



**Memorandum of Understanding**

**between**

**The International Trade Centre**

**and**

**COMESA Leather and Leather Products Institute**

*JTC*  
*COMESA*

# **Memorandum of Understanding**

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**The International Trade Centre**

**and**

**COMESA Leather and Leather Products Institute**

WHEREAS the International Trade Centre (hereinafter referred to as "ITC"), with headquarters at Geneva, Switzerland, the development partner for trade success, is the joint technical cooperation agency of the World Trade Organization and the United Nations;

WHEREAS ITC in its aim to contribute to the achievement of the goals of the United Nations post-2015 Development Agenda, generates sustainable incomes and livelihoods especially for poor households, by connecting enterprises to regional and global markets and enables small business trade success in developing and transition countries by providing, with partners, inclusive and sustainable trade development solutions to the private sector, trade and investment support institutions (TISIs) and policy-makers;

WHEREAS ITC aspires to hold up the values of vision, integrity, excellence, pragmatism and responsiveness;

WHEREAS ITC is leveraging on its strategic objectives which are: building awareness and improving the availability and use of trade intelligence; strengthening TISIs; enhancing policies for the benefit of exporting enterprises; building the export capacity of enterprises to respond to market opportunities; mainstream inclusiveness and sustainability into trade promotion and export development policies;

WHEREAS ITC bases its integrated solutions around the following focus areas where the organization has a comparative advantage in providing: (1) trade and market intelligence for small and medium-sized enterprises (SME) competitiveness; (2) supporting regional economic integration and South-South trade; (3) connecting value chains: SME competitiveness, diversification and links to export markets; (4) strengthening TISIs; (5) promoting and mainstreaming inclusiveness and green trade; and (6) building a conducive business and policy environment through public-private dialogues;

WHEREAS Common Market for Eastern and Southern Africa - Leather and Leather Products Institute (hereinafter referred to as "COMESA/LLPI"), with headquarters at Akaki Kality, Addis Ababa, Ethiopia, was chartered in 1990, with the endorsement of 17 COMESA Heads of State;

WHEREAS COMESA, along with the Southern African Development Community (SADC) and East African Community (EAC), is a signatory to the proposed Tripartite Free Trade

Area (TFTA) Agreement which supports economic integration in Africa through promotion of three main pillars: market integration, infrastructure development and industrial development;

WHEREAS COMESSA/LLPI aspires to be Africa's premier leather sector centre of excellence in the global arena and increase the production and export of value added products in order to promote job creation, income and economic growth;

WHEREAS COMESA/LLPI's mandate is to facilitate the development of the leather sector in the COMESA Region and connect partners, enterprises, institutions for value addition and competitiveness in the leather sector through its strategic objectives to: (1) enhance COMESA/LLPI capacity to share best practices and strengthen value chain networks; (2) enhance value addition through Clusters/Service Centres development; (3) facilitate and promote the strengthening of the regional leather value chain; (4) build a comprehensive production and trade data base for the leather sector; (5) build Member States' institutional capacity to deliver support services and policies; (6) facilitate the development and implementation of occupational health and environmental management standards in the leather industry; and, (7) facilitate leather development and investment and resource mobilization. COMESA/LLPI's seven strategic objectives represent an integrated response to promote leather sector value chains and clusters at the local and regional level.

WHEREAS COMESA/LLPI's institutional strategy supports the promotion of value addition in the leather sector particularly in the following strategic target markets: wet blue leather; crust leather; finished leather; shoes; bags, wallets, belts; and, garments;

WHEREAS COMESA/LLPI implements its institutional strategy using an approach entitled 'Sharing of Knowledge, Adaptation and Adoption' (hereinafter referred to as "SAA") in intervention activities at various levels of the value chain to link and strengthen institutions, share knowledge and best practices to promote improved competitiveness of the leather industry;

WHEREAS ITC and COMESA/LLPI have previously partnered together in the facilitation of a regional leather strategy in 2012 and in implementation of ITC's 'Programme for African Capacity for Trade' for development of trade between COMESA countries, Italy and India of which the leather industry was a component;

WHEREAS ITC and COMESA/LLPI have agreed to work together in two areas: i) to mobilise funding for implementation of intervention activities related to development of the leather industry in the region and beyond<sup>1</sup>; and ii) in the implementation of COMESA/LLPI institutional strategy, which is a vehicle for implementing the COMESA regional Leather Value Chain Strategy, thus catalysing the implementation of COMESA/LLPI Member Countries' Leather Value Chain Strategies;

**NOW, THEREFORE**, ITC and COMESA/LLPI (hereinafter collectively referred to as the "Parties", and each individually as a "Party") have agreed to the following:

**Article 1: PURPOSE**

The purpose of this Memorandum of Understanding (hereinafter referred to as "MOU") is to provide the framework of cooperation between ITC and COMESA/LLPI in development of the leather and leather lifestyle sectors in COMESA countries involving:

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<sup>1</sup> COMESA/LLPI charter empowers it to work with non-COMESA Member States, thus it can work with countries outside the COMESA region.

- (a) Design of project proposals using participatory, private-sector led methodologies for development of the leather sector that are aligned with ITC strategic objectives, COMESA/LLPI's Institutional Strategy and respond to the regional and national sector strategies of member countries of COMESA and the Southern African Development Community (SADC);
- (b) Subject to each Party's availability of funds, joint resource and investment mobilization efforts;
- (c) Joint project implementation for development of the leather sector at the national and regional level in alignment with private sector aspirations subject to funding availability;
- (d) Development of market linkages to facilitate development of the leather sector in COMESA member countries;
- (e) Development of monitoring and evaluation methodologies in alignment to private-sector led value chain development initiatives;
- (f) Visibility and advocacy through events that create awareness on the institutions' methodologies and approaches.

**Article 2: AREAS OF COOPERATION**

1. Subject to the availability of funds, the Parties' respective strategic frameworks and priorities, and without prejudice to the necessary approvals required pursuant to the Parties' internal regulations and rules in effect at the time of the planned implementation, the Parties' cooperation will be related to the areas of collaboration mentioned in Article 1.

2. The activities shall include but not be limited to:

- (a) Capacity building of value chain operators at the regional and national level with particular emphasis on promoting clean production, value added activities and competitive positioning of the leather and lifestyle product offer in COMESA member countries;
- (b) Development of market linkages and investment profiles on the leather value chain for prospective investors in COMESA member countries;
- (c) Environmental impact assessment and greening of the leather sector in COMESA member countries;
- (d) Support to enterprises in setting up systems for continuous monitoring of performance in COMESA member countries.

3. For the implementation of the aforementioned activities, COMESA/LLPI, in close consultation with ITC, shall be responsible for:

- (a) Joint organization of leather specific industry development workshops with participants from the industry;
- (b) Provision of technical support and co-facilitation of technical trainings to policymakers, enterprises and related support institutions that cover:
  - (i) Operations, production and quality;
  - (ii) Management and business operations;
  - (iii) Environmental management; and