



**MEDIA STATEMENT
9 JULY 2021**

Embargo: Immediately

Black tobacco farmers have had enough of illegal cigarette dealers

The following statement is issued by Black Tobacco Farmers' Association (BTFA)

Black tobacco farmers across the country are no longer prepared to sit on their empty hands and watch as the illegal dealers flood the country with their products. Either SARS does something drastic to deal the illegal cigarette market, or we will have to do something ourselves to protect our livelihoods.

We have seen the latest independent research this week by IPSOS, and it confirms what we already know: that the tobacco rogues known as Gold Leaf Tobacco Corporation (GLTC), Carnilinx and Protobac have taken over the market.

Illegal cigarettes are everywhere, as IPSOS has shown. They are in retail supermarkets, corner stores, petrol stations and spaza shops. They are selling more and more in Gauteng, the Free State and KZN. They and their cheap, non-tax paying products have taken over.

In the process, they are destroying our livelihoods, starving our families, and taking tax money out of the system.

The taxes which should be collected on cigarettes could be spent on getting legitimate law-abiding farmers like us get access to land, equipment and markets. Instead, that money is going into the pockets of tax-evaders at Gold Leaf, Carnilinx and Protobac – and in the meantime, there is no money in the national fiscus to support true agricultural development and transformation, or to empower black agriculture.

What makes it even worse is that some of these companies are **proud** of the fact that their cigarettes are so cheap. The South African Tobacco Organisation (SATO), for example, yesterday called for a minimum price of R22 for a packet of cigarettes. The only way that this is possible -- if these companies are paying tax as they claim -- is by ripping off the farmers who produce their tobacco. So, they need to decide: are they legitimate taxpayers or exploitative producers? They can't be both.

Our members are restless and becoming desperate. We have had to deal with COVID, with the lockdowns, with the ban on cigarettes sales, and with a depressed economy. And throughout this, our suffering has grown.



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We are no longer prepared to sit and watch the crooks take over the market.

SARS must do something to show it cares. Failing that, we will be discussing with our members whether we need to take public action to get SARS to take this matter seriously.

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