

Footwear and Leather Fair 2016 (8th Edition)

SRI LANKA

■ By P. Prabhakara Rao, Regional Director (South), CLE

The Footwear and Leather Fair 2016, the eighth in its successful series was inaugurated by Hon'ble Rishad Bathiudeen, Minister of Industry and Commerce, Sri Lanka on Feb 05, 2016 at the BMICH in Colombo.

The Footwear and Leather fair series is a joint effort of Ministry of Development Strategies and International Trade, Sri Lanka Export Development Board (EDB), the Ministry of Industry and Commerce, the Industrial Development Board and Sri Lanka Footwear and Leather Products Manufacturers Association.

It has been attracting more and more global exhibitors since its start in 2007 and has now become a showcase of latest Lankan footwear and leather production and design trends. A primary objective of the show is to exhibit Sri Lankan footwear and leather and products, capacities to local and international visitors.

A design and best stall competition and a fashion show were held in parallel to the exhibition.

The Footwear and Leather industry in Sri Lanka has been identified as a value added manufacturing sector that has taken up the role of generating export revenue to the country. The industry employs about 40,000 people directly and indirectly. This includes 10 large export companies, 30 medium scale companies and about 3000 small scale manufacturers.

A diverse range of modern shoes such as canvas and rubber boots, thongs, sports shoes and leather shoes are produced using different types of raw materials.

Apparels, Sri Lanka's biggest export win, contributed 45% of total exports in 2015. Though the footwear and leather (F&L) exports are comparatively lower, the industry mirrors several aspects of apparel industry, and the apparel experience could be adopted well in F&L sector. Sri Lanka's footwear and leather exports have been steadily growing. The total exports at \$36 Mn in 2011 surged by 300% in 2015 to \$110 Mn. A whopping 78% of 2015's total exports were footwear.

At the 8th edition, 106 local companies displayed their products. There were total 230 stalls. Around 24 foreign delegates from Oman, Sweden, Kenya, UAE and India were participated.

Indian Participation

The following 10 member exporters participated in the fair

1. Shreeji Polyfab Pvt Ltd, Delhi
2. Unifab Industries, Delhi
3. Intek Tapes Pvt Ltd, Chennai



Shri Vipin Seth, COA member with H'ble Ravi Karunanayake, Minister of Finance, Sri Lanka at the fair

4. Siddharth Exports, Noida
5. Alert India Pvt Ltd, Delhi
6. Excel Exims, Kanpur
7. Sperry Plast Ltd, Delhi
8. Gaitonde Leathers and Accessories P Ltd, Chennai
9. Royal Polymers, Agra
10. Global Polymers, Agra

The Indian Exhibitors got good response from the visiting buyers and the Sri Lankan Footwear Industry. There were around 116 business meetings held with various clients and Orders of worth US\$ 33,200 confirmed on the Spot. Enquiries of worth US\$ 282,000 are under pipe line. All the participants expressed their desire to participate in the fair again

Speaking while inauguration of the Fair, Hon'ble Rishad Bathiudeen said, "The global footwear market is expected to exceed \$ 370 billion by 2020. World's largest footwear market is Europe. With the increase of middle income population and female workforce, it is clear that the demand for designer footwear too would rise rapidly. Even though Casual footwear are leading the growth at present, with more and more people entering an active sports lifestyle, demand for athletic and sports footwear too are driving this growth. Especially athletic footwear manufacturing is attractive due to the higher profit margins that it offers. Since levels and finish of raw material for athletic footwear is lower than fashion shoes their manufacturing costs are lower, they offer bigger margins in the global market-as much as 45% . Therefore I believe that Sri Lankan manufacturers and exporters should pay closer attention to this sector."



Hon'ble Rishad Bathiudeen, Minister of Industry and Commerce, Sri Lanka speaking at the inaugural function

Hon'ble Ravi Karunanayake, Minister of Finance, Sri Lanka visited the Fair on 6th Feb and interacted with all the exhibitors and encouraged them to display wide range of products in the next fair.

The officials from Indian High Commission in Sri Lanka, Dr. Shiv Guru, & Mr. Niteen S Yeola, Second Secretaries visited the stall of Council for Leather Exports and assured all the support from the High Commission.

Council's Information Booth

The Council has separate stall where promotional materials like Participants Profile Booklets were distributed to the visitors. This apart, Lather News India Magazine, Broachers, Publicity material on Leather & Leather Products, Members directory were also displayed during the Fair and many prospective buyers/importers who visited the CLE information booth were given adequate information on the Indian Leather Industry.

India – Sri Lanka Trade Relations

The bilateral trade between India and Sri Lanka remained buoyant in 2015. During the period January – November 2015, Sri Lankan imports from India amounted to US\$ 3.75 billion, up by 6.17%, and Sri Lankan exports to India amounted to US\$ 599 million, up by

12.3%, as compared to the same period in 2014. India is among the top investors in Sri Lanka with cumulative investments of over US\$ 1 billion since 2003.

The increasing air connectivity between the two countries is a good reflection of the strengthening bilateral linkages. There are now 154 flights a week between Colombo and eight destinations in India, and India continues to be the largest destination for tourists into Sri Lanka, accounting for almost one-fifth of all tourist arrivals.

Special measures were taken during 2015 to simplify issuance of Indian visas to Sri Lankan nationals. In pursuance of the announcement made by the Hon'ble Prime Minister of India during his visit to Sri Lanka, the e-Tourist Visa (eTV) scheme was extended to Sri Lankan nationals w.e.f. April 14, 2015. Subsequently, the visa fee for eTV was sharply reduced for Sri Lankan nationals to US\$ 25 instead of US\$ 60 charged earlier.

India's total development assistance commitment to Sri Lanka is now around US\$ 2.6 billion, covering areas like housing, de-mining, agriculture, education, public health and connectivity. A significant part of this assistance is in the form of outright grants. India's flagship housing project, which aims to construct 50,000 houses, is proceeding well with around 44,000 houses constructed till date.

Discussions took stock of the preparations underway on both sides to begin negotiations on the Economic and Technology Cooperation Agreement. Preliminary discussions had been held during the 4th Commerce Secretary level talks in New Delhi on December 21, 2015. India will be holding a workshop in early March in Colombo on Non-Tariff Barriers (NTB) and Phytosanitary Barriers (PTB) regulations and procedures. Cognizance was taken of the reconstitution of the CEOs Forum on either side and the proposals from the Export Promotion Board of Sri Lanka for increasing trade linkages

The 8th Footwear and Leather Fair 2016 concluded on 7th Feb evening with overwhelming response from the visitors and satisfied exhibitors.

