



ACQUISITION OF EQUIPMENT/TOOLS THROUGH THE PTA BANK'S CORPORATE SOCIAL RESPONSIBILITY SCHEME TO SUPPORT THE GROWTH AND PERFORMANCE OF SMES IN LEATHER FOOTWEAR MANUFACTURING IN ETHIOPIA, SUDAN AND UGANDA

PTA Bank has committed to support the COMESA Leather and Leather Products Institute ("COMESA/LLPI") as part of its CSR program and in line with best practice. COMESA/LLPI was approved by the Preferential Trade Area (PTA) for Eastern and Southern African States in 1988 to fulfill its industrial objective to "support and develop the leather industries of the COMESA region". PTA Bank's support through its Corporate Social Responsibility Scheme in partnership with COMESA/LLPI is opportune and result oriented to the livelihood of the people in the COMESA regions. "PTA Bank will provide a capacity building grant of USD 75 000 to support COMESA LLPI advance Industrialization and SME development in COMESA member states".

PTA Bank aims to support developmental and sustainable initiatives and recognizes that the leather sector has been highlighted as a priority agro-based commodity in the COMESA Region.

The objective is to acquire equipment/tools to support the growth and performance of SME-s in leather footwear manufacturing in COMESA member countries. PTA Bank's intervention will provide some assistance in dealing with the equipment and tools problems that will have a great impact in enhancing the initial stage of SMEs performance.

The SMEs will use the equipment and tools, which will be located in a central place and they will be charged a nominal amount for the equipment and tools usage. The service charge money will form a common pool of funds, which will be used for the maintenance and replacement of the equipment's and tools.

This initiative will strengthen the service/incubation centers and footwear SMEs cluster through the provision of common equipment's and tools. Empirical evidence from the assessments that were done by COMESA/LLPI showed that SMEs performance in COMESA countries was being impaired because of inadequate skilled manpower, isolation, very old and obsolete working equipment's and tools, among others. Over the past two years COMESA/LLPI has improved the challenges relating to isolation by facilitating the creation of clusters; limited skills by training 450 footwear artisans.

Through the proposed initiative, more than 500 SMEs will be able to access equipment and tools to enable them enhance their productivity.

The COMESA/LLPI initiative is scheduled to be launched in March 2015 during the COMESA Summit of Heads of State.

Prof. Mwinyikione Mwinyihija, Executive Director COMESA/LLPI, said "This is a valuable opportunity for COMESA/LLPI associating with PTA Bank in its endeavor to support, under the Bank's CSR scheme, strengthening of the SMEs in the region. We are, therefore, very proud and appreciative of the support amounting to 75,000 USD. This contribution is geared towards supporting three well organized Incubators, situated in Ethiopia (Ethio-International Footwear Cluster Cooperative Society), Sudan (Sudan Science and Technology University) and Uganda (the Ugandan Leather

Association), for purposes of building capacity and facilitating production of high quality leather and leather goods. We look forward for such an association through partnering to address developmental issues related to the leather sector by enhancing our collaboration now and in the future”.

PTA Bank President Tadesse remarked that "PTA Bank is very pleased to support LLPI in its important regional work of strengthening the leather sector, one that has huge potential for industrial value addition, enterprise growth and job creation. The COMESA region has an abundant supply of livestock and more can and should be done to unlock the attendant opportunities as has been done in other regions and countries. We will continue to do our part to support resource-based best industrialization in the region, in a disciplined and well considered manner".

COMESA/LLPI: <http://www.COMESA-LLPI.ORG>