



# COMESA-LLPI NEWSLETTER



Leather for Health, Wealth and Luxury!

*Towards Celebrating 25th Year Anniversary (1990-2015)!*

**July - Sept. 2015 (Issue No. 3)**

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**NEXT ISSUE  
DECEMBER 2015**

## COMESA/LLPI and COMSec Organized Workshop on the Establishment of a Regional Design Studio for Leather and Leather Footwear and Leather Goods.

COMESA/LLPI, in collaboration with the Commonwealth Secretariat (COMSec), organized a Workshop on the Establishment of a Regional Design Studio for Leather Footwear and Leather Goods.

The Workshop was held on September 15-16, 2015 at Jupiter International Hotel, Addis Ababa, Ethiopia.

The main objective of the Workshop was to discuss on problems of Product Development, Design and Fashion Forecast in the Region and, consequently, the importance of establishing a Regional Design Studio for Leather Footwear and Leather Goods and how to device mechanisms to setup the Studio.

The Workshop was officially opened by Dr. Rashimi Banga, Head of Trade Competitiveness Section, COMSec Headquarters.



Participants were Government representatives from Ethiopia, Kenya, Sudan, Swaziland, Uganda, Zambia and Zimbabwe. In addition, participants from the Commonwealth Secretariat, Center for World Trade Organization (WTO) Studies and OsanNimu Design Company attended the Workshop.

The Workshop attendants from invited Member States also presented "Case Studies" on leather sector value addition activities and design initiatives in their respective countries.



*Group Photo of All Participants of the Workshop*

At the end of the Workshop, participants agreed to the establishment of a Regional Design Studio for Leather Footwear and Leather Goods at Regional level and its satellites in selected COMESA/LLPI Member Countries.

The full cost of the Workshop was covered by the Commonwealth Secretariat (COMSec).



**Prof. Mwinyikione Mwinyihija, Executive Director of COMESA-LLPI**

Dear readers:

I am pleased to share with you this 3rd Quarter Newsletter of 2015. As 2015 continued to be a busy year, our third quarter was full of activities. The activities and programs, both at member States and headquarters levels, continued to get enhanced in quality, depth and breadth. In this regard, I would like to thank our development partners whose generous support is making a difference in boosting our ability to support the development of the leather sector in our member States.

In 2015 COMESA/LLPI will wrap up its current 5 Years Strategic Action Plan (2010-2015) and will begin, in January 2016, the next plan of 10 years (2016-2025). Preparation and validation of the Strategic Plan was, thus, one of the major activities conducted during this third quarter. Considerable resource and time were devoted by both the Institute's Management and technical team for the Strategic Plan development. The Institute is also working towards celebrating its 25th Year Anniversary at the end of 2015 for which sizeable activities with much focus are underway.

We hope the information contained in this issue will help to keep you informed and connected with COMESA/LLPI activities and to find out some of the regional and global happenings in the leather sector.

We look forward to hearing from you and welcome your ideas and feedback.

Sincerely,

Prof. Mwinyikione Mwinyihija

Executive Director



#### COMESA/LLPI at Global Leather Platform

##### (i) XXXII IULTCS Congress

It is with great pleasure that COMESA/LLPI announces its participation at the XXXIII International Congress of International Union of Leather Technologists and Chemists Societies (IULTCS) set to take place from November 24th – 27th, 2015 in Novo Hamburgo - RS (BRAZIL).



The IULTCS Congress, recognized as the world's most important technical event within the leather industry, will host talk about scientific reports of all progresses reached in the leather sector that encompass fundamental research in leather science and technology; new sustainable developments in leather making processes and operations, waste treatment and use of residues; innovative leather making and waste treatment technologies successfully implemented in full scale tannery production; new developments in chemical products and materials for the tanning industry; optimised use of energy and machinery in leather industry; advanced leather analysis; health and safety in the leather industry; design, fashion and marketing in the leather industry, and new global requirements: carbon footprint, novel international certifications and their effect on leather industry.

It is to be recalled that IULTCS most recent edition took place in 2013, in Turkey. This year, the meeting is organized by ABQTIC (the Brazilian Association of Leather Industry Technicians and Chemists). COMESA/LLPI is honored to be one of the Scientific Committee members of IULTCS, together with other globally renowned Leather Scientists.

##### (ii) The 2nd World Leather Congress



The world's most important tanners recently met in Milan for the 2nd World Leather Congress organized by UNIC, the Italian Tanners' Association, and ICT, the International Council of Tanners.

Over 300 delegates from over 28 countries gathered to discuss strategies, trends and market scenarios.



Delegates of World Congress Milan

The future of the tanning industry was the theme of the congress patronized by the European Commission, the Italian Ministry of Economic Development, and the Lombardy Region. The main aspects discussed were raw materials, international trade, and development of tanning chemistry and technology, and communication.

The leather value chain, originating from a by-product of the meat industry considered as a core product, generates employment for 10 million people worldwide, starting from the slaughterhouse and arriving at the sale of footwear, handbags, car

interiors and home furnishings.

The tanning industry, in particular, generates annual revenue of 40 billion dollars and produces 2 billion square meters of tanned leather each year.

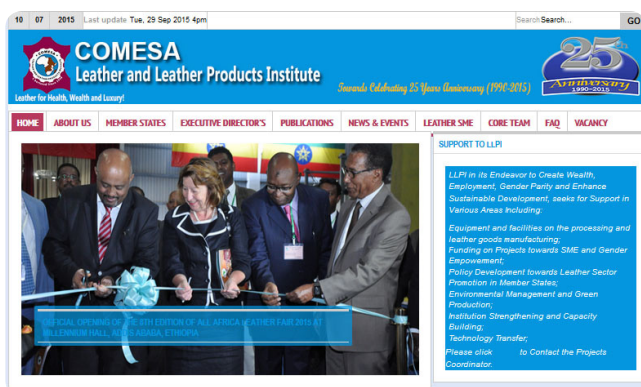
COMESA/LLPI was represented in the Congress by its Executive Director, Prof. Mwinyihija. He presented a paper entitled "Africa's Renaissance and potential in the leather sector with reflection to the global performance". The presentation sheds light on the opportunities



**Prof. Mwinyihija Presenting his Paper**

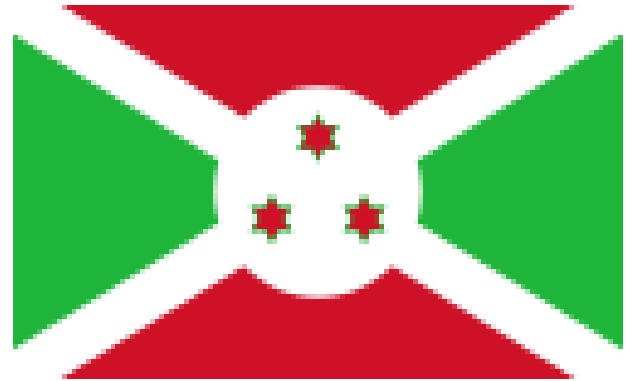
of the Africa leather industry with respect to the global

The event held on the eve of LINEAPELLE, the leading trade fair of the leather industry, triggered an intense discussion regarding the instruments and opportunities for growth.



**WWW.COMESA-LLPI.INT**

## Burundi Registers Intent to Join COMESA-Leather and Leather Products Institute



Burundi's Minister for Commerce, Industry and Tourism, Her Excellency Mrs. PELATE NIYONKURU signed the COMESA Leather and Leather Products Institute's "Instrument of Accession" on September 15, 2015.

It is to be recalled that the Government of Burundi, in 2011, launched "Vision 2025" that represents a road map for Burundi's sustainable development through accelerated economic growth, and for the reduction of poverty. During the same year the Government launched the National Agricultural Investment Programme to streamline its National Agricultural Strategy into programmes that would direct agro-based development and eventually address the root causes of rural poverty.

Recognizing the leather sector as a basic and potential commodity for job creation, wealth generation and rural development, the Government of Burundi in collaboration with COMESA/LLPI developed Leather Value Chain Strategy. The later will be used for the formulation and implementation of the programmes and projects which will help in the development and modernization of the leather sector. The joining of Burundi to COMESA/LLPI is, therefore great news for the leather sector economy and, thereby, for all the stakeholders in the leather sector in Burundi as it will boost and further strengthen the collaborative activities with the Institute.

COMESA-Leather and Leather Products Institute very much welcomes Burundi as its 10th member state and will redouble its efforts to contribute towards the development of the leather industry in the country.



## Project Launch Workshop on Greening SMEs Leather Clusters and Leather Tanning Industry in Kenya



The COMESA-Leather and Leather Products Institute in collaboration with KLDC and other partner organizations launched a project entitled "Greening SMEs Leather Clusters and Leather Tanning Industry in Kenya- Promoting Sustainable Consumption and Production Practices and Eco-entrepreneurship" on 18 September, 2015 at the Laico Regency Hotel, Nairobi, Kenya.

The Project was developed as part of COMESA/LLPI's endeavor to promote sustainable consumption and production practices and eco-entrepreneurship in the development of the COMESA region's leather sector

Participants of the Workshop included officials and experts from different public Institutions (Ministry of Industrialization, KLDC, KIRDI, NEMA, Bureau of Standards, Private Sector that encompassed tanners, footwear manufacturers, leather sector associations, United Nations Organizations (UNOPS, UNEP) and COMESA/LLPI. A total number of 41 participants attended the Workshop.

The Workshop was opened with participants' self introduction and Welcome Address by Mr. Charles Ndungu, Ag, CEO of KLDC. Mr. Ndungu, in his Welcome Address, gave an overview of what the project is all about and its role in helping to produce leather and leather products in environmentally friendly manner. He said that the project will

help to develop a road map for sustainable development of the Kenyan leather sector and called stakeholders to provide their unreserved support for its realization.

Then, Mr. Nicholas Mudungwe, Project Coordinator and Cluster Expert from COMESA/LLPI, presented the details of project activities and expected major outcomes. This was followed by remarks from Ms. Rhoda Wachira from UNEP, Mr. Simon Nganga (Regional SME Committee Chairman), Mrs. Nalina Rupani (Regional Leather Sector Core Team Chairperson), Mr. Zewdu Kebede (Programs Coordinator from COMESA/LLPI representing the Executive Director Prof. Mwinikione, Mwinyihija), all appraising the importance of the Project in the country's efforts to develop the leather industry in an environmentally friendly manner.

The Guest of Honor, Mr. Joseph Kirlagat, from the Ministry of Industrialization and Economic Development, officially launched the Project after thanking Partner Organizations and COMESA/LLPI for their support and highlighting the Kenyan Industrial Development Agenda guided by the Country's Vision 2030, the Ministry's 5-point Strategy and the fitting of the Project to the country's development plan. Ms. Beatrice Mado Olanlio, representing the Leather Goods Manufacturers Association, gave a Vote of Thanks.

On the second day (September 19, 2015), COMESA/LLPI Experts, Mr. Nicholas Mudungwe (Cluster Expert and Project Coordinator), and Prof. Mekonnen Hailemariam (Leather Value chain Expert), gave training at KLDC Headquarters to 10 KLDC staff on project implementation details.



Participants Group Picture

#### COMESA/LLPI Facilitated Discussion on a Revolving Fund Scheme for SMEs

COMESA-Leather and Leather Products Institute (COMESA/LLPI) facilitated discussion for a Pilot Revolving fund Scheme for SMEs in leather footwear and leather goods in Kenya was held at the Ministry of Industrialization and Enterprise Development, Nairobi, Kenya, on August 21, 2015.

Hon. Mr. Adan Mohamed, EBS, Cabinet Secretary for Ministry of Industrialization and Enterprise Development, chaired the meeting. , Mr. Admassu Tadesse (CEO and President-PTA Bank) and Top PTA Bank officials and Ms. Patricia Onyango (Senior Project & Infrastructure Finance Department-PTA Bank), were in attendance of the Meeting. Participants of that event were also drawn from the Ministry of Industrialization: Mr. Korir (Industrialization Secretary), Mr. E.N Kimurt (Director of Industries) and Mr. Rajjev Atora (Board Director , Export Zones Authority and Advisor for Textile Value Chain); Kenya leather Development Council (KLDC) (the Institute responsible for the Development of the leather sector in Kenya), Mr. Titus Ibui (KLDC Board Chairman) and Mr. Charles Mwangi (Acting CEO, KLDC) and COMESA/LLPI (the facilitating Institution ), Prof. Mekonnen Hailemariam (Leather Value Chain Expert and

Personal Assistant to the Executive Director).

The discussion was very fruitful and resulted in initial ideas for 300.000 USD availed for the establishment of a revolving fund scheme. The PTA Bank, local financial institution (to be identified) and the Ministry of Industrialization and Enterprise Development will jointly materialize the revolving fund scheme. The modus operandi, including the KLDC's role in the implementation of the revolving fund scheme, will be worked out in subsequent meetings.

The implementation of a revolving fund scheme, which is the first of its kind and initiated by COMESA/LLPI, is expected to provide the optimal socio-economic benefits to SMEs through enhancing their value addition and competitiveness. It will also stimulate the involvement of the financial sector (banking institutions) in order to support the Government's efforts of promoting Industrialization through SMEs development. COMESA/LLPI takes pride of this discussion that will provide basis of the SME support of the leather sector, in particular in financial management profile, as a model for its subsequent similar initiatives in other LLPI member countries.

#### Update on Sudan Leather Value Chain Strategy Implementation Activities

The Sudan Leather Value Chain Strategy Implementation Coordination Team informed COMESA/LLPI that it is actively communicating with the Country's newly appointed Ministers and the Governor of the Khartoum State with respect to the implementation of the recently launched Leather Value Chain Strategy of the country.

In this respect, the team held fruitful discussions with the Minister for Investment & Industry, H.E. Eng. Abdalla and Minister for Human Development and Labour H.E Dr. Yahia Mukwar. Both Ministers once again reiterated their strong support for the strategy implementation and promised to further brief the newly appointed Federal Industry Minister, the Khartoum State Governor and the Vice President of the country. Mr. Hashim, leather sector coordinator, is asked to prepare a brief for

the same.

The Strategy Implementation Coordination Team also made a courtesy visit to the newly appointed Directors of both the Sudan University of Science and Technology Incubator and the National Leather Technology Center and briefed them about the Strategy and agreed to work together on it.

The Team also met the Industrial Development Bank that confirmed its readiness to support the footwear production cluster that is planned to be setup at the Kerari Vocational Training Center. The Team solicited COMESA/LLPI's support to develop a full project proposal that will be submitted to the Industrial Development Bank.



#### COMESA/LLPI 10 Years (2016-2025) Strategic Plan Has Been Validated



solving capacities through the “Triple Helix” approach.

The Strategy is cognizant of the global dynamics and the Mega Trends that affect business in the leather and other related relevant activities.

In order to position itself to overcome its challenges and deliver services to the Member States, the Institute carried out extensive analysis of its operating environment, both internal and external, and has identified seven key Strategic Objectives and interventions to achieve its mandates for the period 2016-2025, addressing the current National, Regional and Global States of the leather sector.

The document has foreseen LLPI’s Vision to be Africa’s Premier Leather Sector Center of Excellence in the Global Arena.

The Mission, in this respect, aims at facilitating Member States and link partners, enterprises, institutions for value addition and competitiveness through sharing of knowledge, adaptations and adoption of innovation at various value chain levels.

The draft Long Term Strategic Plan has been validated through participation of knowledgeable and experienced experts drawn from Sudan, Uganda, Ethiopia, Zambia and the International Trade Center (ITC) and COMESA/LLPI Professionals during 26th - 28th August 2015 in Ziway Town, Ethiopia.

In order to focus implementation of activities and initiatives to deliver services and achieve its mandate, COMESA/LLPI had developed a Medium Term Strategic Action Plan (2010-2015), which will soon expire in December 2015. The Institute, therefore, was undertaking the development of Long Term Strategic Plan (2016-2025) to take over from the previous Medium Term Strategic Action Plan.

Through the Ad Hoc Committee of the Institute, the Long Term Strategy Plan was in the process of formulation since March 2015. Its development process and the role of COMESA/LLPI, as a bridging institution between the public and private stakeholders, provides inclusive governance for experimentation and exploration of problem



Participants Group Picture

#### COMESA/LLPI Staff Retreat Program



COMESA-Leather and Leather Products Institute organized a Retreat Workshop to all its staff from August 28 to 31, 2015 at Haile Resort Ziway, Ethiopia. The objective of the retreat program was to thank the staff for their hard work and appreciable achievements as well as to further strengthen the solid and close work relationship among the staff.

During the Retreat workshop, all staff were introduced with the newly developed COMESA/LLPI's Ten Years Strategic Action Plan. Presentations and discussions were also made on the Activities & Budget Performance of 2015, Work Plan and Budget for 2016, QMS/EMS implementation status, 2015 Staff Award Program and the LLPI's 25th Anniversary Celebration plan.

Staff members expressed their happiness for being part of the discussion team and being able to express their views and comments in all LLPI activities. The staff thanked especially the Executive Director, Prof. Mwinyikione Mwinyihija for introducing this new culture of involving all staff members across all job categories in the planning and implementation of the Institute's overall activities.

As part of the retreat program, the Staff were also taken to two historical islands situated on the Zeway lake. As a concluding event, a dinner reception was organized and Certificates were handed to those who were trained in Quality Management and Environmental Management Systems (QMS/EMS)



Entire Staff Traveling across lake Ziway through Boat



LLPI Staff Showing their Strength through Unity



## The 9th Regional Leather Sector Core Team (RLSCT), 3rd SMEs Technical Committee & 2nd Triple Helix Meetings



Partial View of The 9th Regional Leather Sector Core Team (RLSCT), 3rd SMEs Technical Committee & 2nd Triple Helix Meetings



The 9th RLSCT Meeting, in concurrence with the 3rd SMEs Technical Committee and 2nd Triple Helix, was held at Bronte the Garden Hotel, Harare, Zimbabwe, on 24th and 25th July 2015. It also witnessed the graduation of 40 Trainees who attended the training course in “Introduction to Cluster Development Management” from Zimbabwe, under the sponsorship of RISP-EU of the COMESA Secretariat, executed and coordinated by COMESA/LLPI, in collaboration with the Ministry of Industry and Commerce (MoIC) of Zimbabwe.

The combined 9th RLSCT, 3rd SMEs Technical Committee and 2nd Triple Helix Meeting was hosted by the Republic of Zimbabwe and involved 46 delegates and observers drawn from Member States, COMESA/LLPI, host country, Academia, [Ege University, Turkey and Makerere University, Uganda], AUC and renowned international investors in the leather sector.

### The objectives of the Meeting were as follows:

- » Receive member countries Report on the Progress aimed at supporting the leather sector development since the Kampala Forum, January 2014;
- » Strengthen the collaboration between COMESA/LLPI and COMESA Member States together with the private sector;
- » Exchange of experiences among LLPI member countries and its partners;
- » COMESA/LLPI 2014 – 2015 major Performance and future Interventions including preview of the next LLPI Long Term Strategic Plan, starting 2016;
- » An update on the Transformation Agenda of the leather sector currently undertaken by LLPI to the

regional leather sector.

Recommendations were categorized in four sections with targeted responsible stakeholders.

### Recommendations to be overseen by LLPI:

- » Create a Regional Data & Information Center (Centers of Excellence);
- » Engage on anchoring incubation and capacity building for the leather industry in Malawi, Zambia, Eritrea, Swaziland and Burundi;
- » Provide research on specific themes to generate knowledge for policy in all LLPI member States (quality & standardization);
- » Formulate and develop market linkage strategies for SMEs to promote intra-trade;
- » AUC be given an observer status in the LLPI Board of Directors Meeting;
- » Pursue the establishment of an African Leather Platform under the AUC;
- » Expedite the finalization of the MoU between AUC and LLPI;
- » Enhance the ongoing Triple Helix Approach to be an annual activity
- » Enhance the ongoing South-South and North-South development cooperation and partnership; and
- » Audit the implementation of the previous triple Helix recommendations.

### Recommendations to be overseen by Member States

- » Expedite the implementation of the Country Leather Value Chain (LVC) Strategies; and
- » Identify affordable finance sources for SMEs

development

#### Recommendations to be overseen by SMEs and the Private Sector

- » The Industry to create opportunities for internship and apprenticeship to students at tertiary/vocational training; and
- » Identify the incentives available for SMEs to enhance trade and development.

#### General Recommendations

- » The Meeting recommended Swaziland to host the next Event; and
- » Burundi considered to be an alternate host country to facilitate the next Event

In closing the Meeting, Prof. Mwinyihija, the Executive Director of COMESA/LLPI, thanked all participants and observers- “the Champions” for their valuable contributions and active participation during the consideration of all the agenda items

that were considered by the meeting. He also highly appreciated the host Country, Zimbabwe, in particular, the Ministry of Industry and Commerce, for the hospitality, support and facilitation of respective participants to be able to attend the Meeting.



Group Picture At the Conclusion of the Meeting

## COMESA/LLPI Participated in the Regional Livestock Policy Validation Workshop

The COMESA Secretariat, in collaboration with the African Union – Interafrican Bureau for Animal Resources (AU-IBAR), held a two day regional workshop in Lusaka, Zambia for the Validation of the COMESA Livestock Policy Framework.

44 Representative Experts in Livestock Agriculture including Directors of Veterinary Services and Directors of Animal Production from 16 COMESA Member States, participated in the workshop. COMESA Assistant Secretary General (Administration and Finance) made an Opening Remark.

COMESA/LLPI was represented in the Workshop by its Programmes Coordinator, Mr. Zewdu Kebede. He presented the Institute's recommendation regarding Livestock Traceability, which was backed by the consultant who disseminated a write-up on Livestock Identification and Traceability, an issue recognized as a policy challenge.



STAKEHOLDERS VALIDATION WORKSHOP OF LIVESTOCK POLICY FRAMEWORK  
08 JULY, 2015. LUSAKA, ZAMBIA.



COMESA/LLPI Towards Celebrating 25th Year Anniversary!!



#### COMESA/LLPI Board of Directors 28th Ordinary Meeting



The COMESA-Leather and Leather Products Institute (COMESA/LLPI) Board of Directors held its 28th ordinary meeting from July 22-23, 2015 at Bronte the Garden Hotel in Harare, Zimbabwe. The Meeting was attended by the Board Members from Ethiopia, Sudan, Zambia and COMESA/LLPI, with apologies received from Rwanda and COMESA Secretariat.

The Meeting started by electing Mr. Wondu Legesse, Director General, Leather Industry Development Institute of Ethiopia, as the new Board Chairperson to replace the outgoing Chairperson, Mr. Tobias Mulimbika, Director of Industry in the Ministry of Commerce, Trade and Industry of the Republic of Zambia. The agenda of the two days meeting focused on review of the report of the Twenty Seventh Meeting of the Board of Directors and Progress Report of the Institute for the period October 2014 – June 2015, among others.

The Twenty Seventh Meeting report review focused on

assessing the current status of the recommendations and decisions made by the Board for the Institute's implementation. Regarding the consolidated Progress Report of the Institute for the period October 2014 – June 2015, the Board evaluated the Institute's performance by examining achievements and challenges during the reporting period.

The Board thanked the Executive Director and his Team for the success and progress achieved so far in member States; and provided the necessary directives,

recommendations and decisions for the Institute's consideration and implementation for the remaining 5 months of the year.

At the end of the Meeting, the Chairperson, Mr. Wondu Legesse, thanked the Board Members for their active participation and pertinent deliberations and wished them safe return to their respective destinations.

The Executive Director, Prof. Mwinyihija, also reiterated the same and wished all the Board Members and the Secretariat Team safe journey back to their duty stations.

The next Board of Directors' Meeting was agreed to be held in Addis Ababa, Ethiopia with the dates of the meeting to be worked out between the Board Chairperson and the Executive Director of COMESA/LLPI.



28th Board of Directors Meeting in Harare, Zimbabwe

#### COMESA-Leather and Leather Products Institute (COMESA/LLPI) Mounts Experts Team Mission to Kenya



Two COMESA/LLPI Experts, Mr. Nicholas Mudungwe and Prof. Mekonnen Hailemariam, conducted a mission to Kenya from July 5 to 11, 2015 in response to the request made by the Kenya Leather Development Council (KLDC) to facilitate the designing of Kenya's Leather Value Chain Policy and Master Plan.

The objective of the Mission was to identify issues to be incorporated into the National Leather Policy Development and Leather Development Master Plan, as well as for the Kariako Footwear Cluster Operational Framework Setting. The Mission objectives were accomplished through stakeholder's consultations that were drawn from the various segments of the leather value chain and Government Departments.

The Experts Team held consultative meetings with the Acting CEO of the Kenya Leather Development Council (KLDC), Mr Charles Mwangi, the KLDC Board Chairman, Mr. Titus Ibui

and the Industrialization Secretary in the Ministry of Industrialization and Enterprise Development, H.E. Mr. Julius K. Korir. In the two days meeting that followed, with stakeholders, 34 issues were identified. Through a participatory prioritization process, the top 10 issues, which should be dealt with at policy level as mechanism of improving the performance of the leather value chain were determined.

The Team also visited the Kariako Footwear Cluster located less than 5 kms from Nairobi City Centre. The Cluster houses more than 500 SMEs, each employing 3 to 5 workers. Currently, footwear production is estimated at 1.7 million pairs of shoes and more than 3 million sandals. The Cluster however faces numerous problems. Steps were recommended for the process of transforming the Kariako natural Cluster in to a formal and revitalized Cluster Cooperative setting.



*Group Photo After the Discussion Meeting*



## COMESA/LLPI Sponsored Export-Oriented SMEs to Participate in the Zambia International Trade Fair (ZITF) 2015



COMESA/LLPI Sponsored Export-Oriented SMEs to Participate in the Zambia International Trade Fair (ZITF) 2015.

Recognizing the importance of Trade Fairs in creating market linkages and experience sharing in the Region, COMESA/LLPI fully sponsored nine Export-Oriented SMEs involved in the leather sector from five COMESA/LLPI Member States to participate in the Zambia International Trade Fair 2015 that was held during July 1- 7, 2015 in Ndola, Zambia.

Participants were from Eritrea, Ethiopia, Kenya, Sudan and Zambia. Participants showcased their respective products and a number of visitors were reaching them to see and appreciate the kind of leather products they are producing.

The Trade Fair allowed them to evaluate themselves how far they are from where they are supposed to be. Apart from meeting other people that need business to business linkages, it also allowed them interact each other and share experiences.

The Trade Fair was officially opened by H.E. Uhuru Kenyatta, the President of the Republic of Kenya. Kenyan President Uhuru Kenyatta said that there is need to open up markets and remove trade barriers to encourage the business community operate within the countries and create employment for the Young People.

#### Uganda Cabinet Approved National Leather Policy

The Uganda Cabinet has approved the National Leather and Leather Products Policy, 2015, as part of the efforts to create a competitive leather industry.

The policy will pave the way for the production of high value leather products using modern technology. "There is a need to increase investment in value addition to process leather and manufacture finished leather products. This will increase competitiveness of the industry and create more jobs," Information minister Jim Muhwezi told journalists.

Gen. Muhwezi added that the sector has the potential of earning foreign exchange through attracting profitable foreign investments and that its value chain is bigger than the combined trade of meat, coffee, tea and sugar.

The Minister said Cabinet agreed that resources be identified to enable the Ministry of Education to support institutions that make shoes locally.

"Government has put in place fiscal policies and regulations to boost supply of hides and skins to local tanneries. We are discouraging export of raw materials. High tariffs on leather products are to be levied to discourage importation," he said.

#### TFL Introduces New Fat Liquor to Help Tanners Meet Automotive Leather Needs

Leather chemicals manufacturer TFL has introduced a new fatliquoring agent, Coripol ESU, in response to what it has called increased specifications from the automotive sector on heat and light fastness.

On launching the new product, TFL said these increased demands, especially regarding prolonged heat fastness in chrome-free leathers, have come to represent a challenge for tanners in terms of fatliquor use in the wet-end process. The company has also said there is a trend towards firmer, tighter and more compact automotive leather.

TFL's view is that Coripol ESU is able to meet these demands, producing "soft articles with a silky handle, good grain tightness, a uniform milling pattern, low fogging and good and uniform dyeability", with leathers also meeting light and heat fastness requirements, both in wet blue and chrome-free leathers. The product also meets restricted substance list and chemical regulation requirements.

It can be used alone or in combination with other suitable fatliquoring products to make a variety of soft articles, either from wet blue or wet white hides. In addition, Coripol ESU exhausts well by acidification of the fatliquor bath, which helps to reduce COD and BOD values in tannery wastewater, TFL has said.

Source: <http://leatherbiz.com/fullitem.aspx?id=138749>

#### China's Leather Industry Grew Revenues by 9% in 2014

The China Leather Industry Association (CLIA) has said growth in the industry in China slowed last year to single figures.

Chen Zhanguang, the Deputy General Secretary of CLIA, revealed some of the Chinese industry's latest statistics at the World Leather Congress in Milan. He said the industry there achieved revenues of \$200 billion in 2014, year-on-year growth of 9%.

In terms of volume, Chinese

tanners produced 600 million square-metres of finished leather in 2014, which represents a very small increase (0.6%) compared to the figure for 2013.

Mr. Chen said China exported 2.7 billion pairs of shoes in 2014, with a value of \$54 billion, with leather shoes accounting for \$14 billion of this revenue. However, in terms of imports, leather shoes "dominate", he explained, giving 73 million as the volume of shoes imported into China last year, an increase of 32% on the previous year, and \$2 billion as the value of these imports, a year-on-year rise of 28%.

"These are hard times for the leather industry in China," Mr Chen said in Milan, "but we are still positive about our medium- and long-term prospects."

Source: <http://leatherbiz.com/fullitem.aspx?id=139438>



#### CLIA Says Growth Continues for the Leather Industry in China



The leather industry in China put on “a brave face” amid worries about China’s economy as the 2015 edition of the All China Leather Exhibition (ACLE) opened its doors on August 31, the organisers said.

Chairman of the China Leather Industry Association, Su Chaoying, said that China’s leather industry has maintained steady growth in the last year, although the growth rate slowed compared to the rate in previous years.

He said exports of shoes fell slightly in 2014 but that imports of shoes increased by 32% in volume, reaching 46 million pairs, and by 20% in value, with a value of \$1.1 billion. Mr Su said this shows that domestic production is unable to meet Chinese consumers’ “increasingly discerning demand”.

Figures for the first five months of this year show 6% growth for the Chinese leather industry overall. Mr. Su said the industry would aim to increase value through higher levels of automation in both the tanning and footwear sectors.

Source: <http://leatherbiz.com/fullitem.aspx?id=139336>

#### David Peters Calls It: The Hide Market Has Crashed

Leatherbiz columnist, David Peters, has said in his column for July that the international hide market has crashed. In the column, published in the Leatherbiz Blog section, Mr Peters, who runs the DLP Advisors consultancy, says the crash has been “an accident waiting to happen since February”, a time when hide prices were historically high, the shoe business was poor and winter hides were accumulating on the West Coast of the US as a result of the ports labour dispute.

This led to poor practice on the part of some supply chain partners, he says, with sellers delaying deliveries of long-held orders to chase the higher prices on offer for new orders and the tanners affected re-ordering from alternative sources without cancelling their original orders, resulting in over-buying by as much as 40%.

He argues that the time has come for an independent body to provide reassurance to buyers and sellers around the globe by giving a rating to tanners, traders and hide suppliers. “This is the role of an autonomous party,” he insists.



There is positive news too. Mr Peters says shoes are still selling, even if the leather content in many pairs is reduced. He adds that the popularity of leather among footwear manufacturers and brands may increase in the autumn as a result of cheaper finished leather prices. In addition, he says the bag, belt, auto and residential upholstery leather segments are all doing fine and enjoying the lower hide market. “Each sector is giving itself ‘high fives’ for improved profitability, although not fully admitting that the hide market is the major factor,” he says.

Source: <http://leatherbiz.com/fullitem.aspx?id=138808>

#### La Hermida Helps Designers Understand Leather

Tanning company La Hermida is working jointly with Argentina's National Institute of Industrial Technology (INTI) to give ten local small-scale designers in Chaco in the north-east of the country in-depth insight into the way leather is made and what its special qualities are.

A programme of tutorials began at the tannery in July and will continue at regular intervals until October. Afterwards, the ten designers will take on the task of incorporating local leather into a summer clothing collection.

Source: <http://leatherbiz.com/fullitem.aspx?id=139147>

#### Final Financial Year 2014-15 Values for India's Leather-Sector Exports

Final figures for the 2014-2015 financial year (April-March) show that the Indian leather industry earned export revenues of \$6.5 billion, up by almost 9.4% year on year.

Leather footwear had the biggest share, increasing by 11.9% to almost \$2.3 billion. Finished leather exports earned revenues of \$1.3 billion, an increase of 3.4%, while the value of leather garments increased by 1.3% to just over \$600 million.

Source: <http://leatherbiz.com/fullitem.aspx?id=138697>

#### Uruguay: Grants for Innovative Leather Firms

The Government of Uruguay has put together a grants package of around \$500,000, from which it intends to supply funds to innovative small and medium companies and micro-businesses, including those in the leather sector.

Money will be available in the form of non-refundable grants to qualifying firms, in amounts ranging from \$5,000 to \$100,000. FOCEM, a special fund aimed at encouraging "structural convergence" in the Mercosur economic bloc, is the source of 85% of the funding, with the other 15% coming from the Uruguayan Government.

Qualifying companies have to meet several criteria. First, they must be at least 50% Uruguayan-owned

while also having business or business partners outside the country. They must come from an area of industry to which the Government has given priority status: this includes leather and leathergoods production, along with food, forestry, dairy and a number of other industries.

They must apply for a grant for a specific innovation project, but it must be an idea whose implementation will not lead to technology replacing people in the workplace. Each company must also match the amount of money allocated to them through the programme.

Source: <http://leatherbiz.com/fullitem.aspx?id=139501>

#### Footwear Producers Urged to Improve Branding

Indonesian leather product producers were recently advised to build on the branding of their products in order to expand access to domestic and foreign markets.

Indonesian Industry Minister Saleh Husin said that Indonesian leather and footwear products are of a high enough standard when evaluated by markets in foreign countries. However, due to the low profile of Indonesia's brand names, products were rebranded, he continued.

Husin added that the government, through his ministry, is eager to assist national business in leather and footwear to address the branding dilemma in order to improve added value on their products.

"The aim of [the] branding programme is to make domestic products have the capability to compete in [the] global market," he said.

In addition, the Industry Ministry would support national industry associations in establishing business cooperation with footwear associations from foreign countries.

The Indonesian leather and footwear industry contributes 27% to the nation's non-oil and gas exports that supported nearly 18% of the nation's GDP in 2014.

Source: <http://www.leathermag.com/news/newsfootwear-producers-urged-to-improve-branding-4627779>





**Leather for Health, Wealth and Luxury!**

## **ABOUT COMESA-LLPI**

The formation of the Leather and Leather Products Institute (LLPI) was approved and Chartered by the former Preferential Trade Area (PTA) for Eastern and Southern African States (forerunner of COMESA) in 1988 to fulfill its industrial objective to "support and develop the leather industries of the COMESA region". It was then established by the signing of the Charter by member Heads of States on 23rd November 1990.

### **LLPI Vision:**

A Competent Leather and Leather Products Centre of Excellence for Regional and Global Competitiveness.

### **LLPI Mission:**

To Promote and Develop the Regional Leather Sector Through Research and Development, Capacity Building, and International Cooperation & Trade for Enhanced Productivity.

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