



# ALLPI 2019 2<sup>nd</sup> Quarter NEWSLETTER

Leather for Health, Wealth and Luxury!

**April - June 2019 (Issue No. 18)**

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## The IULTCS Flag Hoisted in Africa : Addis Abeba, Ethiopia



*Prof. Mwinyihija, ED of ALLPI, making a speech at the time of receiving the IULTCS Flag*

Through the initiative of Africa Leather and Leather Products Institute (ALLPI), the IULTCS Congress is to be held in October 2021 in Africa, Addis Ababa, Ethiopia.



*ALLPI Receiving the IULTCS Flag for the Next IULTCS Congress 2021*

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Prof. (Dr<sup>s</sup>) M. Mwinyihija, ED of ALLPI

Dear Esteemed Readers,

Welcome back to this second quarter edition of ALLPI Newsletter that gives highlights of activities accomplished during the period between April to June 2019. This edition focuses mainly on ALLPI's activities which included and not limited to: the 2021 IULTCS Congress; Need Assessment Survey; Interventions in the leather sector; Feasibility Study ; Leather Value Chain strategy Formulation, Validation and launching; Training and capacity building programs for the leather sector; Institutional collaboration and other regional, Continental and international leather and leather products related activities

Dear readers, I feel honored to announce that, the quarter under review started and ended on well with accomplishment of the following activities. First and the foremost remarkable activity was recipient of the 2021 IULTCS Congress Flag from the Society during this year's congress meeting which was held from 25th - 28th June 2019 in Dresden, Germany. Other achievements which included and not limited to were: Needs Assessment Survey

in leather value chain conducted in Bahir Dar, Amhara Region in Ethiopia; Training of MSMEs on Cluster Design, Business Plan Development and Implementation in Eswatini; Conducting Feasibility Study on establishment of a Tannery in Eswatini; conducting leather value chain strategy formulation and validation workshop in Madagascar; Initiation of training Institutes at Vocational level and Diploma in Leather Technology in Mauritius.

During the same period, the COMESA Secretariat held its 3rd Technical and Ministerial Committee's meeting in Nairobi. During the meeting, I was privileged to present a paper entitled "Transformation of Leather Sector from Commodity dependence to a Value - added Product which created a lot of interest to Stakeholders in the sector. I also took this opportunity to project a promotional video for the 2021 IULTCS Congress which will be held for the first time in African Continent in Addis-Ababa, Ethiopia.

Dear valuable readers, through your prayers and support, ALLPI continued to heighten its activities as you may witness from

*the contents of this Newsletter covering the second quarter as we strive to attain regional, continental and global centre of excellence status.*

*Once again, we appreciate the support, feedback and information provided by those of you who participated in our activities, and kindly accept our appreciation for your collaboration with continued hard work and dedication. We value the insights you shared with us to reach where we are.*

*As I conclude, ALLPI appreciates and value all our partners and stakeholders for their invaluable support and collaboration for all*

*the successes registered during the Quarter under review. We hope this Newsletter will continue keeping us connected with respect to information sharing in the continent's leather sector development and other activities in the sector within and outside the continent. Kindly accept our sincere appreciation for taking time to read and providing us with your valuable thoughts.*

Mwinyikione Mwinyihija Prof. (Dr5).

Executive Director.

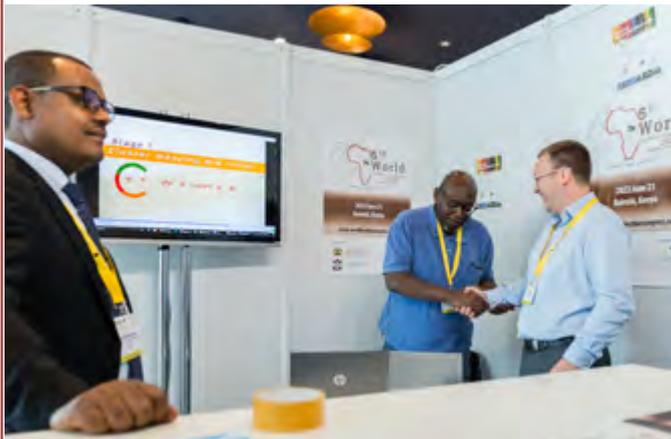
### The IULTCS Flag Hoisted in Africa ... Continued from Page 1

The IULTCS Flag was received by Prof. Mwinkione Mwinyihija, Executive Director of ALLPI, representing Africa. The IULTCS Flag was planned to be received by the Mr. Teka Gebreyesus, State Minister, Ministry of Trade and Industry, the Federal Democratic Republic of Ethiopia. However, due to urgent government commitment he, lately, regretted to attend the IULTCS Congress 2019 which was held in Dresden, Germany during 25th -28th June 2019.

The International Union of Leather Technologists and Chemists Societies (IULTCS), a world-wide organization of professional societies, was originally organized in

congresses to enhance the advancement of leather science and technology, to form commissions for special studies and to establish international methods of samples and testing leather and materials associated with leather manufacture.

It is great milestone for Africa leather industry players: private sector, public sector, and academia in terms of unlocking their potential and exhibiting the capacity of developing the leather sector. What makes it special is that the Congress will be held back to back with the All Africa Leather Fair which is leading specialized Leather Trade Fair in Africa.



ALLPI Stand During the IULTCS Congress 2019



Partial View of the IULTCS Congress 2019 Meeting

London in 1897. In 2017 there are currently 20 Member Societies and 4 Associate Members representing some 3,000 individual members. The IULTCS was founded for the purpose of encouraging technology, chemistry and science of leather on a worldwide basis. According to the IULTCS statutes the aims of the Union are to foster cooperation between member societies, to hold

It is expected that more than 400 participants from all over the world and special attention will be given for African researchers to showcase their capacity and potential in terms of the leather sector development.

ALLPI is making intensive preparation by establishing various committees from different government

institutions of Ethiopia.

ALLPI makes a call to all stakeholders in Africa and the whole world to support the Congress organization in the various forms.



### ALLPI Conducted Needs Assessment Survey in Bahir Dar -Ethiopia

Africa Leather and Leather Product Institute (ALLPI) is used to make different interventional activities informed by the results of needs assessment in Member and non-member states to create productive and competitive African Leather sector in the Global Arena.

In line with this, a need assessment activity was conducted in Bahirdar Amhara region, Ethiopia by ALLPI experts Mr. Nasir Talab (Cluster Development expert) and Mrs. Birkinesh Gonfa (Investment, Trade and marketing Expert) as per ALLPI's yearly plan activity for Ethiopia.

The Bahirdar city Trade Bureau had arranged experts for

this activity for the smooth implementation of the planned activity as per the prior communication to the activity.

The General objective of the need assessment conducted in Bahirdar/Amhara Region-Ethiopia was to identify collaboration areas with Stakeholders to increase the competitiveness of artisans in the leather sector by identifying the specific challenges along value chain in the region.

The participants in the needs assessment exercise were Traditional tanners, Producers of Traditional Leather products, Leather products SME's, Bahirdar Tannery, Bahirdar University.

Site visits, structured questionnaire, and conducting meetings were used as a means of assessing the needs of the respective leather enterprises, and the University.

The traditional tanners are doing the tanning activity in their homes in residential areas. Their number estimated at approximately 300. Discussions were made with selected producers in their working premises by visiting the production areas of the tanners and various issues were discussed. They process five hides on average per



week and they sell to producers of traditional Leather products. The raw hide price is 50-60 ETB (US\$ 1.7 - 2.1) per piece and after the processing the price is around ETB 250-500 (USD 8.6 – 17.3). Regarding Raw material availability, they get raw hides from private abattoirs that provide meat for hotels and households.

ALLPI proposed areas of intervention with this segment ( traditional tanners) are:

- » Training in vegetable tanning to improve the quality of the leather they produced;
- » Provision of modern equipment because they use rudimentary equipment;
- » They need to cluster themselves to address the issue of the working premises, water, electricity and the disposal of waste;
- » By clustering themselves they can improve the bargaining power with services providers and with the market;

The ALLPI Experts team also visited the traditional leather product producers who sell their products mostly to Tourists and big hotels who promote Ethiopian culture. They produce and sell their products at the same place at the city center.



From the discussion made with them the following challenges were highlighted:

- » Working premises are very small taking into



### ALLPI News

consideration they produce and sell in same places (workshops and sell outlets are in one place)

- » They face problem in access to finance in general and the affordable finance in particular to increase their production and productivity
- » They need equipment to improve the quality and productivity of their products

For the leather product producers, the government provided production premises at a lowest rent price they sell their products in the town. The discussion points and the problems raised were- Lack in access to finance, lack in leather goods and footwear accessories, they didn't organize themselves in sort of cluster or association.

The ALLPI Team also visited and held a discussion with Bahirdar tannery owner and manager, the only modern tannery in Bahirdar for a possible collaboration regarding finished leather supply. This tannery is mainly exporting finished leather to Europe and other Asian country. They constructed sister company which produces working and dressing Glove for foreign market. This factory wanted to



buy pickle and wet blue from other African countries and ALLPI team shared the information to possible suppliers after the discussion held.

ALLPI Team organized a meeting with government representatives (Bahirdar Trade Bureau), private sector representative (Traditional Tanners, Traditional Leather



product Producers, Leather product producers ) and Bahirdar University with the objective of collaboration for identified problems during the visit.

Participants in this consultation meeting were drawn from the following sectors:

- » Bahirdar University – Academia
- » Bahirdar Trade Bureau – Public sector
- » Traditional tanners and footwear & leather goods producers - Private sector

ALLPI will work hand in hand with the stakeholders in Bahir Dar to address step-by-step the challenges which were identified by different level of the value chain.

### ALLPI's Intervention on the Eswatini Leather Sector

Africa Leather and Leather Products Institute's (ALLPI) Team of Experts comprised of Mr. Nicholas Mudungwe (Programs Coordinator and Team leader) and Harrison Mungai (Leather Value Chain and Tannery Expert) made a field mission to Eswatini from 8th –19th April 2019 both days inclusive.

The main objective of the mission was to conduct training in Cluster Design, Business Plan development and Implementation to MSMEs of Eswatini and conducting a feasibility study on possibility of establishing a Tannery in Eswatini. The training was conducted from 8th -12th April 2019 while the feasibility study was done from 15th – 18th April 2019.

The following were the topics covered during the training:-

- » ALLPI activities and overview of the Eswatini intervention,
- » Situational Analysis of the Artisans (SMEs)
  - Participatory SWOT Analysis,
  - Possible interventions,
  - Opportunities for Cluster/joint action.
- » Cluster Development Initiative Framework,
- » Group formation – based on artisans with common interests,
- » Group discussions and presentation,
- » Cluster Designing – Group discussion and presentation,
- » Business Planning & Record Keeping – Group

- discussions and presentation,
- » Designing a Cluster Business Plan - Group work and presentation,
  - » Implementation Review:
    - Monitoring and Evaluation,
    - Change Management,
    - Learning
  - » Plenary Discussions

The training was conducted at Cooperative Development College (CODEC) of Ezulwini. The number of participants were 28 comprising of 19 (68 %) males and 9 (32%) females. They were drawn from various institutions which included: Ministries of Commerce, Industry and Trade, Agriculture, Defence and membership from Leather and Leather Products of Eswatini, Gwamile Vocational and Commercial Training Institute of Matsapha (VOCTIM), Eswatini College of Technology (ECOT) and Handcraft sector.

During the feasibility study, the following institutions were visited and interviewed for the purpose of collecting data which will assist ALLPI to develop a feasibility study report of establishing a Tannery in Eswatini.

The institutions visited included:

- » Ministry of Commerce, Industry and Trade,
- » Ministry of Agriculture (Department of Veterinary),
- » Ministry of Finance (Department of Public

Procurement),

- » Eswatini Investment Promotional Authority,
- » Swaziland Meat Industries,
- » Swaziland Leather and Leather Products Association and
- » Local Municipal Council Abattoirs among others.

All institutions visited supported the idea of establishing the Tannery in Eswatini as it will create employment, generate revenue to the Government and improve the livelihood of people of Eswatini.

During the official opening, the two activities (Training and Feasibility study) were graced by the Director of MSME Ministry of Commerce, Industry and Trade in the Kingdom of Eswatini Mr. Muleki Sakhile Dlamini while Mr. Mudungwe gave a key address on behalf of the Executive Director of ALLPI.

The graduation ceremony was attended by Mr. Siboniso Nkambule the Principal Secretary (P.S), Ministry of Commerce, Industry and Trade who issued the certificates to the graduating participants. The P.S was accompanied by the Director of MSMEs in the Ministry while Mr. Mudungwe (ALLPI Programs Coordinator) represented the Executive Director of ALLPI.

At the end of the two activities, the ALLPI Experts held a debriefing session with the Director of MSMEs in his office on 18th April 2019.

## The Academic and Practical Skills Inter-University Conference (APSIC 2019) and Exhibition for Leather and Leather Products to be held in Uganda



The Academic and Practical Skills Inter-University Conference (APSIC 2019) and Exhibition for Leather and Leather Products it to be held on 7th – 9th AUGUST 2019 in Kampala, Uganda with the theme of “Emerging Technologies and Innovations for Sustainable Leather

Sector Development in Africa”.

The objective of the event will be to promote academic and practical skills in leather and leather products technology.

It is expected that African leather policymakers, leather science experts, private sector actors and civil society appraised of the pros and cons of alternative development pathways and policy choices including achievements and procrastinations; and strengthened links/ networks amongst leather value chain actors in Africa.

The event is organized by the Kyambogo University in collaboration with Africa Leather and Leather Products Institute (ALLPI).

Kyambogo University is one of the Universities in Uganda which, in collaboration with ALLPI, provides leather and leather products related training programs at degree level.

## ALLPI at 3rd Technical and Ministerial Committee Meetings on Industry



Africa Leather and Leather Products Institute (ALLPI), COMESA Competition Commission (CCC), COMESA Monetary Institute (CMI), COMESA Business Council and COMESA Court of Justice. The meeting was also attended by the Cooperating partners that included United Nations Industrial Development Organization (UNIDO), Africa Development Bank, African Capacity Building Foundation (ACBF), and African Union Development Agency (AUDA)-NEPAD.

The meeting thoroughly discussed and adopted the report of the Technical committee Meeting on Action Plan and Regional Guidelines on Local Content Policy.

During the meeting ALLPI presented its achievements in the implementation of programmes aimed at transforming the leather sector from commodity dependence to value added products basis. ALLPI also projected its 2021 IULTCS (International Union of Leather Technologists and Chemists Society) promotional Video that was appreciated by the participants. The Meeting noted the presentation by ALLPI and made the following three recommendations:

- » ALLPI to be mandated to become a knowledge and innovation based institution to support SMEs to enhance their competitiveness
- » ALLPI to support leather clusters towards adoption of cleaner production and appropriate environment conservancy
- » ALLPI to adopt E-commerce to strengthen the trade portal currently in use to be linked with other regional platforms,

Side line to the to the meetings, ALLPI delegation also made bilateral discussions with partner organizations that included Africa Development Bank, UNIDO, and African Capacity Building Foundation on possible areas of cooperation and establishment of joint activities.

The Africa Leather and Leather Products Institute (ALLPI) delegation led by the Executive Director, Prof. Mwinyikione Mwinyihija attended the 3rd MEETING OF THE TECHNICAL and MINISTERIAL COMMITTEES ON INDUSTRY held in Nairobi Kenya, at Kenya School of Monitory Study from 17 to 21 June 2019.

The meeting was opened by the Guest of Honour from the Government of Kenya. The Assistant Secretary General (Programmes) of COMESA also gave opening Remarks.

The meeting under the theme: «Enhancing partnerships for implementing the Third Industrial Development Decade for Africa» was attended by participants from the Ministries responsible for Industry of Member States that included DR Congo, Egypt, Kenya, Malawi, Mauritius, Rwanda, Seychelles, Zambia and Zimbabwe. The COMESA specialized institutions that attended the Meeting were Trade and Development Bank (TDB), the



## ALLPI becomes a Knowledge and Innovation-based Institution



The 3rd Meeting of the Ministerial Committee on Industry ( CS/IPPSD/IND/PL/III) held in June 2019 held at Kenya School of Monetary Studies, Nairobi Kenya, from June 20-21, 2019, discussed on ALLPI report and

decided ALLPI to become a knowledge and innovation based institution to support SMEs and to enhance their competitiveness.

The Ministers also urged ALLPI to support adoption of cleaner production technologies and appropriate environment conservancy, and to adopt E-commerce and to strengthen the trade portal currently in use by linking it with other regional platforms.

ALLPI is thus, proud to share this exciting news with all its leather fraternity, as all the achievements are the results of the concerted effort of all of us. Let us keep up the fire burning until the full transformation of the African leather sector and improvement of the livelihoods of our SMEs.

## Madagascar Leather Value Chain Strategy Formulation and Validation Workshops Held



The Africa Leather and Leather Products Institute (ALLPI) facilitated Madagascar Leather Value Chain Strategy formulation and validation workshops. The event was held at the Training Center, Antananarivo, Madagascar on July 1-2, 2019 and July 8, 2019. A need assessment survey on vegetable tanning training was also conducted during the same period. Field trips to tanneries, footwear workshops and boutiques were also done on Tuesday, July 2nd and Wednesday, July 3rd 2019.

Both the workshops and Vegetable tanning training need assessment survey were organized by the Ministry of Trade, Industry and Handcrafts, with financial support from the EU-RISM program through the COMESA Secretariat. Mr. Nicholas Mudungwe, Programs Coordinator, Professor Mekonnen Hailemariam, Advisor to the Executive Director and Mr. Michael Kiraye,



Institutional Capacity Development of consultancy Expert, ALLPI representatives, facilitated the workshops and the need assessment survey.

The workshop was graced by the presence of Mr. Audace Kajaly, Director General de artisanal and Mrs. Fabienne Ralahy, Director hand craft, who represented Ministry of Trade, Industry and Handcrafts. More than 40 participants drawn from different public and private institutions and enterprises as well as NGOs actively and fully participated in both the strategy formulation and validation activities and need assessment survey.

The draft Leather Value Chain Strategy that describes the country's leather sector performance, exiting footwear and leather goods gaps and the approaches to follow to address the gaps in order to optimize performance

#### Mauritius Satellite Leather Design Studio

has 6 Strategic Objectives and some 50 subobjectives. The Strategy is expected to guide the development of the Madagascar leather value chain from commodity dependence to product focus, based on its current competitive advantages, strengths and opportunities.



The Africa Leather and Leather Products Institute (ALLPI) Executive Director (ED), Prof. Mwinikione Mwinyihija and the Advisor to the ED's Office, Prof. Mekonnen Hailemariam visited the newly set Mauritius satellite leather design studio, at Coromandel, on May 16, 2018. The ALLPI Team was accompanied by Mr. Dhanraj Conhye, Deputy Permanent Secretary, Ministry of Business, Enterprises and Cooperatives and Mr. Ravin Rampersad, Chief Executive Officer, SME Mauritius Ltd. The site of the Satellite Design Studio and its placement was found convenient for access by the potential users (SMEs) and very much appreciated by the ALLPI Team.

The Design Studio will equip itself as a facility that is responsive to localized and international knowledge transfer and innovation center. It has already a 3D printer. When the Studio becomes fully functional, it is expected that the SMEs will be empowered to manufacture leather footwear and goods of the highest quality, which would be able to penetrate regional and international premium markets.

#### Initiatives to Start Training Programs in leather Technology in Mauritius

The Africa Leather and Leather Products Institute (ALLPI) Executive Director (ED), Prof. Mwinikione Mwinyihija, the Advisor to the ED's Office Prof. Mekonnen Hailemariam, in common with Mr. Dhanraj Conhye, Deputy Permanent Secretary, Ministry of Business, Enterprises and Cooperatives (MoBEC) and Mr. Ravin Rampersad, Chief Executive Officer, SME Mauritius Ltd visited the "Mauritius Institute of Training and Development" and "Polytechnics Mauritius" on May 16 and 17, 2019 and held discussions with the Institutes top management, on the possibilities of starting Vocational and Diploma level Trainings in Leather Technology.

The Mauritius leather value chain strategy 2019-2023 that was launched on May 5, 2019, identified skilled manpower problem due to lack of training facility as the top ranked constraint for leather sector development in Mauritius.

The discussions with the two training Institutions top management were very productive and it was agreed for ALLPI to share its regionally harmonized curricula for both vocational and diploma level trainings so that the institutions could further review and tailor-make it to fit to the Mauritius specific situation. The Polytechnics Mauritius CEO Mr. Yamal MATABUDUL indicated the possibility of starting the training programs in his institution within 6-8 months' time period.

In a separate discussion that was held at SME Mauritius head office with the Deputy Permanent Secretary of MoBEC and SME Mauritius Ltd CEO, ALLPI shared its

specialized short term training modules (21 in number) for possible immediate start of training activities. The SME Mauritius Ltd identified the module on "Footwear Design, Pattern Making and Assembling" as priority training intervention that will be started in June 2019. ALLPI will avail expert that will deliver the training while MoBEC and SME Mauritius Ltd will make all the necessary arrangements of resources and inputs for the training.

The ALLPI delegation, MoBEC Deputy Permanent Secretary and SME Mauritius CEO also made a courtesy visit to the Mauritius Research Council (MRC) to discuss on the status of the project proposal entitled "SME Mauritius Ltd/MRC Pole of innovation for Development of the Leather Value Chain" that was jointly developed and submitted for possible Mauritius Research Council Pole of Innovation Grant Scheme (PoIGS) financial support. From the discussion it was agreed to make some amendments to the proposal as per the comments made by the MRC and to resubmit for MRC further review.

#### East Africa: Forum Urges for Creation of Accessible Leather Market

THE East African Community (EAC) Leather Forum has urged the bloc to create readily accessible market for leather products. The forum has called for EAC to fast track the implementation of Regional Leather Strategy.

The forum was convened by the East African Business Council (EABC) and brought together over 40 industry champions in leather manufacturing from Burundi, Kenya, Rwanda, South Sudan, Tanzania and Uganda.

The forum has recommended for the creation of a readily accessible regional market for leather products and a

conducive business environment to promote regional value addition in the leather sector.

According to World Bank Kenya Leather Industry - Diagnosis, Strategy and Action Plan, Leather and Leather products are among the most widely traded agro-based commodities in the world.

The industry has a global estimated trade value of over US\$ 150 billion a year, more than five times that of coffee.

Source: <https://allafrica.com/stories/201905260019.html>

#### East Africa 'needs a more accessible leather market'

A meeting of the East African Community's (EAC) Leather Forum has taken place in Arusha, Tanzania, during which there were calls for the bloc to create a more easily accessible market for leather products.

The forum was convened by the East African Business Council (EABC). It brought together leather industry figures from Burundi, Kenya, Rwanda, South Sudan, Tanzania and Uganda.

Among the recommendations to come out of this meeting were the creation of a regional market for leather products and a more conducive business environment to promote local value addition in the leather sector. Those present also called for the implementation of a regional leather

strategy to be fast-tracked.

The EAC Secretariat is in the process of developing a regional leather and leather products strategy, which would cover the period from 2019-2029.

Among the speakers at the forum was Beatrice Mwasi, secretary general of the Kenya Leather Apex Society, a new umbrella body launched in November. She urged the EAC leather industry to be more innovative and to improve branding. She also called for EAC partner states to offer incentives for value addition in the leather sector.

<https://leatherbiz.com/fullitem.aspx?id=151478>

#### Ethiopia: Major Chinese shoemaker signs lease for industrial park

Chinese footwear group Huajian has signed a 15-year lease on an industrial park in Ethiopia, with buildings earmarked for shoe and leathergoods production.

Local press report that the Chinese conglomerate has ambitious plans for Jimma Industrial Park, which include setting up a coffee processing plant and creating 15,000 jobs.

The park is around 350km from the capital, and was constructed by China Communications Construction Company with an investment of \$61 million, said reports.

Huajian already owns a large shoe manufacturing facility on the outskirts of Addis Ababa, and has also been in talks to set up factories in Nigeria.

<https://leatherbiz.com/fullitem.aspx?id=151601>

#### Ethiopia's Chinese-built leather products excellence center wins acclaim

Ethiopian experts in the leather and footwear sector on Thursday hailed a Chinese-built research center, the first of its kind in Ethiopia, as an important boost to the country's ambition in modernizing related products.

The Ethiopia-China Joint Laboratory at the Ethiopian Leather Industry Development Institute (LIDI) was built by a team of Chinese experts with high-end Chinese technologies from the Chinese Leather and Footwear Industrial Research Institute (CLFI).

The joint laboratory, which mainly embraced a tannery wastewater treatment plant, was designed to provide Ethiopian researchers with the latest laboratory technologies as the East African country aspires to fully exploit its abundant cattle population, LIDI officials told Xinhua on Thursday.

[http://www.xinhuanet.com/english/2019-04/04/c\\_137950764.htm](http://www.xinhuanet.com/english/2019-04/04/c_137950764.htm)

#### Italian firms to invest over \$24m in Tanzania's leather sector



Toscana Machine Calzature (TMC) and ItalProgetti have signed an agreement with prisons department to establish two leather factories in Moshi Region.

The two factories, one for shoe-making and another for tanneries, will be constructed on 25 acres of land at the industrial area within Karanga Prison.

Tanzania has been importing shoes and leather products while making little use of its livestock products.

Two Italian companies have entered Tanzania's leather sector to take advantage of the large quantities of raw hides and skins produced every year in the country.

Toscana Machine Calzature (TMC) and ItalProgetti have signed an agreement with Prisons Department and the Public Service Social Security Fund to establish two leather factories in Moshi in Kilimanjaro Region.

The companies will invest \$24.5 million to construct two leather factories to be managed jointly with Karanga Leather Industries Company Ltd in Karanga Prison.

The two factories, one for shoe-making and another for tanneries, will be constructed on 25 acres of land at the industrial area within Karanga Prison, and are set for completion in 16 months.

TMC sales manager Daniele Ferradini said the Italian companies will provide both finances and technology for production of quality leather products for export to Italy and other European countries. The plant is expected to produce 1.2 million pairs of shoes per year.

The Public Service Social Security Fund and the National Social Security Fund are also reviving leather factories in Morogoro Region with the Prisons Department.

<https://www.theeastafrican.co.ke/business/Italian-firms-to-invest-in-Tanzania-leather-sector/2560-4998766-v0vp9s/index.html>

#### Kenya raw hide traders call for a review of export duty

Traders from across Kenya have come together to call on the government to revise the 80% duty that is currently imposed on exports of raw hides and skins. They say that such a tariff on trade with other East African markets is damaging their businesses.

They made their case at the annual general meeting of the East Africa Hides and Skins Association. Following the meeting, chairperson Karuri Ngige said a more lenient tax system would open the sector to more tanneries and allow for existing ones to expand their markets.

She explained that the traders want tax to be calculated on the export value of local hides and skins, rather than on their total weight.

The Kenyan government implemented the high tax rate on raw hides and skins in an effort to encourage domestic value addition, although Ms Ngige argued that it has had little effect on the country's leather value chain.

<https://leatherbiz.com/fullitem.aspx?id=151847>

#### Zimbabwe launches Beef and Leather Value Chain Technical Assistance Project

The official launch of Zimbabwe's Support to Beef and Leather Value Chain Technical Assistance Project took place on June 15th, 2017 in Harare, attracting more than 100 participants.

The US\$ 2.3 million project financed by the Fund for Africa Private Sector Assistance (FAPA), the Transitional Support Facility (TSF) and the Japan International Finance Cooperation (JICA), aims to catalyze economic growth in pilot areas in Zimbabwe through supporting the growth of the beef and leather sub-sectors with emphasis on value addition resulting in creation of employment, income growth and poverty reduction.

In his remarks, the Charge d'Affaires, Embassy of Japan in Zimbabwe, Dabide Tsunakake who represented donors at the event said that the private sector has played an important role in Africa's economic growth. These important roles were acknowledged at both TICAD V held in Yokohama in 2013 and TICAD VI in Nairobi in 2016, Tsunakake said, noting that the Government of Japan pledged to extend necessary assistance to the private sector in Africa through FAPA. The resolutions adopted at TICAD V and VI, especially the Nairobi declaration adopted last August in Kenya, are now coming to fruition, with the Bank deciding to implement this project to provide technical assistance to the private sector beef and leather industries in Zimbabwe, he said.

In his key note address, Zimbabwe's the Minister of Industry and Commerce, Michael Bimha said that "the successful implementation of the project will help in increasing output and contribution of the sub-sector to the growth of the manufacturing sector."

The Government has, in the interim, put measures to complement and accelerate the pace and depth of the project's implementation with several initiatives aimed at increasing livestock herds being implemented to support farmers' incomes and create new market opportunities for livestock derived products, including hides and skins.

"Government, in collaboration with development partners, is working to support rebuilding of the national herd, comprising beef cattle and other small domestic animals. The program seeks to grow the national cattle herd from the current 5.5 million to 5.8 million by end of 2017," the minister said.

In her remarks, Zimbabwe Country Program Office, Fasika Eyerusalem, who represented the Bank during the event, said that the project was critical to attaining the goals of the ZimAsset and the Interim Poverty Reduction Strategy Paper (2016 – 2018). It will in particular

address the country's efforts in enhancing the agriculture productivity, growth and rural food security and promoting private sector development hence contributing to macroeconomic stability and poverty reduction.

Prominent participants at the launch included Deputy Minister of Industry and Commerce Chiratidzo Mabuwa; Permanent Secretary Ministry of Industry and Commerce, Abigal Shonhiwa, as well as officials from various ministries. Also in attendance were development partners such as the Financial Transactions and Reports Analysis Centre of Canada (Fintrac) and the Common Markets for Eastern and Southern Africa (COMESA); local government officials from Matabeleland North; financial institutions such as Zimbabwe Agriculture Trust Fund; Private Sector Stakeholders and the media.

The Bank currently has 16 active projects in Zimbabwe with a total commitment of US\$ 218 million in support of agriculture, water supply and sanitation, power, transport, governance and institutional support.

<https://www.afdb.org/en/news-and-events/zimbabwe-launches-beef-and-leather-value-chain-technical-assistance-project-17130>

### Egypt to host new Pan African Leather Fair in 2020

Egypt will host the new Pan African Leather Fair next year, an event organizers claim will help open up the African and Middle Eastern leather markets to the entire value chain.

The New show brings together the expertise of the team behind the Asia Pacific Leather Fair Ltd (APLF) in Hong Kong, coupled with the local knowledge of Informa, the largest event organizer in Egypt – and will be held in Cairo on 19 – 20 June 2020.

"Egypt is the key industrial hub for the MEA region. Its geographic position between Europe, the Middle East and Africa, as well as its advanced transport infrastructure, makes it a natural selection for an event in the region," says Perrine Ardouin, APLF Director.

The country is forecast by financial services company Standard Chartered to become the seventh largest global economy by 2030, Ardouin adds, noting Cairo's new Robikki Leather City complex is set to become the sector's leading cluster.

The purpose-build industrial zone sees the city's leather industry moving away from its traditional city centre location to a site which houses the entire leather supply

chain.

Yasser El-Maghraby, advisor to the Minister of Trade Industry of Egypt, and chairman of Cairo for Investment and Development, the organizing boy behind Robbiki Leather City, says Robbiki has a total annual tanned leather production of 222 million sq ft per annum, with output expected to rise by 40% years-on-year for the foreseeable future.

"Robikki will cover the whole value chain, from raw hides to finished products. This new facility is revolutionizing leather production in Egypt and across the MEA region, offering opportunities for international companies to sell their products and invest in Egypt."

According to the resource by just-style strategic sourcing tool, Egypt has a moderate-sized garment industry, and although there are some large manufacturers, the local industry is comprised of primarily small companies. Even so, the garment industry employs about 10% of Egypt's working population, with the textile and apparel industries contributing 30% of industrial production and 10% of total exports.

## Botswana: Leather Park to Be Implemented in Phases

Lobatse — Construction of the multi-million Pula Lobatse Leather Park, which has suffered a series of setbacks over the past six years, will now be carried out in phases instead of one wholesome big project.

Lobatse mayor Ms Malebogo Kruger explained in several kgotla meetings at Woodhall, Maokaneng, Peleng and Motswedi that the project, initially planned to have five tanneries, would commence with construction of a single tannery.

She pointed out that the number of tanneries would be increased in phases.

The decision to downgrade the project into phases

was due to the fact that the country was not currently producing enough cattle skins to supply a big leather processing plant.

“Experts have realised that the cattle skins being produced in the country are not enough for the project of such a big magnitude.

Therefore, it has been downgraded to phases where the first stage will include the construction of one tannery.

The tanneries will then be increased when the availability of cattle skins increases,” Ms Kruger said.



Leather for Health, Wealth and Luxury!

## ABOUT ALLPI

Africa Leather and Leather Products Institute (ALLPI) was chartered in 1990, with the endorsement of 17 COMESA Heads of State. ALLPI's main Mandate is to support the development of the leather sector in the Region. Over the years the Institute has created strong strategic linkages with Public and Private Sector Institutions in member countries. In addition to this, ALLPI has signed several Memoranda of Understanding (MoUs) with global institutions, in its pursuit to improve competitiveness of the leather sector in Africa in line with global dynamics.

ALLPI is headquartered in Addis Ababa, Ethiopia; and currently its membership encompasses ten countries, namely Burundi, Eritrea, Ethiopia, Kenya, Malawi, Rwanda, Uganda, Sudan, Zambia and Zimbabwe. The Institute has short term plans to expand its operations to Swaziland, Egypt, the Democratic Republic of Congo (DRC) and Madagascar.

The location of its office is strategic, as Addis Ababa is the capital city of Africa, where the African Union and other International Development Partners are located. Furthermore, Addis Ababa is the African gateway to any global destination, which makes ALLPI highly accessible and convenient for our regional and international partners and clients.

### ALLPI Vision:

To be Africa's premier centre of excellence for a competitive leather sector in the global arena.

### ALLPI Mission:

To facilitate Member States and link partners, enterprises and institutions for value addition, sustainability and competitiveness in the leather sector through Sharing of Knowledge.

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