment. Without the tobacco industry.
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