



**TOGETHER**  
*for a sustainable future*

## OCCASION

This publication has been made available to the public on the occasion of the 50<sup>th</sup> anniversary of the United Nations Industrial Development Organisation.



**TOGETHER**  
*for a sustainable future*

## DISCLAIMER

This document has been produced without formal United Nations editing. The designations employed and the presentation of the material in this document do not imply the expression of any opinion whatsoever on the part of the Secretariat of the United Nations Industrial Development Organization (UNIDO) concerning the legal status of any country, territory, city or area or of its authorities, or concerning the delimitation of its frontiers or boundaries, or its economic system or degree of development. Designations such as “developed”, “industrialized” and “developing” are intended for statistical convenience and do not necessarily express a judgment about the stage reached by a particular country or area in the development process. Mention of firm names or commercial products does not constitute an endorsement by UNIDO.

## FAIR USE POLICY

Any part of this publication may be quoted and referenced for educational and research purposes without additional permission from UNIDO. However, those who make use of quoting and referencing this publication are requested to follow the Fair Use Policy of giving due credit to UNIDO.

## CONTACT

Please contact [publications@unido.org](mailto:publications@unido.org) for further information concerning UNIDO publications.

For more information about UNIDO, please visit us at [www.unido.org](http://www.unido.org)



04954



Distr.  
LIMITED

ID/WG.157/10  
20 August 1973

ORIGINAL: ENGLISH

United Nations Industrial Development Organization

Workshop on Leather Industry Development  
in Developing Countries

Vienna, Austria, 27 August to 1 September 1973

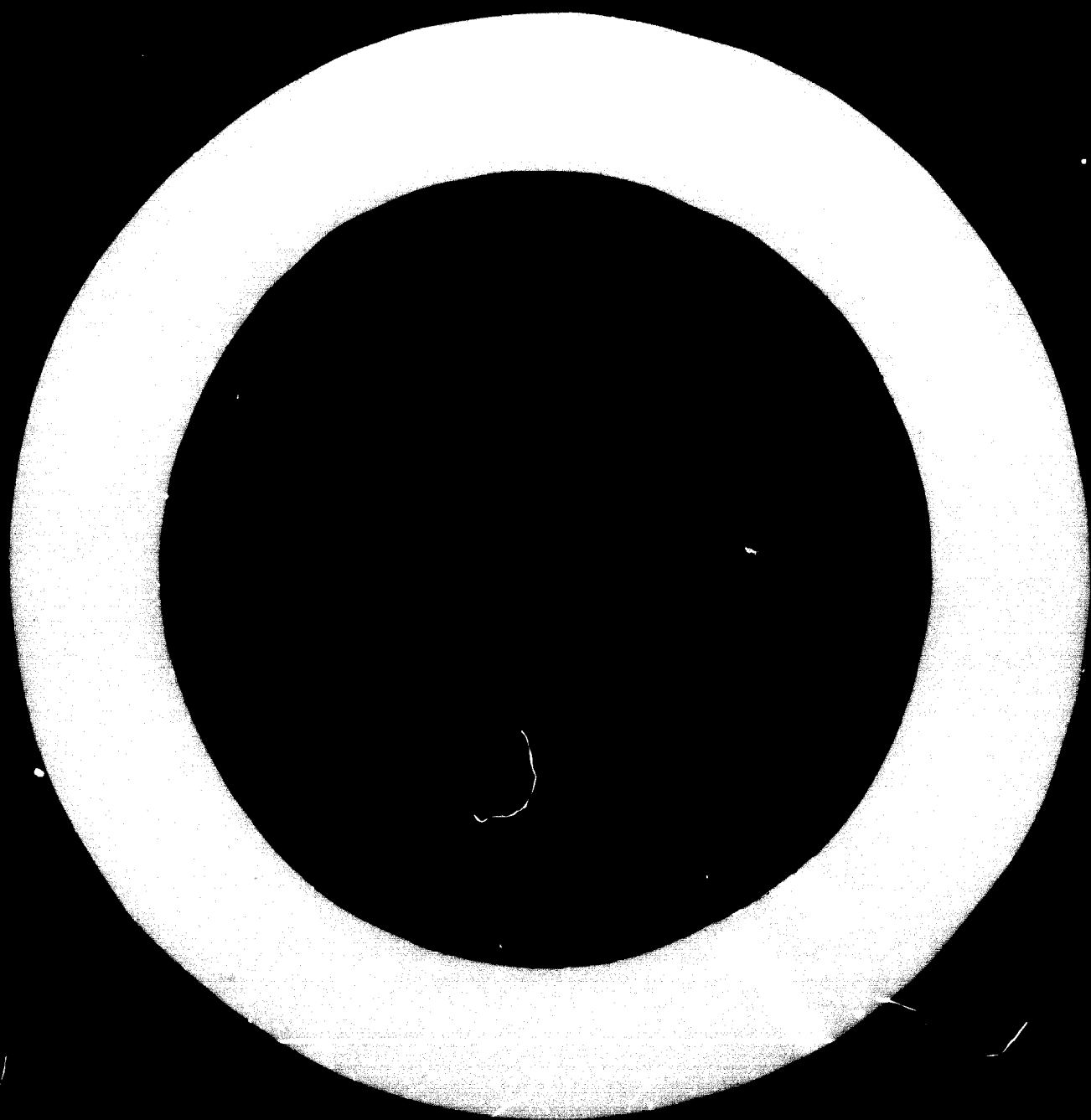
PROSPECTS FOR THE DEVELOPMENT OF THE  
LEATHER INDUSTRY IN DEVELOPING COUNTRIES <sup>1/</sup>

prepared by  
the Secretariat of UNIDO

<sup>1/</sup> This document has been reproduced without formal editing.

id.73-5777

**We regret that some of the pages in the microfiche copy of this report may not be up to the proper legibility standards, even though the best possible copy was used for preparing the master fiche.**



## Introduction

The changes which have taken place in the last few years in the hides and skins trade on account of certain Governments placing restriction on the export of hides and skins, and in further decisions to control the amount of wet blue and semi-finished leather to be exported from their countries has created an impact on the world trade, as well as inducing leather manufacturers in developed countries, to reconsider the position.

The demand for leather products in developed countries has grown, mainly due to the leather manufacturers of developed countries making types and qualities of leather with character, feel and colour, and the manufacturers of footwear and leather products have been able to produce fashionable items and the public enjoying increased purchasing power has as usual responded to fashion. This finished products trade is international but mainly between developed countries. They are able in the first place to provide sufficient products for their own local market and also export, always aiming at expansion of exports.

The material used in a number of these finished products is imported from quite a number of developing countries in any of the following forms, raw hides and skins, pickled pelts, wet blue and semi-finished leather. In some cases it is possible that a number of the finished products which some developing countries import to supplement shortages in their own country, may contain leather from their own exports of raw or semi-finished leather. This applies to developed countries as well and makes leather an international commodity.

The public in developing countries especially those in urban districts, while not so affluent, are also fashion conscious particularly with regard to leather footwear, however, due to restrictive policies on imports and the economies in general they have to depend on the local manufacturers for supply. This differs with each country, but is of a similar pattern with demand for variety exceeding supply, the styles and leather content of footwear are similar in all retail stores, because of

the shortage of different types and quantities of finished leather.

As the demand for leather is world wide so is the demand for finished leather increasing in some developing countries, as the footwear and leather products manufacturers are developing and exporting some of their products. This demand for finished leather appears to be more pronounced in countries which export wet-blue and semi-finished leathers to developed countries. To maintain quality in exports the tanners select the better grades for export, leaving only the poorer or reject tanned hides and skins for finishing, and sale on the local market. This and the shortages caused by exports are hindering the development of the footwear and leather products industries, which could eventually achieve the greatest added value to the indigenous hides and skins in the form of finished items.

With the emphasis placed on export of wet-blue and semi-finished leather to developed countries in the 1960's, some Governments, through bonuses, incentives, credit systems for machinery, chemicals and finishes for modernisation encouraged tanners to export and thus obtain added value (increased revenue).

In a general analysis Governments of developing countries are now seeking further development in the form of finished leather not only for export but for use in their own country, thus creating employment opportunities and the added value in the export of finished leather products.

What are the possibilities for developing countries to develop their leather, footwear and leather products industries, using their own supplies of hides and skins?

How long will it take to obtain positive results of achievement in becoming more self-sufficient in these industries?

What export markets will they find most suitable for their products.

I. Availability of hides and skins in developing countries

It is considered that the estimated animal population in the world of cattle (including buffalo) sheep and goat is the factor in assessing the future prospects for the leather industries in developing countries. Accordingly rates of growth, percentage of slaughter or death, social customs and traditions, climatic changes as to drought and floods and disease can affect the available raw hides and skin supply. It is known that the developing countries are more susceptible to problems than developed countries.

A. Cattle Hides (including buffalo)

According to the figures published for 1971<sup>1/</sup> the difference between the cattle population and the available hides in the developed and developing countries is quite marked in both cases, as follows:

World cattle population	1,152.8 million	
Developing countries	710.0 million	approx. 61%
Developed countries	442.8 million	approx. 39%
World, hides available	239.2 million	
Developing countries	96.4 million	approx. 40%
Developed countries	162.8 million	approx. 60%

These figures show almost a complete percentage reversal. Taking the developing countries' cattle population and available hides for 1971<sup>1/</sup> the most important countries are:

India	230.0 million	available hides	23.0 million
Brazil	90.0 million	available hides	10.2 million
Argentina	49.8 million	available hides	11.0 million
Pakistan	44.9 million	available hides	6.1 million
Ethiopia	26.2 million	available hides	2.7 million
Mexico	25.1 million	available hides	3.5 million
<b>Total:</b>	<b>466.0 million</b>		<b>58.5 million</b>
<b>% World total</b>	<b>approx. 40 %</b>	<b>% World total</b>	<b>approx. 25 %</b>

In comparison the only developed countries showing over 20.0 million head of cattle in 1971<sup>1/</sup>are:

U.S.A.	109.0 million	available hides	42.0 million
USSR	94.0 million	available hides	30.0 million
China	70.0 million	available hides	8.5 million
Australia	24.5 million	available hides	8.0 million
France	20.5 million	available hides	8.0 million
<b>Total:</b>	<b>317.0 million</b>		<b>96.5 million</b>
<b>% World total</b>	<b>27%</b>	<b>% World total</b>	<b>40%</b>

### B. Sheepskins

The figures for 1971 for the world population of sheep from the same source<sup>1/</sup>of information are as follows:

World sheep population	1032.4 million	
Developing countries	422.5 million	approx. 42%
Developed countries	609.9 million	approx. 58%
Total skins available	344.5 million	
Developing countries	130.8 million	approx. 39%
Developed countries	213.7 million	approx. 61%

It can be seen that the developing countries' share of available skins as against live stock owned is more evenly distributed than in the case of cattle hides.

### C. Goatskins

Goats are known to be more indigenous to developing than developed countries as shown below.

World goat population	363.6 million	
Developing countries	277.2 million	76%
Developed countries	86.4 million	24%



Total skins available	128.3 million
Developing countries	91.7 million approx. 79%
Developed countries	26.6 million approx. 21%

The goat skins available in developing countries show a 3% margin over that of developed countries.

**D. Possible Resources of Hides and Skins**

It can be seen that if the developing countries, without any increase in cattle stock, were to produce meat and presumably hides, on the same economic utilisation ratio as applied in developed countries, they would not only have a considerable increase of available hides, but would be producing approximately 45 per cent more hides than the developed countries.

It is evident that the potential for the basic raw material to make leather is in developing countries.

In considering the prospects of the development of leather in developing countries, it is interesting to note that Argentina, Brazil, India and Pakistan, four of the largest hide and skin producers in the world, and classified as developing countries, have all adopted a policy of restriction in exports of hides and skins as well as of leather in different stages of processing. While each country's policy differs from the other, the principle behind each is the further utilisation of their own raw material, and the eventual export of finished leather, leather footwear and leather products. It would appear that the decisions of these countries could be the "Turn of the tide" in the development of leather in developing countries.

Columbia, Kenya, Paraguay, and Uruguay also have restrictive policies for the further development of leather industries.

Of the 25 principal countries in the world producing hides and skins the different categories in 1971 show that in:

Cattle hides 11 were developing countries  
Sheep skins 15 were developing countries  
Goat skins 20 were developing countries

In all, 44 countries were listed and Argentina, Brazil, Ethiopia India and Pakistan were included in all categories, therefore restrictive policies must have an impact on the world leather situation.

II. Pattern of movement by developing countries towards further utilisation of their indigenous supply of hides and skins

In the late 1940s and 1950s the countries now classed as developing were in most cases the suppliers of raw hides and skins to developed countries. This was a follow-on to the pattern of trading which had gone on for several decades. In the 1960s changes took place in that a number of these countries were tanning this raw material, but still supplying them in the pickle state, wet blue and semi-finished leather to developed countries.

By the late 1960s a number of the developing countries and especially the larger countries were considering the next step into the finishing of these semi-finished exports. This step is difficult due to the lack of technical knowledge by most managements, trained and skilled workers, shortage of chemicals and finishing materials, machinery in the tanneries in general, and laboratory work in testing the materials. For in all countries, leather as produced in developed countries is used as the yard stick for competition in quality standards and commercial dealings.

It is envisaged that in the late 1970s a number of the developing countries, will be utilising their hides and skins for their own footwear and leather products industries, with emphasis still on footwear. While it is possible that these two industries can develop more quickly than the leather industry they depend upon the supply of leather produced within the country. It does not seem logical to export wet blue

and semi finished leather, then import finished leather for the leather footwear and leather products industries, unless Governments have some form of trade agreement with a second country.

Exports in footwear and leather products will grow but the bulk of production will be absorbed by each country's population. Therefore, the move towards increased leather products by developing countries in the late 1970s and early 1980s must come.

The 1980s could then see very marked increases of exports of finished leather, leather footwear and leather products into developed countries. This assumption is based on the changes that have taken place since 1970 in the demand for leather products, and the policies which are being adopted by developing countries in these fields of industry.

Since 1968 UNIDO has provided technical assistance to 46 developing countries in the different sectors of leather industry, from research and technology, processing of hides and skins into leather, through footwear and leather goods, to marketing and export and utilisation of scrap leather. Other organisations of the United Nations system have played their part in the development of the leather industry.

Institutes for research in leather technology exist in Argentina, Brazil, Chile, Costa Rica, Guatemala, India, Indonesia, Iran, Nigeria, Kenya, Sudan, Somalia, Tunisia and Turkey, all these developing countries have or soon will have technical establishments for training footwear and leather goods technicians, with the aim of self sufficiency in leather products in mind.

#### A. Larger Hide and Skin Producing Developing Countries

\* Argentina on account of its commercialised trade in meat, handle large quantities of hides and skins. The slaughter house methods are well advanced. The Government's policy to prohibit export of raw hides and wet-blue leather is considered to have contributed considerably to the price increases on the world markets. This country can, within a

reasonably short time, be processing the majority of its hides into finished leather, for internal use and export.

Also Brazil with even greater potential in the leather industry are aiming at re-vitalising the footwear and leather products industries, in an effort for increased and higher valued exports, especially footwear.

A third and the largest in population of both inhabitants and livestock is India. The recent Government decision to restrict exports of wet-blue and crust leathers is a big challenge to both tanners, and leather products manufacturers. It would appear that co-ordination and rationalisation of the various groups and organisations would be necessary, for a concerted effort towards further development. To quote from the paper "The growth of the leather industry in developing countries. Problems and Prospects, presented at UNIDO Leather Seminar, Vienna 1971 by Mr. Y. Nayudamma (page 12)". 5/

#### "An Intergrated Approach

It is said that the production of leather and leather products starts on the grazing ground and finishes on the wearers feet. This shows the need for an integrated approach to the development of the leather industry from start to finish. The resources, survey and market studies should indicate how an integrated industry could meet both domestic and export requirements. Developing countries must export to obtain much-needed foreign exchange, but they can sell only what the customer demands, good quality raw hides and skins. However, they must also think of their own growing needs. The advantages of an integrated approach are claimed to be:

- a) Complete synchronisation of leather production with footwear programme with respect to quantity, quality requirements and assortment;
- b) Feasibility in the supply of raw materials to enable the footwear factory to follow fashion trends;
- c) Better utilisation of local raw hides and skins;
- d) Better utilisation of tannery and leatherware factory wastes;
- e) Reduction in tied up capital and increased turn-over."

Also from the same paper (page 5).

"A well thought out plan for development is badly needed in these developing countries. But planning must be realistic, it must be viewed and tackled in its totality and in the context of over all demands of the national economy. Many developing countries draw up overly ambitious plans aimed at reproducing in their country the conditions of the affluent economies."

India holds the position of having 60.4 million hides and skins at its disposal for utilisation and, as previously stated, presents a strong challenge to the leather industries.

Another large hide and skin producing country is Pakistan and the Government has just recently issued a ban on the export of wet-blue and restricting the export of semi-finished leather, as well as increasing the export duty on semi-finished leather which is exported. The leather industry was considered bogged down in wet-blue and semi-finished leather exports which allowed the tanners the option to make quick returns on the present world leather market conditions.

This situation created a shortage of finished leather, forcing footwear and leather products manufacturers into using imported synthetic materials to maintain production. These manufacturers are very conscious of and wish to participate to a greater extent in export trade, but they can achieve this in leather products, and not in synthetics.

Paraguay, Uruguay and Kenya<sup>2/</sup> have also decided on policies for the further development of their hides and skins in the country. There can be no question that all of the countries situated in different parts of the world are conscious of the necessity to utilize their own raw material.

### B. Smaller Hide and Skin Producing Developing Countries

It must be pointed out that in smaller, the author refers to the quantity of the hides and skins available. For while some of the following countries have good supplies of livestock, their percentage rate of cattle slaughter is comparatively low. However, Afghanistan, Bulgaria, Egypt, Ethiopia, Iraq, Mexico, Mongolia, Niger, Somali, Sudan, Tanzania, Turkey, Upper Volta, People's Democratic Republic of Yemen, are all making efforts to bring their leather and leather products industries forward.

Tanneries have been built or are scheduled for building in Ethiopia, 3 in India, Kenya, 2 in Pakistan, Paraguay, Sudan, and Zambia. While the opening of a tannery is one thing, the technical knowledge and ability to operate one is another, but in eight of those mentioned, there is co-operation with other countries.

With the changes that are taking place in the supply of hides and skins, and the probability of reduced quantities of wet-blue and semi-finished leather being available on the world markets, the developed countries could benefit both themselves and developing countries by technical and, sub-contract and joint ventures agreements. One group has the material with limited technical knowledge, the other needs material and has the technical knowledge required. These thoughts must be in the minds of many, however, what in theory seems simple, needs in practical application enterprise, confidence, firm agreements and co-operation plus the will of equal understanding between two parties.

### III. General Problems

The problems which arise and affect the leather industries in general vary from country to country, such as the traditional customs regarding animals, the infra-structure of the country, Government regulations and policies regarding trade and industry, the importation laws and duties, customs and excise laws; and on the practical side management, research and technical problems; machinery, labour, marketing and financial requirements.

Governments of developing countries where leather, footwear and leather products can show a high rating in external revenue returns, should consider appointing an official National Leather Board to further the expansion of these industries. The board would be similar to a National Cotton or Wool Board, under the Ministry of Industry or Commerce with wide terms-of-reference to cover all facets of the leather sector, from the raw state to the export of various finished products. A national leather board could co-ordinate all the factors for future expansion such as:

1. Obtain up-to-date data to compile statistics;
2. Receive information from all sources of the industries to be able to plan and advise on future policy;
3. Assist industries regarding importation of necessities for growth;
4. Formulate plans; and assist in instituting them for hides and skins improvement;
5. Schedule and assist in research and training programmes;
6. Work for the interests of the leather, footwear, and leather products industries in creating close co-operation;
7. Assist the small scale units by giving guidance; and obtaining loans for the pieces of machinery they need;
8. Obtain up-to-date export market information and feed back to the leather industries for export possibilities.

While the above are listed to show some of the duties a board could perform, the main issue would be to function as a centre for solving a number of the industries problems, while co-ordinating the industries.

#### A. Small Scale Units

These units are numerous in developing countries in all the leather sectors, and are of concern to Governments because of the number of people employed by them. In some countries these units produce the greater percentage of leather footwear for local consumption, and therefore use reasonable quantities of leather. They are able to produce all leather footwear and leather products with a minimum of machinery,

in some cases only a sewing machine for closing the uppers and stitching parts together.

As the industries develop many units will find it harder to operate, and in another few years will have ceased operating. Their problem is, lack of finance, know-how and normal business management. A National Leather Board as suggested earlier could be of help to these units by linking them together in leather manufacture, leather footwear or leather products or assist in arranging sub-contracting with the larger factories as is practised in some of the developed countries. It could also assist in advising on financial loans for machinery and equipment badly needed by these small units.

#### D. Governments and Industry

While government officials are aware of the importance that the leather industry can have in the national economy, they lack the technical background, requirements and experience of the developed countries, in the manufacture of leather, to compete on world markets. Their work involves decision making for all industries of the country, some with similar problems to the leather industry. The commercial sector seeks policies of more open and free trading with sources of supply throughout the world; the industrial sector requests tight protection for their own products, yet freedom to import better quality items which go into their products than those made locally by industries which like themselves are at the developing stage. This goes further, as in the leather industry, the tanners sometimes do not agree with the footwear and leather goods manufacturers on regulations which concern them all.

The licencing laws and rules are usually set on a wide pattern to cover all phases of industry, trade and commerce, so it is understandable that unless general information, statistics, technical information are available to the officials, the issuance of licences is unnecessarily prolonged. This happens in Governmental departments throughout the world. Here again a board or similar body would be the link between the leather industries and Governments.



#### IV. Leather Products

The demand for and marketing of leather products sets the demand for leather. The percentages of leather usage in the world in 1968 was given<sup>5/</sup> as:

Shoe Industry	60 - 70 per cent
Leather Goods Industry	15 - 20 per cent
Clothing Industry	3 - 5 per cent
Glove Industry	3 - 5 per cent

Since 1968 changes have taken place in the leather world, and the demand for leather clothing. It can be estimated that the present usage could be that of 50 - 60 per cent footwear, 20 per cent clothing and gloves including industry gloves, 20 per cent leather goods including industrial leathers. Despite the estimated drop in the percentage of leather used in footwear, the total amount of leather absorbed by the footwear industry of the world in 1972 should be higher than 1968. The consumption of leather footwear is increasing by an average of 2 per cent. The projected rate of growth in demand in the following table is used as a guide.

#### Prospects of the growth of world demand in leather footwear<sup>4/</sup>

	Estimated share of world consumption in 1970 (per cent)	Projected average rate of growth of demand (% per year)	Projected index of demand in 1980 (1970 = 100)
USSR and Eastern Europe	36.0	1.7	118
Developed countries	52.0	1.5	116
Developing countries	12.0	4.8	160
World, excluding Peoples Rep. of China	100.0	2.0	122

A. Leather Footwear in Developing Countries

The statistics for footwear productions in developing countries are not available, but from various reports, it is evident that certain developing countries are making headway with exports of leather footwear into developed countries. For instance, Argentina, Brazil, India, Pakistan and Uruguay have all secured markets abroad, and all have good supplies of hides and skins. The leather tanners are therefore the key in providing leather also for the growth of the local footwear and leather products, not only for local consumption but for export as well.

The best testing ground for tanners going into finished leather, is their own footwear and leather products manufacturers. Leather footwear of all grades, are made with leather of all grades, in different constructions for different purposes. A section of leather from a third or fourth grade hide or skin can make a first grade pair of shoes and visa-versa. The manufacturers in the leather, footwear and leather products industries in developing countries should co-operate with each other, as all are at the developing stage. In countries where protection is given by restriction of imported finished leather, footwear and certain leather products, all the leather industries become part of one another.

In the previous table it is projected that world growth for leather footwear will average two per cent per year. For developing countries the figure is 4.8 per cent per year. The per capita consumption of leather footwear in the countries of Europe and North America are given as follows<sup>4/</sup>

Eastern Europe	2.12 pairs per person
Northern Europe	2.38 pairs per person
Western Europe	2.06 pairs per person
Southern Europe	1.96 pairs per person
North America	3.00 pairs per person

The per capita consumption of developing countries is not available, but from figures available of selected countries, for all types of footwear, leather, canvas and rubber, and plastic, it is:

India	0.33 per person per year
Pakistan	0.75 per person per year
Brazil	1.10 per person per year
Argentina	1.53 per person per year

It can be seen that with the low rate of the latter countries, which are all concerned in developing their leather and footwear industries, the potential lies inside their own country. Irrespective of leather footwear being high priced to certain sectors of the population of developing countries, the demand is still there.

In the export of leather footwear, Argentina which did not export prior to 1971, exported 300,000 pair valued at US\$1 million in that year. In 1972 the approximate figures given<sup>6/</sup> are 1.5 million pairs valued at US\$5.0 million from the present production of 42.0 million pairs. The target for 1980 is 90.0 million pairs of footwear.

Brazil is aiming to become a leading exporter of footwear. To do this they must increase their production considerably. Italy has held this position for a number of years, with Spain and France also exporting large quantities. Brazil has exported leather to all three countries<sup>10/</sup> it has the live-stock, tanneries, footwear industry and the labour, and also the ability to use the small scale units similar to Italy and Spain. Comparative figures<sup>4/8/</sup> of Brazil and Italy are:

(In Million)

	Brazil			Italy		
	All types Production Pairs	Leather Export Pairs	Leather Export Value	All types Production Pairs	Leather Export Pairs	Leather Export Value
1968	68.6	0.21	\$0.22	272.0	137.8	\$482.3
1970	90.0	2.0	\$6.3	294.0	172.9	\$607.0
1972	112.0	15.0	\$50.0	330.0	190.0	\$665.0

Although Brazil has just commenced an export drive in footwear, the future requirements of leather products manufacturers for leather to put the country among the leading footwear exporters will be very substantial.

In Asia, India and Pakistan both export leather footwear to Eastern Europe, Western Europe and the United Kingdom. Both have much greater potential if supplies of leather in different types and colours were available. They also have good export trade in leather sports goods. One of the products both make well is an all-leather sandal (chappell) mainly for men. These are produced mainly by the small scale hand craft units. Were these units organised for quantity production using softer type leather for straps (upper) with modern styles, and flexible leather sole, big export trade could be obtained in Europe and North America.

#### B. Leather Garments and Goods

##### Clothing

The development of leather clothing by the European countries has given some of the developing countries the impetus to improve their productions of sheep and goat skins. It would appear that the path to development in this field would be selected items of utility quality in coats, wind cheaters, sports gloves, helmets or headgear and jerkins for heavy duty workers. Those articles do not need high quality but would provide the ground work for expansion into the better quality. Again selected markets of North America, Europe and the United Kingdom would handle these items.

#### C. Leather Goods and Saddling

The leathers needed for leather and fancy goods has a wide range, yet in most developing countries although tanners are aware of the different variations, very few attempt to provide specific types of leather for these items. The manufacturers usually have to improvise with the leather they can obtain. It is admitted that the leather

goods are usually small items, but with the craft labour available in developing countries, this sector could hold much more potential for these countries if more information and training were provided.

It is difficult in developing countries to obtain repeat orders from tanneries, especially for colour matching, and technicians in the finishing of leather are very badly needed. In many countries the craft of the worker in leather goods is completely lost in the poor quality of the leather he is using. The saddling trade including animal harness, belts, dog leads etc. is a natural craft in a number of these countries where the horse and other animals are still used for work purposes. The sport of horse riding is popular in most developed countries and equipment is very expensive, while a number of developing countries make export saddles and saddling to developed countries the deliveries are spasmodic, owing to the delivery of leathers from their tanneries. The saddling sector like leather goods is badly neglected by the leather industry in developing countries, both could be catered for by the medium to small-scale tanneries who could specialise. The industries of developed countries should become aware of the everyday leather requirements of the world.

### Conclusion

The necessity for close co-operation between the leather footwear, leather goods and industries seems essential for the further development of the leather industry in developed countries. The majority of leather industries have not yet reached the stage of producing finished leather suitable for continued export trade. Their market must therefore be the domestic footwear or leather goods industries.

Restrictions placed upon exports of wet-blue and semi-finished leather, has placed the responsibility of development on the leather industry, and in turn the footwear and leather products industries share the load. Governments who have tight licensing regulations, must relax

the controls, if the types or quality of the items are not produced locally, such as, machinery, chemicals, dyes, fat liquors and finishing materials, and it is considered Governments will do so if the industries give indication of development.

The development of the leather industries lies in advancing from the export of raw material to the eventual production of leather products, and export of finished products. The necessity for external revenue is the main interest of a country, but to remain in the wet-blue and semi-finished leather stage to obtain revenue is not development. Technology may be taught, but unless it is learned, acted upon and improved under the conditions which prevail in the country nothing has been achieved. Technical training and research are badly needed in developing countries. This rests not only with Governments but the leather industries must involve themselves as well in financing, organising, and planning the institutes, centres, under their own initiative.

Of the leather sectors the footwear industry has been the most successful exporter of finished goods. All larger developing countries have broken into the developed countries' export trade, in some cases with leather products made of inferior leathers. In exports the footwear industry would appear to be the most successful means for the leather industry to view exports until it is able to produce the quantity and quality of finished leather to compete on world markets. Footwear on account of the smaller sections of leather used can be manufactured from different grades and still find export markets. Finished leather in hides, sides, skins etc. are subject to far greater selectivity and rejection.

Developing countries have problems in the leather industries which starts at the slaughter of animals and at each stage through the channels of trade, due to a number of causes: they are developing; lack organised facilities, and other local industries for servicing their own; each sector has an independent approach; they are part of an industrial complex which Ministries have to attend to. A suggested authority such as

a Leather Board could initiate collaboration between the sectors to benefit the industries and the country.

Aid from International sources can help whether it be technical assistance through United Nations, or bilateral aid in its many forms, or in joint ventures, each can be of assistance in developing countries. On joint ventures, however, it must be remembered, that while firms in developed countries are interested, financial profit motivation is foremost in their mind; so in the case of tanning the hides and skins must be of the required quality, in the case of footwear manufacture the finished leather available must be of acceptable quantity, quality and quality. The developing countries have these two problems to solve.

Reference sources

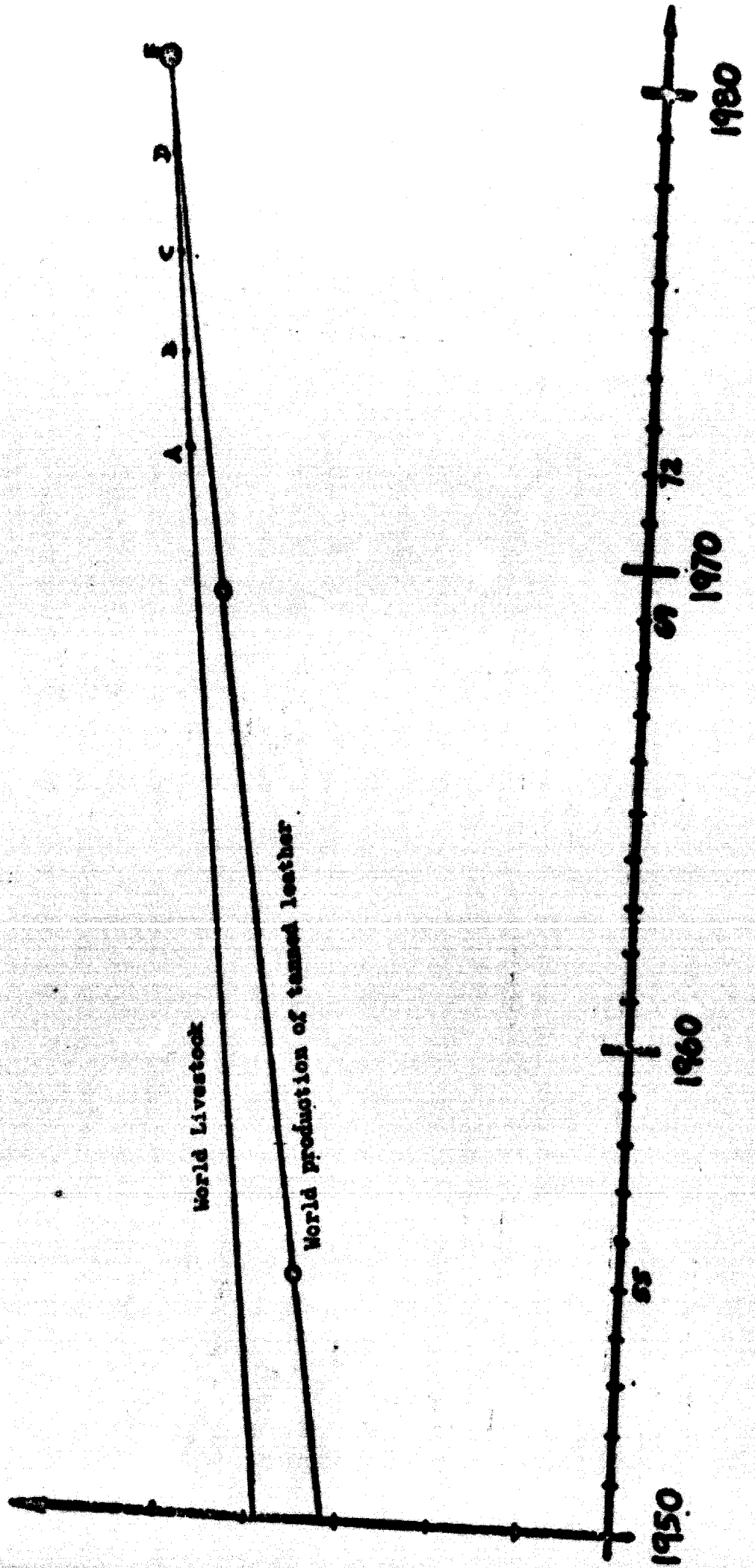
1. Cuerecon. Buenos Aires, Argentina No. 21 Dimestre 1972
2. Leather. London. Benn Group. Survey Kenya (Dr. Mann & Mr. T.S.K. Muhadevan. Kabette Kenya)
3. Hides, skins and leather I.T.C. - UNCTAD - GATT - Geneva 1968
4. Leather and Leather products UNCTAD. Geneva 1971
5. Mr. Y. Nayadamma. UNIDO Leather Seminar Vienna 1971  
"The growth of the leather industry in developing countries Problems and Prospects."
6. Leathers. Leather Export Promotion Council Madras. India Vol. XIV No. 3 March 1973
7. The Economist Intelligence Unit Ltd. Spencer House, London
8. Associazione Nazionale Calzaturifici Italiane E.I.U.

The term leather footwear is used to define footwear with uppers of leather, or all leather i.e. uppers and soles of leather.



GRAPH No. 1

INCREASE IN LIVESTOCK POPULATION AND PRODUCTION OF TANNED LEATHER



**WESTERN EUROPE**

(Needs: millions)  
(Raw hides: millions of units)

	BOVINES (Cattle)		Production of raw hides	SHEEP		GOATS	
	Needs	42% - 6.1		Needs	Production of raw skins	Needs	Production of raw skins
Federal Republic of Germany	14.5	42% - 6.1	5.4 large hides 0.7 calf skins	0.8	0.45	0.03	0.01
Belgium/Luxembourg	2.8	39% - 1.1	0.9 large hides 0.2 calf skins	0.3	0.15	0.12	0.05
France	20.5	39% - 8.0	4.3 large hides 3.7 calf skins	10.0	<del>5.2</del>	0.06	0.2
Italy	11.3	45% - 5.1	3.8 large hides 1.3 calf skins	8.9	<del>5.1</del>	0.08	0.4
Netherlands	5.3	45% - 2.4	0.9 large hides 1.5 calf skins	0.6	0.35	0.05	0.02
Austria	2.9	1.1	0.9 large hides 0.2 calf skins	-	-	-	-
Denmark	0.5	0.1		0.1	0.03	-	-
Finland	2.8	0.7	0.6 large hides 0.1 calf skins	0.2	0.09	-	-
Norway	1.1	0.3		6.2	<del>4.5</del>	0.09	0.04
Portugal	1.7	0.5	0.4 large hides 0.2 calf skins	1.2	0.6	1.0	0.4
England	12.2	35% - 4.3	4.2 large hides 0.1 calf skins	27.3	<del>4.4</del>	-	-
Sweden	2.0	0.9	0.7 large hides 0.2 calf skins	0.6	0.25	0.1	0.05
Switzerland	1.9	0.5	0.3 large hides 0.2 calf skins	0.8	0.35	0.16	0.1

**WESTERN EUROPE (continued)**

	<b>BOVINES (Cattle)</b>		<b>SHEEP</b>		<b>GOATS</b>	
	Heads	Production of raw hides	Heads	Production of raw skins	Heads	Production of raw skins
Spain	5.4	46% - 2.5 0.5 large hides 2.0 calf skins	19.2	37% - 7.2	3.2	2.2
Greece	1.7	0.6 0.3 large hides 0.3 calf skins	7.9	10% - 3.8	6.0	3.2
Ireland	3.7	29% - 1.1	4.2	3 1/2% - 1.6	-	-
<b>TOTALS</b>	<b>90.3</b>	<b>39.1% - 35.4</b>	<b>88.3</b>	<b>44.5% - 39.4</b>	<b>10.9</b>	<b>61.5% - 6.7</b>



**L A T I N A M E R I C A**

(Heads: millions)  
(Raw hides: millions of units)

	BOVINES (Cattle)		SHEEP		GOATS	
	Heads	Production of raw hides	Heads	Production of raw skins	Heads	Production of raw skins
Argentina	49,8	22% = 11,0	48,4	17% = 8,5	5,0	60% = 3,0
Uruguay	9,0	18 = 1,6	21,9	16 = 3,6	1,4	-- 0,2
Brazil	90,0	11 = 10,0	24,6	22 = 5,4	14,7	28% 4,1
Chile	3,0	0,5	6,6	26 = 1,7	0,7	0,1
Peru	3,9	20 = 0,8	16,3	18 = 3,0	3,5	31 = 1,1
Bolivia	2,9	0,3	0,4	0,1	0,5	0,1
Paraguay	5,7	14 = 0,8	0,7	0,2	0,3	--
Ecuador	1,8	0,3	1,6	0,4	--	--
Colombia	16,4	14 = 2,3	2,0	0,6	1,5	0,4
Venezuela	7,1	11 = 0,8	2,5	0,3	0,7	0,1
Mexico	25,1	14 = 3,5	4,5	33 = 1,5	8,5	24 = 2,0
Central America	15,0	20 = 3,0	7,0	23 = 1,6	6,6	26 = 1,7
<b>TOTALS</b>	<b>229,7</b>	<b>15,2% = 34,9</b>	<b>136,7</b>	<b>19,7% = 26,9</b>	<b>49,4</b>	<b>29,5% = 12,8</b>

A S I A

(Heads: millions)  
(Raw hides: millions of units)

	BOVINES (Cattle)		SHEEP		GOATS	
	Heads of raw hides	Production of raw hides	Heads raw skins	Production of raw skins	Heads raw skins	Production of raw skins
India	22.0	12% - 22.0	41.0	40% - 14.4	41.0	40% - 20.0
China (Peking)	10.0	12°	41.0	20°	21.0	20°
Pakistan	4.0	10°	10.7	27°	11.3	43°
Turkey	14.1	4°	37.0	25°	20.2	20°
Thailand	10.0	11°	—	—	—	—
Iran	2.1	20°	20.0	24°	14.0	29°
Afghanistan	2.7	20°	21.0	40°	2.2	31°
Indonesia	9.3	9°	2.4	31°	7.0	25°
Burma	7.5	9°	0.2	0.1	0.5	0.1
Nepal	1.6	7°	2.0	0.0	2.0	0.5
Philippines	4.0	10°	—	—	—	—
Sri Lanka	2.0	14°	—	—	0.5	0.1
Cambodia	2.1	0.5	—	—	—	—
N. Vietnam	2.3	0.1	—	—	—	—
S. Vietnam	2.0	0.2	—	—	—	—
Iraq	1.7	0.3	9.7	20°	1.9	0.0
Yemen	1.2	0.5	11.4	20°	—	—
Syria	0.4	—	2.1	20°	1.4	0.4
Korea	1.4	0.1	—	—	—	—
Saudi Arabia	—	—	2.7	20°	2.2	20°
Japan	2.0	1.0	0.5	—	1.5	0.0
20 other countries	2.2	1.5	2.2	21°	4.5	1.5
<b>TOTALS</b>	<b>62.7</b>	<b>11,000 - 20.2</b>	<b>22.1</b>	<b>2,110 - 24.0</b>	<b>100.0</b>	<b>21.2 - 60.0</b>

AFRICA

(Heads: millions)  
(Raw hides: millions of units)

	BOVINES (Cattle)		SHEEP		GOATS	
	Heads	Production of raw hides	Heads	Production of raw skins	Heads	Production of raw skins
Ethiopia	26.2	10% = 2.7	12.7	25% = 7.0	11.3	22% = 7.0
Nigeria	7.5	13° 1.0	5.6	26° 2.0	20.6	24° 7.0
Morocco	4.7	17° 0.9	12.2	29° 3.0	4.2	27° 2.0
Sudan	12.0	10° 1.2	3.0	23° 2.0	4.0	18° 1.1
Somalia	2.5	0.3	0.8	20° 1.6	0.0	20° 1.6
South Africa	14.3	27° 2.9	25.9	24° 0.3	7.0	20° 2.0
Angola	2.0	0.4	3.0	20° 1.0	7.0	24° 1.7
Libya	0.2	---	1.7	0.3	1.6	1.3
Niger	4.0	0.3	2.7	0.5	2.7	2.5
Mali	4.0	2° 0.2	11.0	7° 0.8	2.0	2.4
Kenya	2.4	0.2	1.6	0.0	2.4	2.1
Tunisia	0.5	0.1	2.4	1.0	0.5	2.2
Uganda	4.5	0.2	0.3	0.3	2.0	2.6
Togo	---	---	0.8	27° 1.6	1.0	2.7
Tanzania	0.8	20° 1.0	2.7	0.0	4.5	2.5
Egypt	1.5	0.1	1.0	0.2	0.5	0.1
Madagascar	0.5	20° 2.2	0.5	0.1	0.2	1.1
Mozambique	1.1	0.1	0.1	---	0.4	1.1
Botswana	1.2	0.1	0.2	---	0.4	1.1
Lesotho	---	---	1.4	0.2	---	1.1
25 other countries	14.0	7° 1.1	12.0	17° 2.5	0.2	2.0
<b>TOTALS</b>	<b>124.0</b>	<b>14.5% = 10.0</b>	<b>124.2</b>	<b>20% = 24.7</b>	<b>122.1</b>	<b>23.9% = 28.9</b>

O C E A N I A

(Heads: millions)  
(Raw hides: millions of units)

	BOVINES (Cattle)		SHEEP		GOATS	
	Heads	Production of raw hides	Heads	Production of raw skins	Heads	Production of raw skins
Australia	24,5	33% = 8,0	177,0	21% = 37,0	--	--
New Zealand	1,8	33% = 0,6	60,0	53% = 32,0	--	--
<b>TOTALS</b>	<b>26,3</b>	<b>32,7% = 8,6</b>	<b>237,0</b>	<b>28,8% = 69,0</b>	<b>--</b>	<b>--</b>

N O R T H A M E R I C A

(Heads: million ...)  
(Raw hides: millions of units)

	BOVINES (Cattle)		SHEEP		GOATS	
	Heads	Production of raw hides	Heads	Production of raw skins	Heads	Production of raw skins
USA	107,0	38% = 42,0	21,8	57% = 12,5	3,0	49% = 1,5
Canada	11,0	40% = 4,5	0,9	55% = 0,5	1,0	49% = 0,5
<b>TOTALS</b>	<b>120,0</b>	<b>39,2% = 47,0</b>	<b>22,7</b>	<b>57,2% = 13,0</b>	<b>4,0</b>	<b>50,0% = 2,0</b>



**WORLD TOTAL**

(Heads: millions)  
(Raw hides: millions of units)

	BOVINES (Cattle)		SHEEP		GOATS	
	Heads	Production of raw hides	Heads	Production of raw skins	Heads	Production of raw skins
Asia	430.7	11.6% = 50.2	233.1	32.1% = 74.8	193.0	35.8% = 69.0
Latin America	229.7	15.2% = 34.9	136.7	19.7% = 26.9	43.4	29.5% = 12.8
North America	120.0	39.2% = 47.0	22.7	57.2% = 13.0	4.0	50.0% = 2.0
Western Europe	90.3	39.1% = 34.4	88.3	44.5% = 39.4	10.9	61.5% = 6.7
Eastern Europe	131.8	34.3% = 45.1	178.3	42.8% = 76.5	10.2	35.3% = 3.6
Africa	124.0	14.5% = 18.0	134.3	26.0% = 34.9	102.1	33.3% = 34.2
Oceania	26.3	32.7% = 8.6	239.0	28.8% = 69.0	---	---
<b>TOTALS</b>	<b>1,152.8</b>	<b>20.7% = 237.2</b>	<b>1,032.4</b>	<b>32.4% = 334.5</b>	<b>343.6</b>	<b>35.3% = 128.3</b>

COUNTRIES WHICH ARE THE PRINCIPAL  
PRODUCERS OF RAW HIDES AND SKINS

Bovines (Cattle)

[millions of units]

1.	USA	..	..	..	..	42.0	
2.	Russia	..	..	..	..	30.0	72.0 = 30.1% of total
3.	India	..	..	..	..	23.0	(2 countries)
4.	Argentina	..	..	..	..	11.0	
5.	Brazil	..	..	..	..	10.0	116.0 = 48.5% of total
6.	China (Peking)	..	..	..	..	8.5	(5 countries)
7.	Pakistan	..	..	..	..	8.1	
8.	France	..	..	..	..	8.0	
9.	Australia	..	..	..	..	8.0	
10.	Federal Republic of Germany					6.1	
11.	Italy	..	..	..	..	5.1	
12.	Canada	..	..	..	..	4.5	
13.	England	..	..	..	..	4.3	
14.	South Africa	..	..	..	..	3.9	
15.	Mexico	..	..	..	..	3.5	
16.	Poland	..	..	..	..	3.1	
17.	Czechoslovakia	..	..	..	..	3.0	
18.	Ethiopia	..	..	..	..	2.7	
19.	Yugoslavia	..	..	..	..	2.7	
20.	Spain	..	..	..	..	2.5	
21.	Netherlands	..	..	..	..	2.4	
22.	Colombia	..	..	..	..	2.2	
23.	Madagascar	..	..	..	..	2.2	
24.	Democratic Republic of Germany					2.1	
25.	Uruguay	..	..	..	..	1.6	

---

200.5 = 83.5% of total (25 countries)

COUNTRIES WHICH ARE THE PRINCIPAL  
PRODUCERS OF RAW HIDES AND SKINS

Sheep

[millions of units]

1.	Russia	..	..	..	..	61.2	
2.	Australia	..	..	..	..	<u>37.0</u>	<u>98.2 = 29.4% of total</u> (2 countries)
3.	New Zealand	..	..	..	..	32.0	
4.	China (Peking)	..	..	..	..	18.6	
5.	India	..	..	..	..	<u>16.4</u>	<u>165.2 = 49.5% of total</u> (5 countries)
6.	USA	..	..	..	..	12.5	
7.	England	..	..	..	..	12.0	
8.	Turkey	..	..	..	..	10.3	
9.	Argentina	..	..	..	..	8.5	
10.	South Africa	..	..	..	..	8.5	
11.	Afghanistan	..	..	..	..	8.4	
12.	Spain	..	..	..	..	7.2	
13.	Ethiopia	..	..	..	..	7.0	
14.	Romania	..	..	..	..	6.9	
15.	Iran	..	..	..	..	6.0	
16.	Brazil	..	..	..	..	5.4	
17.	France	..	..	..	..	5.2	
18.	Yugoslavia	..	..	..	..	4.6	
19.	Italy	..	..	..	..	4.5	
20.	Pakistan	..	..	..	..	4.0	
21.	Greece	..	..	..	..	3.8	
22.	Bulgaria	..	..	..	..	3.8	
23.	Uruguay	..	..	..	..	3.6	
24.	Morocco	..	..	..	..	3.5	
25.	Yemen	..	..	..	..	3.3	
						<hr/>	
						294.2	= 88% of total (25 countries)

COUNTRIES WHICH ARE THE PRINCIPAL  
PRODUCERS OF RAW HIDES AND SKINS

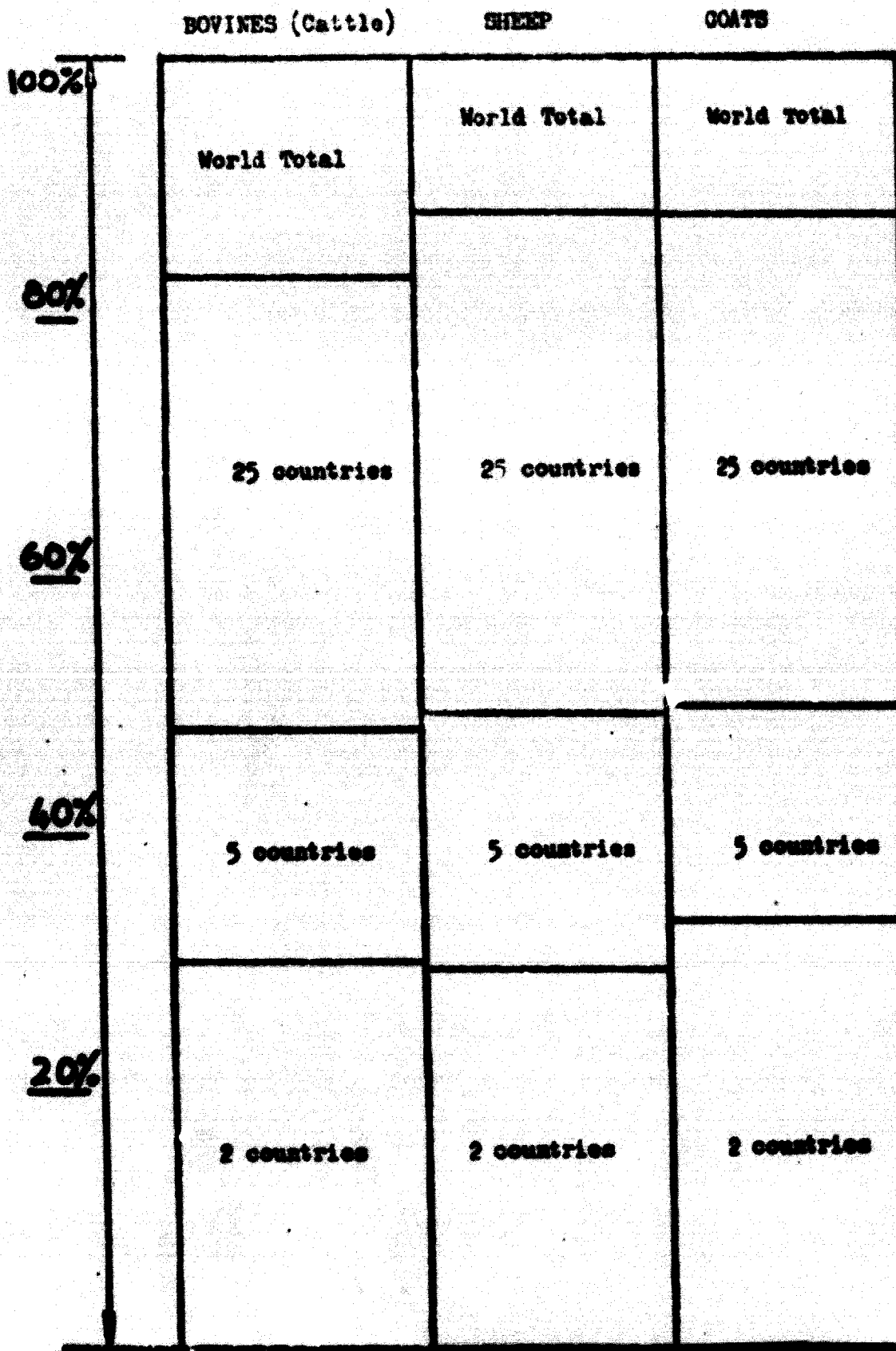
Goats

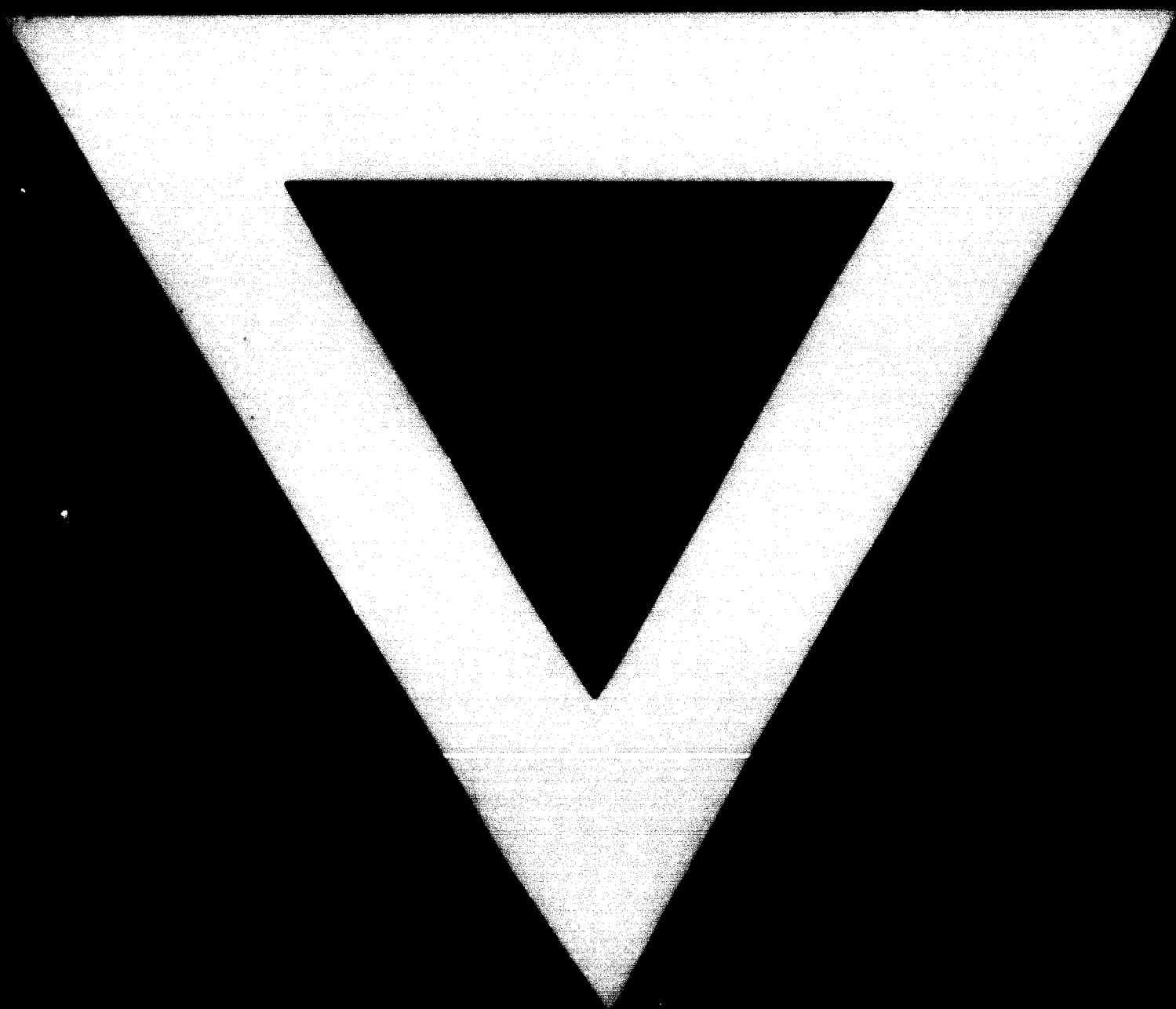
[millions of units]

1.	India	..	..	..	..	29.0	
2.	China (Peking)	..	..	..	..	14.0	<u>43.0 = 33.5% of total</u> (2 countries)
3.	Pakistan	..	..	..	..	7.3	
4.	Ethiopia	..	..	..	..	7.0	
5.	Nigeria	..	..	..	..	7.0	<u>64.3 = 50% of total</u> (5 countries)
6.	Turkey	..	..	..	..	6.1	
7.	Brazil	..	..	..	..	4.1	
8.	Iran	..	..	..	..	4.0	
9.	South Africa	..	..	..	..	3.5	
10.	Greece	..	..	..	..	3.2	
11.	Argentina	..	..	..	..	3.0	
12.	Indonesia	..	..	..	..	2.5	
13.	Bulgaria	..	..	..	..	2.4	
14.	Spain	..	..	..	..	2.2	
15.	Morocco	..	..	..	..	2.0	
16.	Mexico	..	..	..	..	2.0	
17.	Tanzania	..	..	..	..	1.8	
18.	Togo	..	..	..	..	1.7	
19.	Angola	..	..	..	..	1.7	
20.	Somalia	..	..	..	..	1.6	
21.	Uganda	..	..	..	..	1.5	
22.	USA	..	..	..	..	1.5	
23.	Niger	..	..	..	..	1.4	
24.	Russia	..	..	..	..	1.2	
25.	Saudi Arabia	..	..	..	..	1.2	
						<hr/>	
						112.9	= 86% of total (25 countries)

GRAPH NO. 2

WORLD DISTRIBUTION OF RAW HIDES AND SKINS





**6 . 8 . 74**