

2nd Pakistan Mega Leather Show

Lahore, Pakistan, January 27-29, 2016

Report by: Rattan Kumar, SG Asst Export Promotion Officer, CLE



CLE for the first time participated in the 2nd Pakistan Mega Leather Show, Lahore, Pakistan held from January 27-29, 2016 in Pakistan Convention Centre, Lahore in Hall No. 1&2 and arranged group participation of 10 Indian member-exporters with the financial assistance of the Government of India under Market Development Assistance (MDA) Scheme. The following Indian member-exporters of footwear components participated in this event under the CLE Banner:-

- 1) M/s. Anand Cutting Profiles Pvt Ltd, New Delhi
- 2) M/s. APL Polyfab Pvt Ltd, Kolkata
- 3) M/s. C&E Limited, Chennai
- 4) M/s. Diana International, Jalandhar
- 5) M/s. Fashion Folio, New Delhi
- 6) M/s. Gheli International Pvt Ltd, New Delhi
- 7) M/s. Shreedji Polyfab Pvt Ltd, New Delhi
- 8) M/s. Sperry Plast Ltd, New Delhi
- 9) M/s. Top Lasts, Agra
- 10) M/s. Versatile Enterprises Pvt Ltd, Ludhiana

Apart from the above, the following companies of Footwear Components also directly participated in the fair.

- 1) M/s. Atma Ram, Agra
- 2) M/s. Swarna International, Agra
- 3) M/s. K.L.J Polymers & Chemicals Ltd, New Delhi
- 4) M/s. Versatile Bonds Pvt Ltd, New Delhi
- 5) M/s. Vikas Global One Ltd, New Delhi
- 6) M/s. Threads (India) Limited, Kanpur
- 7) M/s. Port Ind Shoe Accessories, Chennai
- 8) M/s. Pooja Plasto Colour Pvt Ltd, New Delhi

The participants under the CLE banner received good business orders during the fair as there was a good foot-fall of the visitors in the fair. Based on the feedback of

the participants the expected business worth of US\$ 5, 50,000 was booked by the participants.

In order to coordinate group participation of the member-exporters and also to manage the Information Booth at the fair, Council has deputed Mr. Rattan Kumar, SG-AEPO, CLE. Queries received from the business visitors, buyers and participating companies were well attended by the Council's Official up-to their satisfaction. The publicity materials, posters and publications of the Council were displayed at the CLE Information Booth.

In all, there were around 186 exhibitors from the Countries like Turkey, Italy, Russia, China, Germany, Hong Kong, Taiwan etc., who exhibited varied range of products, which includes; machinery for tanning leather, manufacturing footwear and leather goods along with components, dyes and chemicals, accessories, allied products and leather in an area of approx. 8000 sq.mtrs.

About the Fair

The 2nd Pakistan Mega Leather Show- 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 and finished leather, footwear, leather goods and leather garment manufacturing industries in Pakistan. The three day fair attracted approximately 15000 business visitors from tanning, leather goods, leather garments, leather footwear manufacturing sector led by decision makers along with their sourcing and procurement team visiting the fair from important clusters of the country. The Second day of the event was inaugurated by Engineer Khurram Dastgir Khan, Federal Minister of Commerce, Islamic Republic of Pakistan.



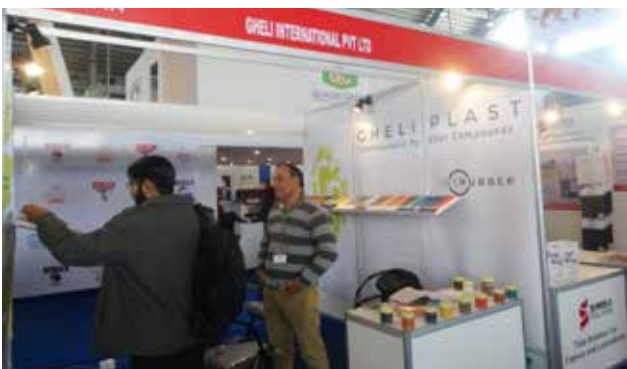
Inauguration of the fair

During the award ceremony organised by Pakistan Footwear Manufacture Association and Pakistan Tanners Association, the Honourable Governor of Punjab, Lahore, Pakistan (Mr. Malik Rafique Rajwana) presented a souvenir to Council for Leather Exports (CLE) and Indian Footwear Components Manufactures Association (IFCOMA) for extending support. On behalf of CLE and IFCOMA, Mr. Mani Shankar Almal, Former COA member, CLE and Former President IFCOMA received the souvenir



Shri Mani Almal, Former President, IFCOMA speaking to the Media

INDIAN PARTICIPANTS IN PAKISTAN MEGA LEATHER SHOW





Overview of Pakistan Leather Industry

Pakistan's Leather Industry is one of the major foreign exchange earners for the country. About 90% of its products are exported in finished form. During 1996-97, the production of leather was about 14.3 million and export earnings amounted to US\$ 642 million. According to the LCCI's research and development (R&D) wing, Pakistan is one of the top 10 producers of leather worldwide and the industry contributes 6.15% to GDP and 6.56% to the country's foreign exchange earnings.

The leather industry which is one of the most important export earners (after the textile industry) comprises of 800 tanneries in the formal sector and an equally large number of tanneries in the informal sector and provides almost half a million direct and indirect jobs. These tanneries are concentrated in a few clusters of which Kasur (180), Karachi (170) and Sialkot (135) are the most important.

Animal Skins which are the basis of the leather industry are obtained from the provinces of the Punjab

(Lahore) and Sindh. Limited quantities of imported hides are also used. The season of peak activity begins around Eid-Ul-Azha and extends for between two to three months. During this period, production levels can reach twice the normal level.

The chrome tanning method is the most widely used process in Pakistan's leather sector. However, the vegetable tanning method and a combination of chrome and vegetable tanning is also applied. The process includes a number of different steps during which large quantities of water and chemicals are applied to the skins. About 130 different chemicals are used in leather processing, depending on the type of raw material used and finished product. These may be divided into four major classes, pre-tanning chemicals, tanning chemicals, wet finishing chemicals and finishing chemicals. Groundwater is used as the major source of water in Pakistan's Leather Industry.

Population of Animal Livestock of Pakistan

Livestock is an important sector of agriculture in Paki-

stan and contributed to agriculture value added stood at 56.3% while it contributes 11.8% to the national GDP during 2014-2015 compared to 55.6% and 11.8% during the same period of last year, respectively. Gross value addition of livestock has increased from Rs. 778.3 billion (2013-14) to Rs. 801.3 billion (2014-2015, recorded an increase of 3.0% as compared to previous year. The livestock population for the last 3 years are as under:-

Livestock Population (Million Nos.)

Species	2012-2013	2013-2014	2014-2015
Cattle	30.3	39.7	41.2
Buffalo	33.7	37.6	35.6
Sheep	28.8	29.1	29.4
Goat	64.9	66.6	68.4
Camels	1.0	1.0	1.0
Horses	0.4	0.4	0.4
Asses	4.9	4.9	5.0
Mules	0.2	0.2	0.2

Hides & skins are agriculture produce and basic raw materials for the leather sector to make leather garments, leather footwear, leather gloves and leather products i.e. bags wallets, belts etc. The Leather Sector is one of the largest export earners of Pakistan. Hides & Skins are precious resources in which Pakistan has competitive advantage due to the fact that Pakistan has 5th largest population of animal livestock.

Pakistan's Exports of Leather and Leather Products



Pakistan's Import of Leather and Leather Products and India's Share - 2009-2013

India's export of leather and leather products to Pakistan increased from US\$ 0.49 million in the year 2009 to US\$ 2.03 million in the year 2013. The share of India's export to Pakistan grew from 0.62% in 2009 to 1.64% in 2013. India's export of leather and leather products to Pakistan for the year 2013 was 2.03 million USD. Out of this finished Leather is the major export item from India with 1.91 million USD followed by Leather Footwear and Leather Goods with 0.10 million USD and 0.02 million USD respectively. Footwear Components, Leather Garments, Saddlery and Harness and Non-Leather Footwear didn't have any contribution in the share of India's export to Pakistan.



Details	2009	2010	2011	2012	2013
Leather					
Import	31.81	45.06	59.47	43.74	43.2
India's Export	0.16	0.5	0.46	0.58	1.91
%Share of India	0.50%	1.11%	0.77%	1.33%	4.42%
Leather Footwear					
Import	25.47	39.41	43.33	37.61	40
India's Export	0.21	0.07	0.01	0.31	0.1
%Share of India	0.82%	0.18%	0.02%	0.82%	0.25%
Footwear Components					
Import	1.02	1.16	1.6	1.43	2.02
India's Export	0	0.36	0	0	0
%Share of India	0.00%	31.03%	0.00%	0.00%	0.00%
Leather Garments					
Import	1.99	2.99	5.89	6.49	5.91
India's Export	0	0	0	0	0
%Share of India	0.00%	0.00%	0.00%	0.00%	0.00%
Leather Goods					
Import	5.15	5.22	8.01	6.57	7.45
India's Export	0.11	0	0	0	0.02
%Share of India	2.14%	0.00%	0.00%	0.00%	0.27%
Saddlery and Harness					
Import	0	0	0	0	0
India's Export	0	0	0	0	0
%Share of India	0.00%	0.00%	0.00%	0.00%	0.00%
Non - Leather Footwear					
Import	13.62	19.64	29.79	40.48	24.91
India's Export	0.01	0.03	0.01	0.04	0
%Share of India	0.07%	0.15%	0.03%	0.10%	0.00%
TOTAL					
Import	79.06	113.48	148.09	136.32	123.49
India's Export	0.49	0.96	0.48	0.93	2.03
%Share of India	0.62%	0.85%	0.32%	0.68%	1.64%

Source: PAKISTANS Import - ITC Geneva / India's export DGCI&S

Conclusion

Pakistan is considered to be the hub of producing high quality Leather and Leather Products, and there are about 800 tanneries in the country actively engaged in producing best quality finished leather of Cow, Buffalo, Sheep and Goat Skins. Buffalo is considered as the specialty of Pakistan all over the world because of its ample availability in Pakistan. Cow is considered a superior raw material upon buffalo because of its fine, tight and comparatively uniform structure. Goat is useful for making shoe upper leathers and sheep is useful for making garments. Therefore, there is good scope for leather and leather products in Pakistan. The visitors to the event expressed their pleasure to find materials required for the manufacturing of footwear

under one roof. Visitors were also very interested in examining the footwear components booths. The exhibitors discussed about the various footwear components being displayed by them in the fair. The industry of Pakistan has shown their keen interest in the event being replicated in future years to come. Keeping in view the demand of the footwear and footwear components there, CLE should continue its participation in this fair in a big way for exploring the market. There is good potential for footwear and footwear components in Pakistan. Good footfall of the visitors was noticed during the fair. The feedback of the participants who were under CLE banner was very good and they have received good business orders on account of participation in the fair.