



# *Uganda's perspective, status and implementation of the National leather value chain strategies*

Presented By:

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# Presentation outline

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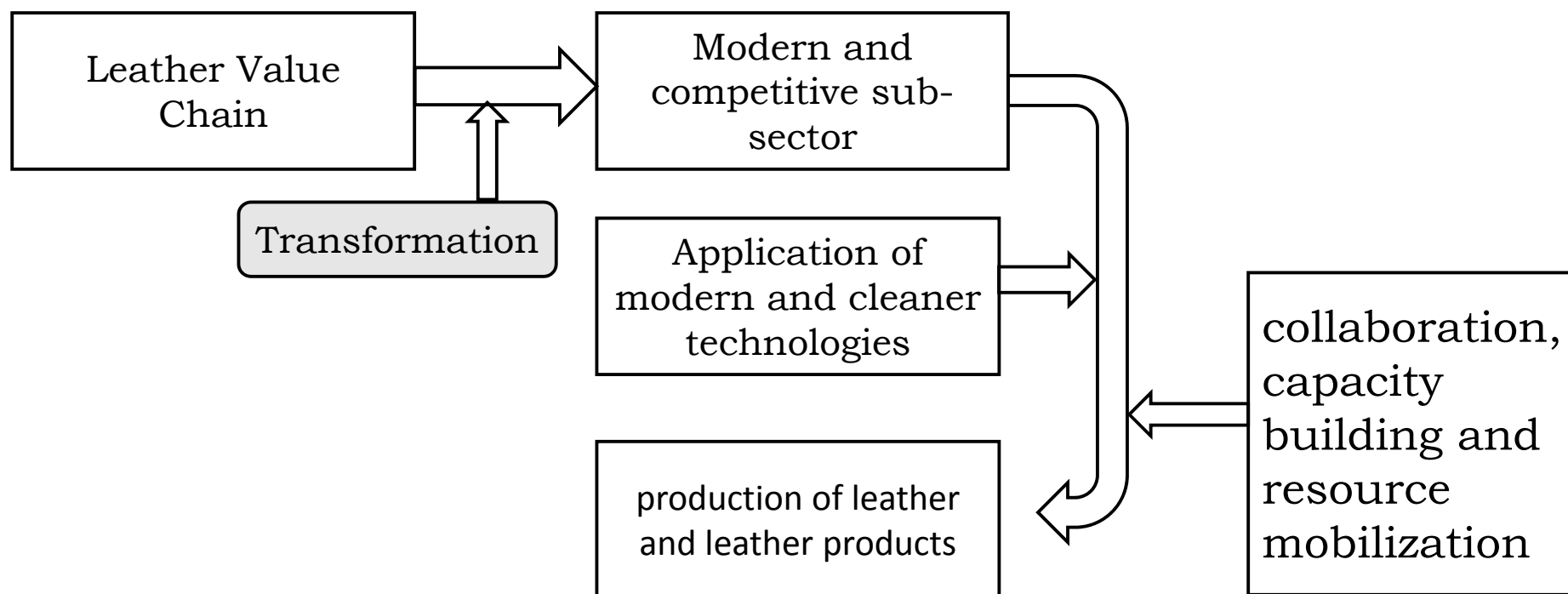


## Introduction

- Uganda has put in place policies for transforming her leather value chain to a modern and competitive sub-sector.
- Aiming at production of leather and leather products rather than exporting raw hides and skins.
- Leather is sourced from available raw hides and skins obtained from homesteads, slaughterhouses and abattoirs.
- Unfortunately, this has remained beautifully on paper than it is on ground/practice.



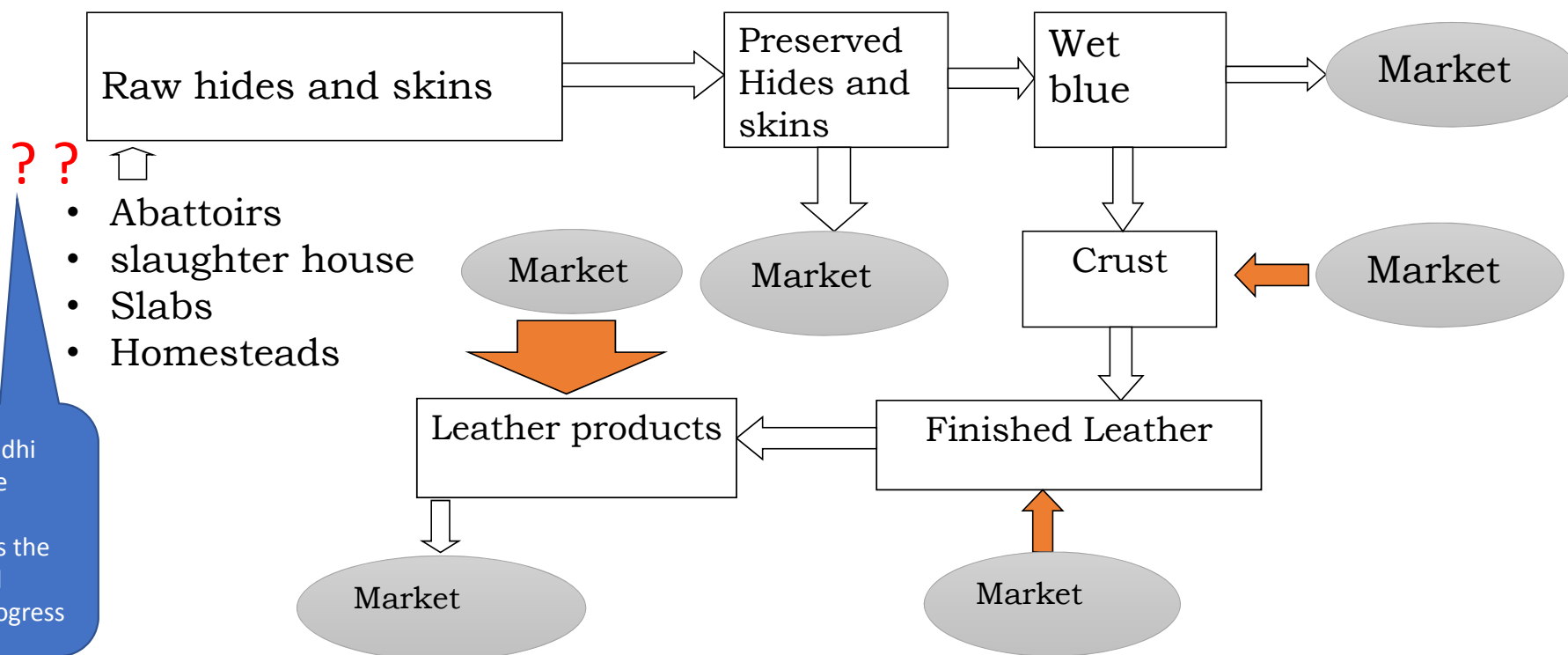
## Uganda's National leather sector perspectives



*Figure 1: The National leather sector perspective*



## Uganda's National leather value chain status



**Figure 2: The Uganda's National leather value chain status**



Wet  
blue



This seems impossible at the moment, but Late Nelson Mandela said 'It always seems impossible until it's done'.

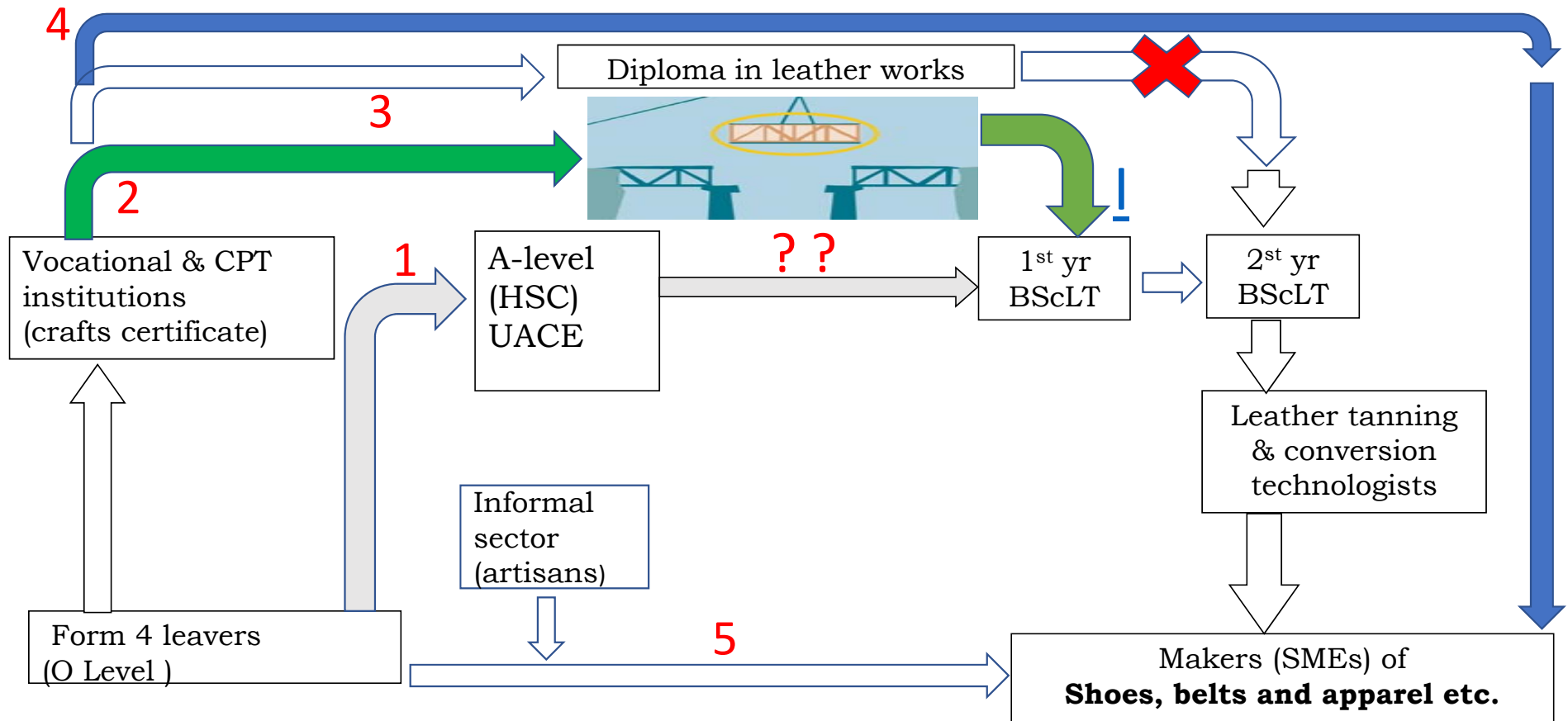
Market

Leather products  
**Shoes, belts and apparel**

***Figure 3: The implementation of the National leather value chain strategies***



## Academic Upgrading on the leather value chain

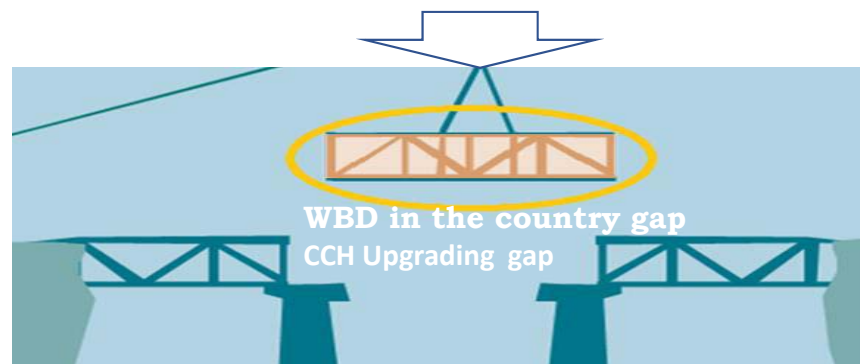


*Figure 4: The Academic endeavours on the leather value chain*



## *Research Gaps*

- The exportation of the **95% of the wet** blue made in Uganda needs to be further processed in the country. This avails leather and leather products to the SMEs, hence creating services like DS, facilities like IC and jobs for both M&W in the country.
- Furthermore **Educational framework** needs to be flexible to allow crafts certificate holders to join BScLT with ease.



WBD = Wet Blue Demand  
CCH = Craft Certificate Holders





## *Objective*

To analyse Uganda's perspective, status and implementation of the National leather value chain strategies



## *Research questions*

1. Are tanneries in Uganda able to further process wet blue to produce finished leather?
2. Can the local demand for leather and leather products in Uganda be sufficient to compel local tanneries to consume wet blue to produce finished leather?



**Scientific result** = research gap closed





**Practical result** = product, service(DS), facilities(IC) and jobs (M&W)



- SDG 8 Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all
- SDG 9 Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation
- SDG 12 Ensure sustainable consumption and production patterns
- SDG 17 Strengthen the means of implementation and revitalize the global partnership for sustainable development



## Methodology

- The information about tanneries was obtained by the use of conversations in which Respondents were tannery administrative staff.
- In addition, documentary review of the world population report on Uganda was used
- Ministry of Trade, Industry and Cooperatives (MTIC) abstracts and other Government policy documents.
- UBOS census 2014 report was also used as the source of data,
- Experienced observers in and out of the cattle corridor were also used.

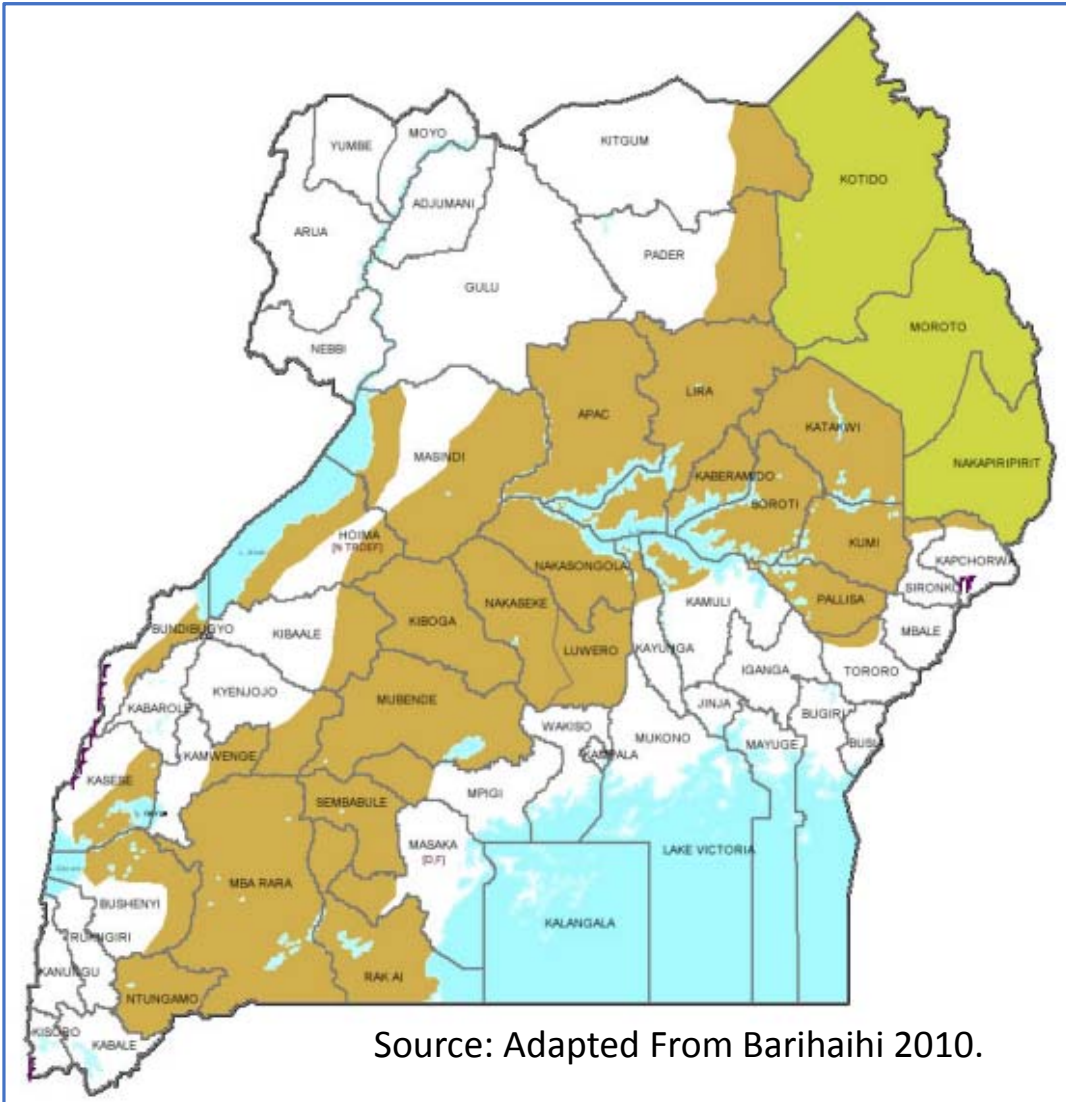


## Results and discussions

Findings were discussed in tandem with:

- Demand and tannery capacity
- Animal husbandry capacity
- Training capacity
- Market potential

## Uganda's village composition: Findings



## Statistical Summary

- UG has 57,842 villages, each village has 73 house-holds, amounting to 4.2m households (Uganda electoral commission report,2018 ).
- Each household has at least 8 goats and sheep combined and about 5 cows on average (Mukama Charles, 2010).
- On average 2 cows and 7 goats & sheep are slaughtered per week per village (experienced observer).

### *Wet blue Uganda based tanneries produce*

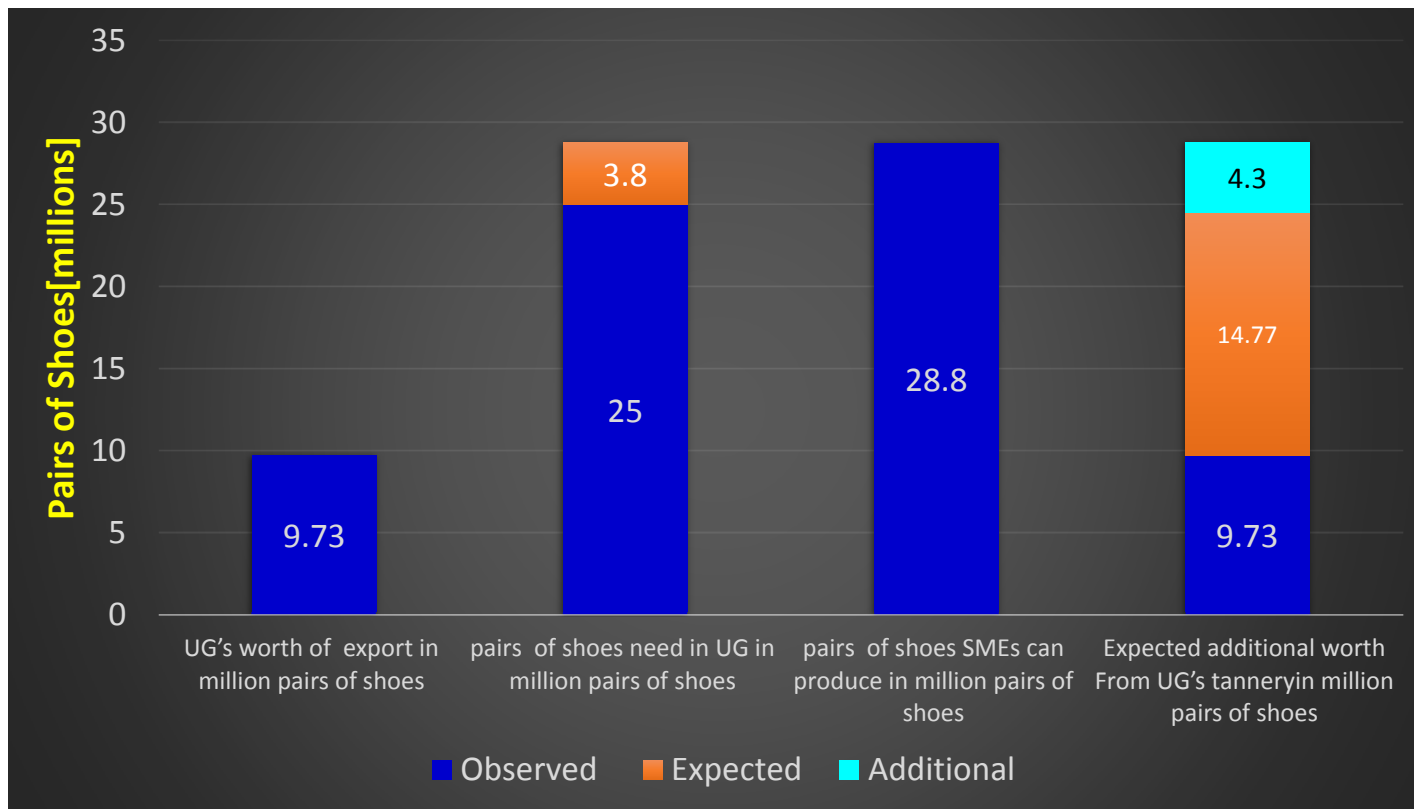
- Wet blue Uganda based tanneries are producing and exporting stands at 1.08 million pieces from hides and 2.01 pieces from goats and sheep skins (MTIC abstracts 2017).
- This amounts to 17.28 m sq. ft from hides and 7.04m sq. ft from goats and sheep skins, when we take a hide to be 16.0 sq. ft and skin to be 3.0 sq. ft on average.
- In total, this translates to an output of 24.32 m sq. ft of leather if it was processed in Uganda.
- on average to make a pair of shoes 2.5 sq. ft of leather are needed
- the output can then totally be 9.73m pairs of shoes worth of leather.
- Uganda currently needs 25m pairs of leather shoes.



## *Findings.....*

- This creates a deficit of 15.27m pairs of shoes worth of leather annually.
- Uganda imports only 0.5m pairs of leather shoes, meaning 14.77m pairs of leather shoes need to be produced locally.
- The number of SMEs in shoe making are 5000 SMEs though only 50 SMEs are registered with Uganda Registration Services Bureau.
- SMEs and Leather Technologists from training institutions are producing shoes at a rate of 20 pairs per day.

# Matching SMEs demand with tannery capacity



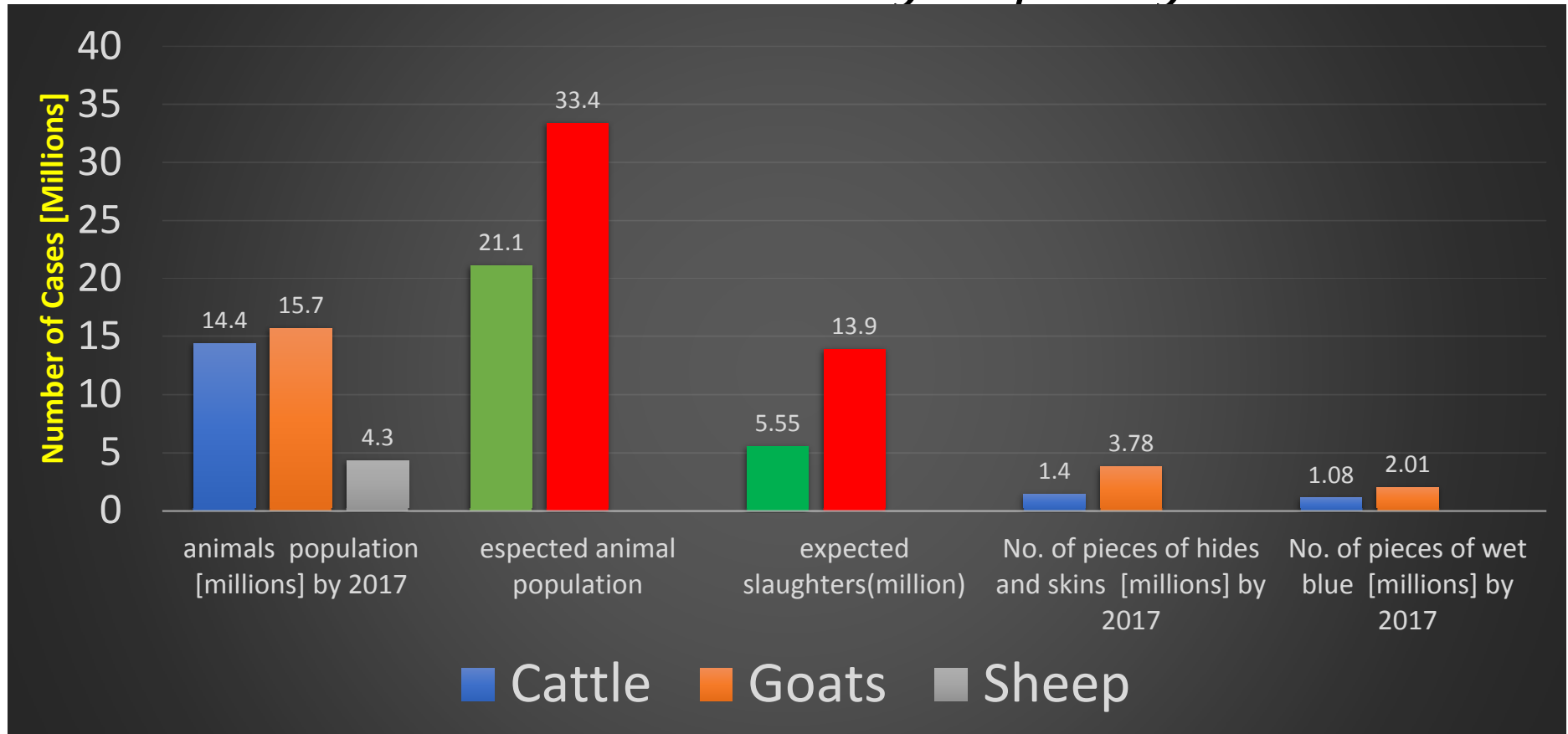
- On average if SMEs were empowered they would make 28.8m pairs of shoes annually.
- This closes the deficit and we remain with 3.8m pairs for export.

Source , adopted from MTIC and UBOS 2017 abstracts

**NB:**  $(SME\ demand)_{UG} = 3.0 \times (each\ Tannery\ operation)$

**Figure 5: The Matching SMEs demand with tannery capacity**

## Animal husbandry capacity



**Figure 6:** Source , adopted from MTIC and UBOS 2017 abstracts and Uganda electoral commission report,2018

Uganda is comprised of 57,842 villages (Uganda electoral commission report,2018) and each village has 73 households amounting to 4.2m households, each household is expected to have at least 8 goats and sheep combined and about 5 cows on average (Mukama Charles, 2010). 2 cows and 7 goats plus sheep are slaughtered per week per village.

## *Findings.....*

### *Training institutions*

- Training institutions produce about 55 crafts certificate holders yearly (Oyesigye, 2018). This is low.
- on the other hand policy frameworks resist the further studies of these certificate holders at KYU.
- creates less number of leather technologists. The leather technologists can boost the SMEs group.
- We need to remember again what Late Nelson Mandela said on education, 'Education is the most powerful weapon which you can use to change the world'.

# *Findings.....*

## *Market potential*

- According to the Uganda census 2014, the country's primary and secondary going children are 10,113,201 students(Bureau of Statistics, 2016).
- If for example, these students wear leather shoes at UGX 35,000/= per pair per annum then the leather Sector would earn 353bn UGX (US\$ 94.1m) per annum.
- The market is actually bigger than this on consideration of people between the age 18 and 64 who are 10,001,199 people wearing shoes for UGX 90,000/= per pair per annum.
- This makes additional 900bn UGX (US\$240m) per annum, totalling to 1,253bn UGX per annum, equivalent to MAAIF's yearly budget(National Budget, 2018).

## *Findings.....*

### *Market potential -----*

- students wearing leather shoes contributes about 56 times what tourism is contributing towards the GDP of Uganda.
- This means the leather sector at that point could be one of the most emphasized sectors hence stimulating the growth of the sector.



## Conclusion



- Tanneries in Uganda, if empowered to triple their operational capacity, can match the demand of leather SMEs need to make their products.
- Policy framework review to allow upgrading of the crafts certificate holders to join BScLT at KyU can boost the SMEs group registered with URSB.



## *Recommendations*

- Revision of policy frameworks to allow leather value chain trainee upgrade to degree programmes and boost SMEs
- wet blue made in Uganda needs to be further processed in the country to avail leather to the SMEs, in order to create easy access to leather materials for shoe making and jobs for both men & women in the country.





# Acknowledgement





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Thank you

