EU TRADE EXPLORER

Market evolution: Raw tobacco (CN 2401) — 2015–2025

Introduction

The EU's trade in unmanufactured tobacco (CN 2401) over the past decade reveals a market shaped by powerful price dynamics, a reconfiguration of trading partners and a domestic production surge. While physical volumes have barely grown, import and export values have expanded sharply, driven by a widening gap between export and import unit prices. The EU remains overwhelmingly import-reliant, yet a booming homegrown crop has dramatically altered the industry's structural footprint. This report identifies and interprets the key dynamics using official trade data from 2015 to 2025.

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1. Price escalations mask stagnant traded volumes and deepen the trade deficit

Import values grow modestly as rising unit prices offset stagnant volumes

EU imports of raw tobacco rose from EUR 2.63 billion in 2015 to EUR 3.29 billion in 2025, an increase of 25.1 %, yet the tonnage hardly changed (565 570 t → 583 589 t, +3.2 %). The entire import value growth was thus driven by an average price that climbed from EUR 4 644/t to EUR 5 630/t (+21.2 %).
(Source: General Overview – Trade)

A 49 % leap in export unit values propelled export earnings despite a shrinking tonnage

EU exports show an even more pronounced divergence. Export value surged from EUR 969 million to EUR 1 365 million (+40.9 %), whereas quantities fell from 172 244 t to 162 956 t (−5.4 %). The average export price rocketed from EUR 5 624/t to EUR 8 375/t, a jump of 48.9 %, lifting revenues well above volumetric trends.
(Source: General Overview – Trade)

Consequently, the EU's structural deficit in raw tobacco widened from EUR 1.66 billion to EUR 1.92 billion (−15.9 %).

Indicator	2015	2025	Change (%)
Imports (EUR bn)	2.63	3.29	+25.1
Imports (t)	565 570	583 589	+3.2
Import price (EUR/t)	4 644	5 630	+21.2
Exports (EUR bn)	0.97	1.36	+40.9
Exports (t)	172 244	162 956	−5.4
Export price (EUR/t)	5 624	8 375	+48.9
Trade balance (EUR bn)	−1.66	−1.92	−15.9

Price shocks in niche export markets underscore the growing premium on EU-originated leaf

Several export destinations experienced dramatic price adjustments. Exports to Jordan saw a 38.4 % price spike centred in 2023, with the abnormality score reaching 12.6. Japan suffered a 23.7 % price shift in 2019 after volumes collapsed from over 14 000 t to barely 2 000 t. Côte d'Ivoire recorded an 18.5 % price jump in 2023, and Serbia a 16.1 % shift in 2019. These events point to supply tightness and higher value positioning of EU leaf in specific markets.

(Source: Volatility & Shocks – Supply shocks)

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2. Supplier base rebalances eastward as traditional partners lose ground

India and Malawi eclipsed the United States as key import sources, radically altering the EU's supply risk profile

While Brazil remained the largest supplier (EUR 588 M → EUR 654 M, +11.2 %), the import map shifted dramatically. India's shipments soared from EUR 184 M to EUR 389 M (+110.9 %), Malawi's from EUR 247 M to EUR 362 M (+46.5 %), and China's from EUR 84 M to EUR 142 M (+69.3 %). In parallel, imports from the United States fell by 27.0 %, and Tanzania edged down by 4.9 %.

(Source: General Overview – Top partners)

Import partner	2015 (EUR M)	2025 (EUR M)	Change (%)
Brazil	588	654	+11.2
Malawi	247	362	+46.5
India	184	389	+110.9
United States	357	260	−27.0
China	84	142	+69.3
Tanzania	208	197	−4.9
Mozambique	143	188	+31.9

Exports reoriented toward Turkey, Russia and Taiwan, compensating for the collapse of the Japanese and Swiss markets

EU exports surged to Turkey (EUR 69 M → EUR 175 M, +152.2 %), the Russian Federation (EUR 159 M → EUR 256 M, +61.4 %) and Taiwan (EUR 12 M → EUR 54 M, +341.3 %). These gains offset drastic declines to Japan (−35.6 %), Switzerland (−39.4 %), Ukraine (−15.1 %) and the United States (−28.1 %). The Japan shock, where volumes shrank from 14 369 t to 1 844 t between 2015 and 2022, was especially severe.

(Source: General Overview – Top partners)

Export partner	2015 (EUR M)	2025 (EUR M)	Change (%)
Russian Federation	159	256	+61.4
Türkiye	69	175	+152.2
Ukraine	52	44	−15.1
Switzerland	59	36	−39.4
Taiwan	12	54	+341.3
Japan	98	63	−35.6
United States	47	34	−28.1

Import diversification and export concentration moved in opposite directions, signalling a more selective outward strategy

The import HHI fell from 996 to 898 (−9.9 %), indicating a gradual widening of the supplier base. Exports, in contrast, became more concentrated, with the HHI climbing from 670 to 767 (+14.6 %), reflecting the EU’s deepening reliance on a smaller set of high-growth destinations.

(Source: Market Structure – Concentration)

3. A domestic production boom slashes export propensity while import reliance remains entrenched

EU tobacco production more than doubled over the decade, causing export propensity to plummet from 997 % to 385 %

EU production of unmanufactured tobacco (PRODCOM category) jumped from 19.1 million kg in 2016 to 42.9 million kg in 2024, a volume increase of 125.1 %, while the production value rose from EUR 76 M to EUR 229 M (+200.3 %). This domestic surge dramatically lowered the export propensity – the ratio of exports to production – from an extreme 997 % in 2016 to 385 % in 2024 (−61.3 %). The shift indicates that EU producers are now serving a much larger share of internal demand, although the sector still exports far more than it produces, reflecting substantial re-export activity.

(Sources: Market Structure – Production volumes ; Autonomy & Vulnerability – Export propensity)

Year	Production (t)	Production (EUR M)	Export propensity (%)
2016	19 069	76.3	997.0
2021	50 000*	150.0*	482.5
2024	42 932	229.3	385.3
rounded figures			

Net import reliance fell only marginally and still exceeds 87 %, leaving the leaf supply chain deeply dependent on non-EU sources

Despite the production expansion, the EU's net import reliance decreased only from 93.8 % (2016) to 87.8 % (2024), a reduction of 6.4 %. The ratio stayed above 87 % in all years, underlining a persistent, near-total dependence on foreign leaf for domestic processing and re-export.

(Source: Autonomy & Vulnerability – Net import reliance)

A handful of Member States – led by Belgium, Greece and Bulgaria – dominate both trade and specialisation, concentrating logistical risk

Trade-wise, Belgium alone accounted for EUR 600 M of exports and EUR 962 M of imports in 2025, with Greece, Bulgaria, Poland and Italy also playing major roles. Specialisation analysis for 2025 reveals extreme RSCA values: Greece (0.88), Croatia (0.75), Bulgaria (0.70) and Belgium (0.66) are highly specialised in raw tobacco trade, while most other Member States, such as Austria (−1.0) or Czechia (−0.99), show virtually no specialisation. This concentration of activity in a few hubs increases the system's sensitivity to logistical

disruptions.
(Sources: General Overview – Top reporters ; Market Structure – Specialisation)

Conclusion

The EU raw tobacco market between 2015 and 2025 is characterised by a value-driven growth model where rising prices, not volumes, explain almost all trade expansion. Import sourcing has pivoted strongly towards India and Malawi, while exports have been redirected to Turkey, Russia and Taiwan, compensating for the erosion of former core destinations. A striking domestic production expansion has halved the export-to-production ratio, but import dependency remains above 87 %, keeping the EU's processing industry highly exposed to external supply conditions. The sector's increasing export concentration and deep specialisation in a few Member States further amplify the need for robust supply-chain risk management.

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If you need advice on European trade policy, or representation for your interests in Brussels, feel free to contact me at support@tradedashboard.eu. You can find my CV at this address.