

CLE's participation in 2nd edition of "Leather Tech Bangladesh, 2014",

Nov. 27 – 30, 2014, Bangbandhu International Conference Centre (BICC), Dhaka.



Opening Ceremony of Leathertech, Bangladesh by Mr. Hedayetullah Mamoon, Sr. Secretary, Ministry of Commerce, Govt. of the People's Republic of Bangladesh

Overview of Bangladesh Leather Industry:

Bangladesh has a long established tanning industry which produces around 2-3% of the world's leather from a ready supply of raw materials. The leather industry is ideally suited to Bangladesh with its abundance of labor and natural resources at internationally competitive rates. The hides and skins (average annual output is 15m sq.m.) have a good international reputation. The fast growing sector is leather products. Local tanners produce four types of leather - rawhide, wet blue, crushed and finished leather.

The leather industry that includes both the leather processing industry and the shoe and leather goods manufacturers is going through the preliminary level of boom. The base of the industry has already been established, now is the time to see the expansion. Considering the advantage of high quality leather and comparatively cheap manpower, the industry is on the verge of harvesting period.

In Bangladesh the leather industry is well established and ranked fourth in terms of earning foreign exchange. Being sector with considerable scope for value addition the (Government of Bangladesh (GoB), Ministry of Industry (MoI) has declared it as a priority sector. According to Export Promotion Bureau (EPB) for the Financial Year 2011-12, the leather sector grew by 17.5 per cent and earned \$765 million in revenue. Of this \$434.8 million was attributed from leather products, accounting for approximately 57% of the total revenue. The leather sector includes 220 tanneries, 3,500

MSMEs. The sector generates direct and indirect employment for about 850,000 people, including a significant number of women, particularly in the leather products industries.

The increasing growth of the industry and boosting investment in the sector would definitely make the sector the second highest export industry in the next five to seven years, that the annual production of 5000 crore taka from tanners and a further 1600-1800 crore taka from footwear and leather goods industries will automatically increase by seven to eight thousand crore taka in the coming years with the existing infrastructure in place. But, if the relocation of tanneries is successfully done there, as told by the Industry associations of Bangladesh.

As leather sector is a labor oriented industry and Cheap labor is available in Bangladesh, the industry may attract the foreign customers to establish their leather / footwear units there.

Bangladesh leather industry has three main streams, they are as under :

- a) Leather Tanning
- b) Leather Footwear
- c) Leather Goods

They have sufficient raw material to serve the industry. The sector is growing like 'Ready made Garments' Sector, which is the main industry in Bangladesh with a total turnover of approx. 18 bn dollar, as told by Sr. Secretary, Ministry of Commerce, Govt. of Bangladesh.

Export of Leather, Leather Footwear and Leather Goods

Million US \$

Year	Leather		Leather Footwear		Leather Goods		Total
	Export	% of Total	Export	% of Total	Export	% of Total	
2002-2003	191.23	83.2%	35.06	15.3%	3.43	1.5%	229.72
2003-2004	211.41	79.50%	50.86	19.13%	3.64	1.37%	265.91
2004-2005	220.93	76.77%	59.51	20.68%	7.35	2.55%	287.79
2005-2006	257.27	71.50%	95.44	26.52%	7.12	1.98%	359.83
2006-2007	266.08	64.42%	135.94	32.91%	11.03	2.67%	413.05
2007-2008	284.41	61.44%	169.60	36.64%	8.87	1.92%	462.88
2005-2006	257.27	71.50%	95.44	26.52%	7.12	1.98%	359.83
2008-2009	177.32	46.52%	186.93	49.04%	16.89	4.43%	381.14
2009-2010	226.10	49.24%	204.09	44.44%	29.06	6.32%	459.25
2010-2011	297.83	45.75%	297.80	45.74%	55.42	8.51%	651.05

Export performance for the period of July, 2010-2011

Million US \$

Products	Export target for 2010-2011	Export Performance for 2010-2011	% Change of export performance over export target	Export performance For July-June. 2009-2010	% Change of export performance July -June. 2010-11 Over July-June. 2009-10
1	2	3	6	7	8
Leather	293.94	297.83	1.32	226.10	31.72
Footwear	235.00	297.80	26.72	204.09	45.92
Leather Products	34.87	55.42	58.93	29.06	90.71

Source: Export Promotion Bureau of Bangladesh (EPB)

India's export of footwear components to Bangladesh:

Bangladesh is a growing market for leather and leather products. India's export of leather & leather products to Bangladesh increased from US\$3.60 million in 2008 to US\$14.07 in 2013, growing at a compounded Annual Growth Rate of 31.34%.

India's export 'Footwear Components' also increased from US\$0.36 million in 2008 to US\$1.18 million in the year 2013. Hence there is a good scope for export of 'Footwear Components' to Bangladesh, especially considering the rapid growth of footwear manufacturing industry in the country.

About the Fair :

The International Leather Technology Tradeshow is a platform created for International and Domestic Machinery, Chemicals, Accessories & Allied Products manufacturers and distributors to showcase their latest products and services to the Tanning & Finished Leather, Footwear and Leather Goods manufacturing industries in Bangladesh.

The 2nd edition of "Leather Tech Bangladesh, 2014" – a finished leather, Footwear Components, Technology, & allied Products fair was inaugurated by Mr. Hedayetullah Al Mamoon, Senior Secretary, Ministry of Commerce, Govt. of Republic of Bangladesh on 27th November, 2014 in the Bangbandhu International Conference Centre, Dhaka. The



Mr. Hedayetullah Al Mamoon, Sr. Secretary, Ministry of Commerce, Govt. of the People's Republic of Bangladesh, addressing the gathering

dignitaries from leather sector & exhibitors from different countries including Bangladesh were present on this occasion.

Mr. Nandgopal K, Director Ask Trade & Exhibitions P.Ltd. delivered the welcome address & flower bouquets were presented to the dignitaries. Mr. Pradip Agrawal, President – IFCOMA addressed the gathering & informed about the potential of footwear industry in Bangladesh.

Addressing the dignitaries & audience – Mr. R K Shukla, Assistant Director- CLE appreciated the fair & said the fair



Mr. R K Shukla, Assistant Director- CLE, addressing the participants

has increased very well as there is a growth of approx. 50% in nos. of exhibitors & as well as in area. He briefly informed about the growth of the Indian Leather Industry & said it has touched the export of 6 US\$ billion during the year 2013-14. He said keeping the potential for footwear component manufacturers & exporters, CLE has organized group participation of its member – exporters in the fair. Assistant Director – CLE congratulated the organizers of the fair ‘Ask Trade & Exhibitions’ for organizing the international Event in a fully professional way.

In his address Mr. Hedayetullah al Mamoon, Senior Secretary, Ministry of Commerce, Govt. of Republic of Bangladesh & Chief Guest of the programme said ‘Leather Sector’ is the second highest industry in Bangladesh after ‘Apparel’. He said the India & Bangladesh ‘Leather industry’ should come with joint ventures to growth faster in the global market. Mr. Hedayetullah said the country’s rapid expanding leather business is contributing to the nation economy largely.

It was a comprehensive International Technology & Allied Products tradeshow for the Bangladesh Leather, Footwear & Leather Goods Industries. Over 125 Exhibitors from India, China, Turkey, Japan, Taiwan, Italy, Germany, Singapore, Sri Lanka & Bangladesh showcased Leather & Footwear Machinery & Components, Dyes & Chemicals, Accessories and Allied Products at this 3 day event. Participation included Indian pavilion had 50 companies participating through Council for Leather Exports (CLE) and Indian Footwear Components Manufacturers Association (IFCOMA). There was also a strong contingent of 40 exhibitors from China.



Mr. Hedayetullah Al Mamoon, Sr. Secretary, Ministry of Commerce, Govt. of the People’s Republic of Bangladesh, presenting to Memento to Mr. R K Shukla, Asst. Director, CLE.

IFCOMA signs MOU on Cooperation with LFMEAB

During ‘Leather Tech, Bangladesh, 2014’ a Memorandum of Understanding (MoU) on Cooperation between ‘Indian Footwear Components Manufacturers Association’ (IFCOMA) and ‘Leathergoods and Footwear Manufacturers & Exporters Association of Bangladesh’ (LFMEAB) was signed in the afternoon on 27th November, 2014 in the presence of Mr. Pankaj Saran, H.E. High Commissioner of India in Bangladesh.

The MOU focuses on closer networking to promote the footwear Industry. Both the associations will put emphasis on frequent interactions, exchange of information on databases of its members and the Organization for development of healthy business relationship. This will also include organizing of seminars, workshops and conferences for the benefit of the Industry. The purpose is also to explore and encourage strategic alliances (joint ventures) and also seek the possibilities of direct investments in the Footwear and component sector and thus give impetus to bilateral growth.



Signing of MOU between IFCOMA and LFMEAB, Bangladesh

Speaking on the occasion after witnessing the MOU and visiting the tradeshow Mr. Pankaj Saran, H.E. Indian High Commissioner said, “ It is heartening to note that two industry bodies have taken lead in signing MOU and enhancing co-operation between both the countries. I am happy to see such a focused show with a large variety of machinery, products, components and accessories being displayed exclusively to the Leather Industry at LEATHERTECH Bangladesh.”



H.E. Pankaj Saran, High Commissioner of India to Bangladesh, addressing the participants.



Mr. R K Shukla, Assistant Director, CLE, addressing the participants during the MOU signing Ceremony.

The following companies participated in the fair & exhibited their respective products in the fair :

S.N.	Name of the company	Place	Products exhibited
1.	Classic Polymers	Delhi	Insoles/footbeds, EVA Foam and Laminated Foam
2.	Gaitonde Leathers & Accessories Pvt. Ltd.	Chennai	Finished Leather for shoes & Bags
3.	Kenda Farben India P.Ltd.	Delhi	Adhesives, Varnishes for Synthetic soles & heels, PU Dosing pigments & Release Agents for PU Systems.
4.	Portind Shoe Accessories Pvt. Ltd.	Chennai	Shoes Welt, Veneer Heel Cover
5.	Sandeep Rubber Industries	Agra	Rubber Sheets, Rubber/TR Soles, Rubber/TR/Salpa Welts, PU Socks etc.
6.	Sperry Plast Ltd.	Delhi	Thermoplastic Rubber Granules (TPR)
7.	Unifab Industries	Delhi	Laminated Fabrics, Knitted Pile Cloth (Artificial Fur Linings) and Moulded Insocks
8.	Versatile Enterprises P.Ltd.	Delhi	Laminated Fabrics, Linnings, Uppers, Canvas, Checks, Stripes, Knitted Rib Fabric, Mesh Articles, Spacer articles, Bonded Textiles & Interlinings
9.	Wilhelm Textiles India P.Ltd.	Gurgaon	Reinforcement materials (Inter lining) textile innings, textile upper material, strobe, warm linings/ synthetic fur linings and various types of membrane laminates for water proof shoes.
10.	Zahonero India P.Ltd.	Noida	Lates Foam, PU Foam & Foot Beds



CLE Info Booth:

Council for Leather Exports participated in the 2nd edition of “Leather Tech Bangladesh, 2014” & arranged group participation of its member – exporters in the fair.

Mr. R.K.Shukla, Assistant Director was the Stand Incharge of CLE Pavilion. He coordinated with the fair authorities and organized participation of the member – exporters (manufacturers & exporters of “Footwear Components”) in the fair. CLE publications were displayed in the CLE Info Booth.



Mr. R K Shukla, Assistant Director -CLE interacting with Mr. Nandagopal K & Mr. Salim of Ask Trade Exhibitions Pvt. Ltd.

The Assistant Director attended the relevant queries of business visitors & a set of CLE publications were handed over to each of them.

As per feedback from our participants the representatives of the following ‘Footwear Brands’ in Bangladesh visited the fair :

- APEX Adelchi
- BATA
- BAY Footwear
- FB Footwear
- Aimeo



At CLE Information Booth : (Lto R) K Nandagopal, Director , Ask Trade Exhibitions Pvt. Ltd., Mr. R K Shukla, Asst. Director, CLE, Mr. Sandeep Chakravarty, Dy. High Commissioner of India to Bangladesh, Mr. Pradeep Agarwal, President, IFCOMA , Mr. Meena Deshpande, Counsel, High Commission of Bangladesh , Mr. Verma of IFCOMA at CLE Info Booth

Visit of H.E. Mr. Pankaj Saran, High Commissioner of India to Bangladesh to the stalls during the Fair



Visit of H.E. High Commissioner of India – Mr. Pankaj Saran to CLE Info Booth

Mr. Pankaj Saran, H.E. High Commissioner of India to Bangladesh visited CLE Info Booth. He was briefly informed about the Indian Leather Sector & a set of publications was presented to him. The Indian High Commissioner opened our monthly magazine “Leather News India” & saw it thoroughly. He appreciated the role of CLE to promote the Indian Leather Sector.

On the second of the fair Mr. Sandeep Chakravorty, Deputy High Commissioner of India also visited the fair & interacted with the exhibitors. He also visited the CLE Info Booth. During the discussions he advised that Indian leather & leather products entrepreneurs should be motivated to set up their footwear manufacturing units in Dhaka as here is enormous raw material & man power.

He appreciated the efforts of Ask Trade, CLE & IFCOMA for organizing the fair in Dhaka to explore the market.

Date & Venue of the next Fair :

The fair authorities informed that the 3rd edition of “Leather Tech Bangladesh, 2015” will be held during November 26 – 28, 2015 at new venue i.e. ‘Basundhara Convention Centre’, near Raddisson Hotel, Dhaka which is a fully air-conditioned Building with all the requisite facilities.

Conclusion :

Leather Sector is the second largest industry in Bangladesh after ‘Ready Made Garments’. It has sizeable numbers of footwear manufacturing units but no proper base of footwear components. So, there is a good potential for footwear components in Bangladesh. Many of our exhibitors informed that they are already doing regular business with the prominent footwear manufacturers there.

As per ‘Feedback Form’ received from our exhibitors in the fair, confirmed business worth US\$ 30000 & expected



H.E. Mr. Pankaj Saran, High Commissioner of India to Bangladesh having a look at the CLE Monthly Magazine Leather News India at CLE Info booth



H.E. Mr. Pankaj Saran, High Commissioner of India to Bangladesh, Ms. Arundhati Das, First Secretary (Projects), High Commission of India to Bangladesh, along with Mr. R.K. Shukla, Asst. Director, CLE at the CLE Info booth

business worth US\$ 13,00,000 were generated during three days of the fair.

Most of the exhibitors confirmed their participation through CLE in the next edition of the fair. Keeping in view the demand of the footwear components there, CLE should continue its participation in this fair for exploring the market.



*Think Leather
Think India*