

TOBACCO SUPPLY CHAIN DATABASE: CASE STUDY 3

SUPPLY CHAIN PROCESS: AGRICULTURE

SUPPLY CHAIN PRODUCT: CHEMICALS

COMPANY TYPE: INDEPENDENT SUPPLIER TO THE TOBACCO INDUSTRY

Tobacco Control Research Group, University of Bath, 21 October 2021

UPL, according to its annual report, is the fifth biggest Agrosolutions producer in the world. For UPL, 'agrosolutions' chiefly refers to chemicals such as herbicides, insecticides and fungicides. UPL's annual report states that it is a company focused on sustainability and it is now directing its attention towards soil and seed health. The annual report also indicates that it has made over 40 acquisitions in the last 25 years.

Our research for the supply chains database revealed:

- The existence of a US firm (Chemtura Agro Solutions) which supplied the tobacco industry.
- Chemtura was taken over by Arysta. Arysta became part of Platform. Platform wanted to concentrate on its industrial business and sold Arysta (its agricultural business) to UPL.
- UPL is based in India, but it has subsidiaries in the USA, South Africa, Kenya, Nigeria and the Philippines, and these subsidiaries sell chemicals for tobacco growing and/or storage.
- Tobacco is not mentioned in UPL's Annual Report.

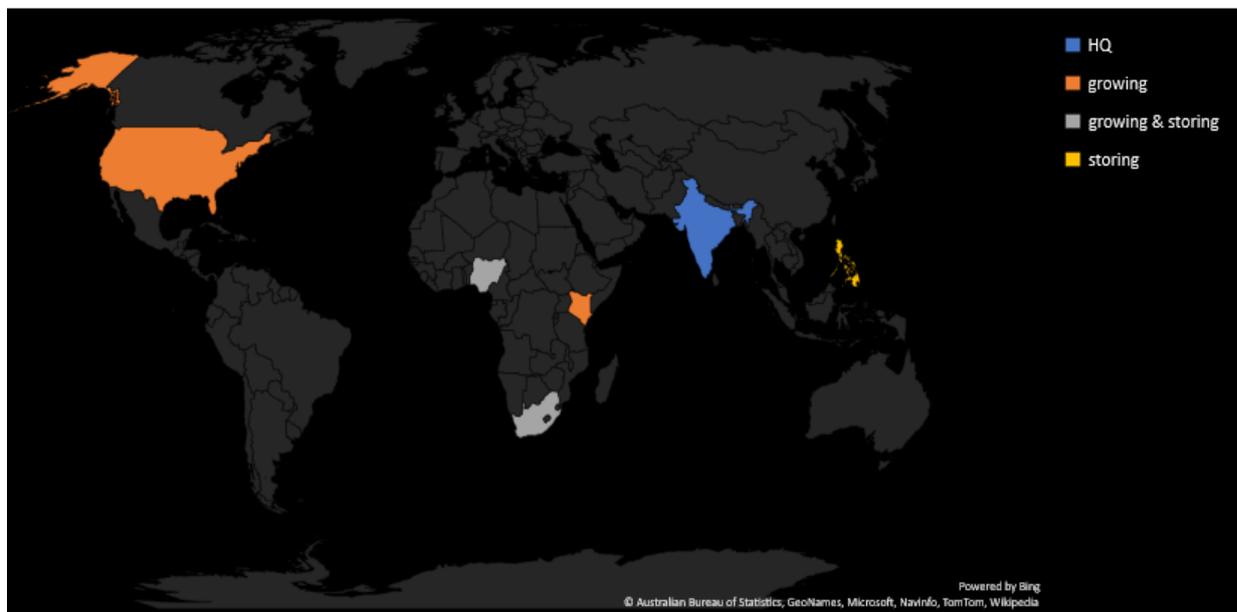


Fig 1: UPL and tobacco supply chain subsidiaries

WHAT DO WE LEARN ABOUT UPL FROM OUR DATABASE RESEARCH?

The information we found while researching the supply chain database illustrates:

- The worldwide nature of supply chain companies.
- The volatile nature of companies through mergers and acquisitions.
- A transfer of influence from the West to the East, where governments may struggle more to counteract the influence of large corporations.
- It isn't always clear at first glance how a company may be part of the tobacco supply chain - tobacco is not mentioned in UPL's annual report but its subsidiaries produce chemicals which can be used for tobacco growing and these are being sold in several countries.
- The sale of agrochemicals for tobacco in LMIC reflects the rising importance of LMIC in the tobacco supply chain.

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