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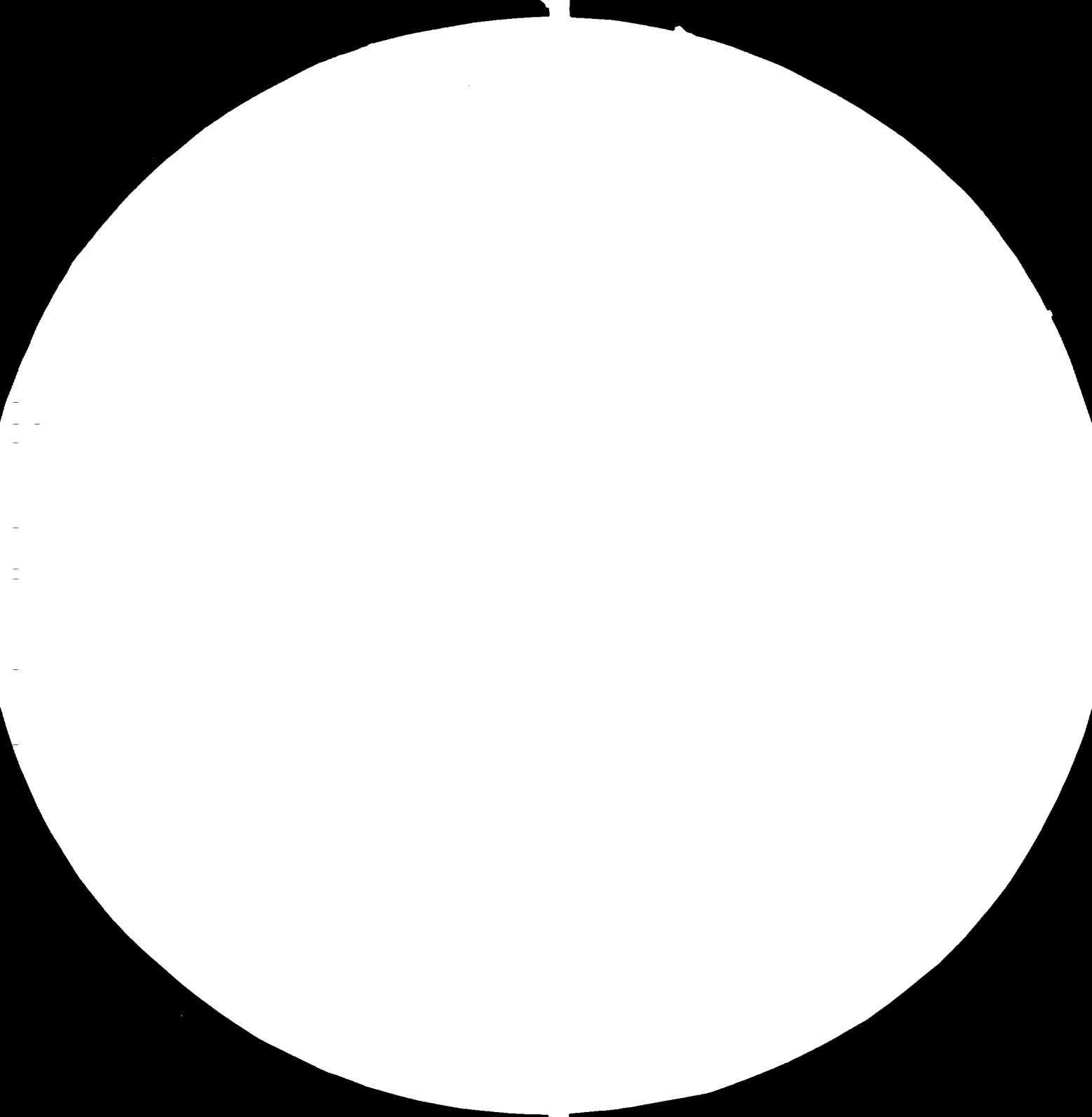
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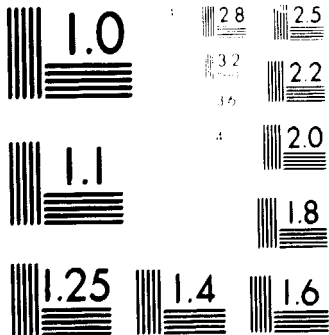
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LEATHER AND LEATHER PRODUCTS DEVELOPMENT

DP/ETH/78/001

ETHIOPIA

Technical report: Report of Chief Technical Adviser

Prepared for the Government of Ethiopia  
by the United Nations Industrial Development Organization,  
acting as executing agency for the United Nations Development Programme

Based on the work of Jaakko Hietaniemi,  
Chief Technical Adviser

United Nations Industrial Development Organization  
Vienna

80-45916

Explanatory notes

The monetary unit in Ethiopia is the birr. During the period covered by the report, the value of the birr in relation to the United States dollar was \$US 1 = birr 2.0545.

The following abbreviations have been used in this report:

CTA	Chief Technical Adviser
FAO	Food and Agriculture Organization of the United Nations
ILO	International Labour Organisation
NLSC	National Leather and Shoe Corporation
NPC	National Productivity Centre

Mention of firm names and commercial products does not imply the endorsement of the United Nations Industrial Development Organization (UNIDO).

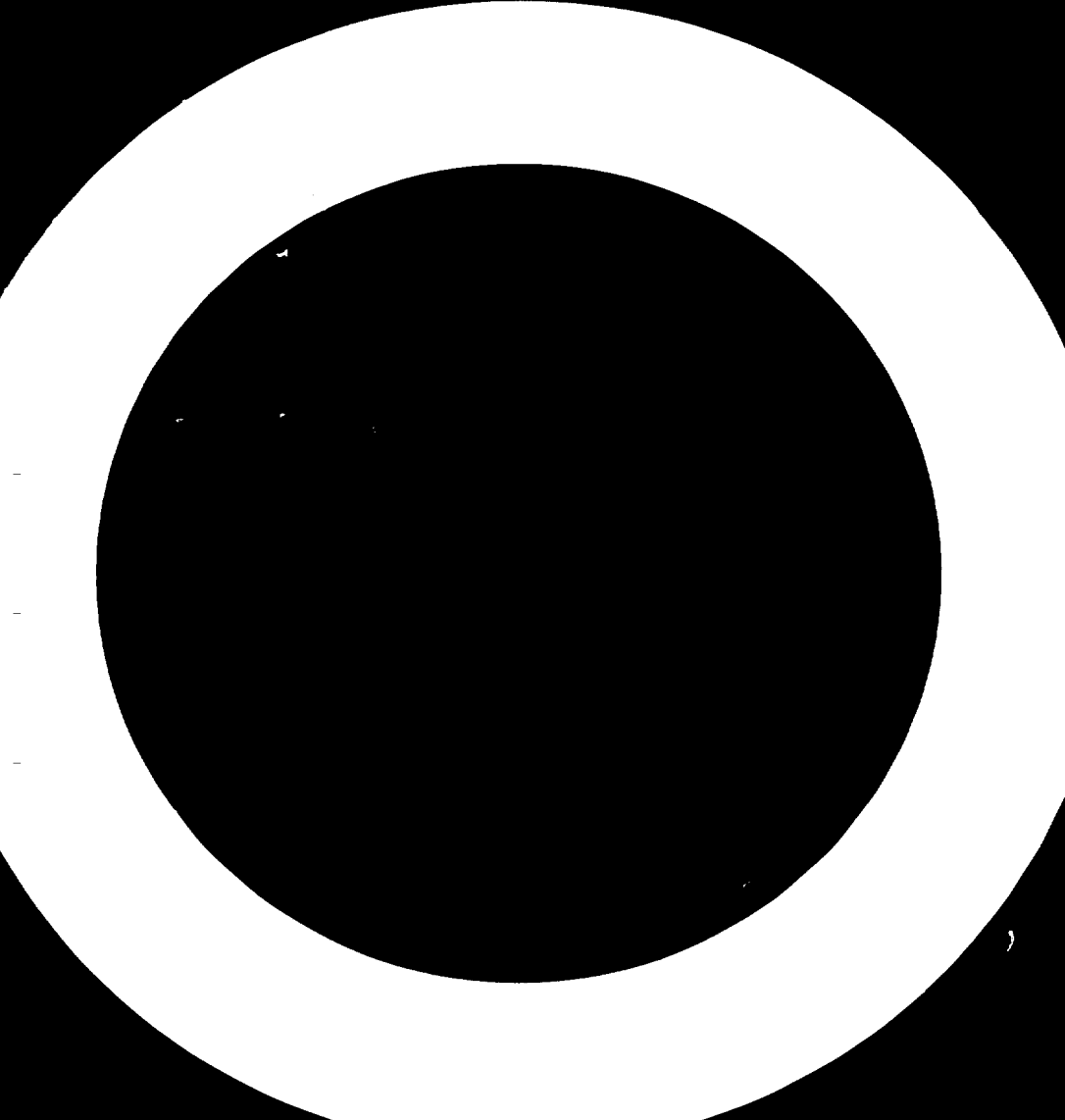
#### ABSTRACT

Following a request by the Government of Ethiopia for assistance in the overall development of the leather and leather products industry sector, project "Leather and leather products development" (DP/ETH/78/001) was approved by the United Nations Development Programme (UNDP) on 24 September 1979. The United Nations Industrial Development Organization (UNIDO) was designated as executing agency in association with the Food and Agriculture Organization of the United Nations (FAO). The Government's implementing agency is the National Leather and Shoe Corporation (NLSC) under the Ministry of Industry.

The Government inputs were agreed to be birr 1,041,060 and UNDP inputs to be \$US 1,521,900. The starting date of the project was September 1979, the overall duration of the project being scheduled for 36 months. The Chief Technical Adviser (CTA) was fielded on 8 September 1979 and concluded his assignment in September 1980.

The overall objective of the project to develop the entire leather and leather products industry sector includes the following targets: improve the collection of raw materials as well as the processing technologies in tanneries, footwear and other leather products factories; develop a nucleus of trained manpower and experienced management staff; and establish marketing strategies for the local market and for export.

The CTA supervised and co-ordinated the work of five experts and one consultant. During the initial period of his assignment the CTA established contacts with the various agencies involved in the project and visited several factories enabling him to serve as a link between the project staff and these bodies. He reports that the implementation of the training programme is well ahead of the schedule and recommends that in view of the importance of this component it should continue to be given priority. After having overcome some initial difficulties such as lack of vehicles for the transportation of the experts and lack of sufficient understanding, confidence and co-operation between the experts and their counterparts, the implementation of the other objectives has started during the second half-year of the CTA's assignment and he is convinced that tangible results will soon be achieved. The CTA's recommendations include specific measures to be implemented by the various tanneries and shoe factories. He also recommends the establishment of a sales organization for footwear and other leather products.



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## INTRODUCTION

### Project background and justification

The livestock population of Ethiopia is estimated at 26 million cattle, 24 million sheep and 18 million goats. Using estimated annual slaughtering rates of 7 per cent for cattle and an average of 35 per cent for sheep and goats, the estimated annual production is 1.9 million hides, 8 million sheep skins and 7 million goat skins.

However, the actual supply of hides and skins reaching the market is only 819,000 hides and 11 million skins (sheep and goat skins together). The rest, about 1.1 million hides and some 4 million skins, are partly used in rural areas and partly unaccounted for, including those smuggled to neighbouring countries on the hoof livestock or as hides and skins. During the fiscal year of 1976/1977 (1969 Ethiopian calendar) the quantities industrially processed within Ethiopia were 236,000 hides or 29 per cent and 3.1 million skins or 28 per cent of the actual supply. The rest, 583,000 hides and 7.9 million skins, was exported in the raw state. Only 40 per cent of the processing capacity of eight local tanneries, estimated at some 600,000 hides and about 7.8 million skins was utilized in 1976/1977 leaving some 60 per cent of the existing installed production capacity unused.

### Official arrangements and contributions

Early in 1979, the Government of Ethiopia requested the United Nations Development Programme (UNDP) for assistance in the overall development of the leather and leather products industry sector, including assistance in the collection of raw materials; improvement of processing technologies in tanneries, footwear and other leather products industries; developing a nucleus of trained manpower and experienced management staff; and establishing marketing strategies for the local market and for export. The project entitled "Leather and leather products development" (DP/ETH/78/001) was approved on 24 September 1979. The United Nations Industrial Development Organization (UNIDO) was designated as executing agency and the Food and Agriculture Organization of the United Nations (FAO) as associated executing agency, providing the services of a hide and skins expert to the project. The Government's implementing agency would be the National Leather and Shoe Corporation (NLSC) under the Ministry of Industry.

The Government inputs were agreed to be birr 1,041,060 and UNDP inputs to be \$US 1,521,900. The starting date was agreed to be September 1979, the overall duration of the project being scheduled for 36 months.

Project staff

The project includes the services of eight experts in the following fields:

<u>Field of activity</u>	<u>Duration of assignment</u> (man-months)
Chief Technical Adviser (CTA)	36 (UNIDO)
Leather manufacturing	30 (UNIDO)
Tannery machinery maintenance	30 (UNIDO)
Shoe technology	30 (UNIDO)
Shoe design and pattern cutting	12 (UNIDO)
Shoe factory machinery maintenance	30 (UNIDO)
Marketing of leather and leather products	24 (UNIDO)
Hides and skins	30 (FAO)

A total of 12 man-months for consultant services is also included in the project budget.

The CTA took up his assignment on 8 September 1979, beginning at the International Leather Fair at Paris, where Ethiopia participated as an exhibitor. This was followed by his briefing at UNIDO, Vienna. The CTA arrived at Addis Ababa on 15 September 1979.

The other experts arrived at the following dates:

K. Longman, shoe designer and pattern cutter	3 December 1979
S. Klatil, shoe technologist	10 December 1979
A. Baker, shoe factory machinery maintenance engineer	9 February 1980
W. Scott, leather manufacturing expert	2 March 1980
D. Sellwood, hides and skins expert	9 May 1980

The adviser in leather manufacturing, Mr. Buit, who has been assisting the leather sector in Ethiopia since 1973, and who was attached to project DP/ETH/74/013, continued his assignment under that project until 31 December 1979 and from 1 January 1980 under project DP/ETH/78/001 until 29 February 1980, being financed from budget line 11-09 as a consultant. The tannery machinery maintenance engineer has not yet been fielded. Candidates are being considered for this post.

According to the agreement between UNDP, UNIDO and NLSC the marketing expert will be recruited as a consultant at a later stage of the project's development. The funds in budget line 11-07 will be used for some other important purpose.

Arrival of vehicles

The Toyota Corolla Saloon car arrived in January 1980, a Toyota Land Cruiser in June 1980 (0777) and a second Toyota Land Cruiser in July 1980 (0216). A fourth vehicle is also requested.

#### RECOMMENDATIONS

1. In order to make the best use of the expertise of the hides and skins specialist and to permit him to contribute effectively to the development of that important sector, all offices concerned should support him in his task to create a network for hides and skins collection. More supervisors and technicians should be trained, enough vehicles should be supplied for his use and one more counterpart should be appointed because the project covers the whole country.
2. The development of manpower, especially that of higher-level technical personnel, should continue to have high priority on the training programme; this is very important if the Ethiopian leather industry is going to enter the export market in finished leather.
3. Tanneries should still concentrate for some time on the production and export of semi-processed leather. Gradually the finishing aspect of their operation should be developed in view of the fact that finished leather could be exported if and when the quality meets the international standards. The local shoe industry also needs finished leather of a better quality.
4. The tannery of Addis should be moved to a more suitable and less dangerous place as soon as possible. The treatment of the effluents at the tanneries should be improved to meet certain required standards. Positive consideration should be given to the development of industries producing leather products other than footwear, tannery chemicals and relevant by-products. The development of the leather industry in terms of additional capacities needs to be seriously considered. It would be advisable to think of new small capacities close to the source of raw materials rather than expanding existing tanneries.
5. The tanneries which are at present producing wet-blue and pickled skins should gradually develop their production to crust and perhaps later to finished leather.
6. A central collecting store for tannery export products should be created where the grading and the quality control should be performed by the same personnel.

7. For the development of the Ethiopian footwear factories the following individual programmes are recommended:

Anbessa Shoe Factory, Addis Ababa

About another half year of intensive work will be required, provided that the present work will be carried out as introduced by the experts.

- (a) Each six months a new collection should be introduced;
- (b) Sound sales estimates should guarantee continuous production;
- (c) A stable production flow based on ordered articles should be promoted;
- (d) Production should be based on long-term planning (at least four to six months).

Thus it will be ensured that the Anbessa Shoe Factory will produce goods only against customers' orders.

Rubber and Canvas Shoe Factory

According to Mr. Klatil's recommendations and his report on the motion study, the production of that factory can be increased by 40 per cent. Only three different articles are being produced and the factory has sufficient orders to keep it operating at full production capacity.

Tikur Abay Shoe Factory, Addis Ababa, Dahlak Shoe Factory, Asmara, Eritrea Shoe Factory, Asmara and Ethiopian Footwear Factory, Asmara

For all four factories individual work plans should be established to determine the best possibilities for each plant.

In case of a centralization of the Ethiopian footwear industries, a new approach to all technical planning should be introduced.

The Tikur Abay Shoe Factory is badly congested. Priority should therefore be given to designing a new layout for the production hall incorporating all necessary modifications and extensions for a better and smoother production flow.

Ethiopian Footwear Factory

For that factory, which should be completely re-organized on the same basis as the Anbessa Shoe Factory, a new plant layout should be designed. It is expected that it will require fairly long time to achieve good results in this plant.

Dahlak Shoe Factory

This plant should be carefully studied, especially as there are possibilities for large increase of production output. Quite a number of machines are not fully utilized.

Eritrea Shoe Factory

For that factory a new layout should be designed and to improve the quality of production new technologies should be introduced.

8. In addition to the specific measures recommended for the Ethiopian shoe factories, the establishment of a sales organization for footwear and other leather products should be promoted, to enable the individual factories to start a sound production planning.

## I. PROJECT ACTIVITIES

### Project preparation

At the beginning of his assignment the time of the CTA was devoted to the preparation of the project offices attached to NLSC, to the acquisition of vehicles and to contacting various organizations, individual factories etc., which was part of the preparatory work towards implementing the project activities. Although allocation of counterparts had been made by NLSC, activities related to the overall organization of the project took some time before the field activities could begin. Difficulties in getting transportation contributed to making this planning work rather slow.

### Assessment of CTA's work

During the initial period of his stay the CTA concentrated on making visits to factories and on establishing contacts with various organizations such as UNDP, the National Productivity Centre (NPC), the Ministry of Industry and the Ministry of Agriculture. The CTA also undertook missions to Asmara and Combolcha to visit the shoe and leather industries in these areas. In addition several visits were made to factories located in Modjo and Addis Ababa.

During the visits of the CTA the work plan for the other experts assigned to the project was prepared and forwarded to UNIDO for the briefing of the respective experts. Based on the job description included in the project document and describing the CTA's duties (annex I), the CTA prepared a more detailed work plan for himself (see annex II).

According to the programme, the CTA has been in frequent personal contact with UNDP's different sections, taking care of the correspondence between UNIDO, UNDP and the project. The CTA has also been a link between NLSC and the experts working under the project and passed on their ideas to the General Manager of NLSC.

The CTA received short reports from the different experts concerning their daily work and had weekly meetings with experts from different sectors to discuss with them the work carried out and the programmes to follow. After the meetings the CTA co-ordinated the activities and informed NLSC or UNDP by memorandum, if and when necessary. The CTA attended meetings with the experts from the shoe sector, the General Manager of NLSC and managers of the shoe factories. He also attended the monthly meetings of the Fellowship Committee in order to select candidates for training courses abroad. The CTA has been

following up the training courses at the NPC workshop. Together with the experts he continuously visited the different plants, discussed the problems on site and tried to find solutions.

The CTA received the experts' preliminary and progress reports and memos which he forwarded, together with his comments, to the offices concerned. He also prepared a six-months progress report concerning the total activity of the project which was sent to UNIDO, UNDP and NLSC. The control over the use and the maintenance of the project's vehicles also rested with the CTA.

In collaboration with the experts, the CTA started to prepare a plan for a short- and long-term development of the Ethiopian leather and shoe industry. Together with the Chief of Planning at NLSC he prepared memos concerning the future development of tannery chemical industry, development of leather products industry and development of tannery by-products industry in Ethiopia.

The CTA also recommended candidates for consultant posts to NLSC.

#### Comments on the activities in the different sectors

The CTA's impressions in regard to the activities in the different sectors are summarized below.

##### Hides and skins sector

The hides and skins sector, including the recently established Hides and Skins Corporation, is free trading, and seems to have successfully entered the export market. Tanneries are faced with considerable problems of competing against exporters already established in Ethiopia for a long period. The information available, including that contained in the technical report of DP/ETH/74/013, indicates a considerable improvement in quality, although a substantial amount of work still remains to be done in relation to the collection and commercialization of hides and skins. This work has been started by D. Sellwood, the hides and skins expert, who arrived in Ethiopia on 9 May 1980.

Mr. Sellwood who is attached to the Ministry of Agriculture, but also works closely with the project, has travelled, together with his counterparts of the Ministry of Agriculture and NLSC, to different parts of Ethiopia such as Wollo, Marargue, Combolcha, Dessie and Jimma, where he visited the hide stores and slaughter houses, giving advice on the flaying, cutting and storing of hides and skins. In Mr. Sellwood's opinion quite a lot has been achieved by over



200 hides and skins technicians and their supervisors throughout the country, especially in the towns where these technicians and supervisors are living, but very little improvement has been realized in the smaller villages and by the peasant associations which fall under their control. Mr. Sellwood has also visited all the abattoirs and hides stores in the Addis Ababa area. He supervised workers in the treatment of hides and skins and is preparing a plan for centralizing the collecting areas in the outer regions of Ethiopia. This plan will include a proposal for the transportation of hides and skins to and from the future collecting centres.

He further has given lectures concerning hides and skins at two seminars, one for general managers of the tanneries and the other for the team leaders of the Ministry of Agriculture. He has also visited several tanneries, advising on the storing and grading of hides and skins.

#### Leather sector

The country's tanneries, with the exception of the Ethiopian Tannery, are well established and have a good background. Machines and equipment are modern. Last year several new machines have been purchased for different tanneries. The technical managers of the tanneries are well trained but they are mostly young and do not have enough experience. The training of supervisors and foremen has unfortunately not been developed during recent years and there has also been a lack of skilled workers. This is now being offset by the training given at NPC's training workshops and through higher studies for candidates sent abroad under the project's training programme.

The problems of the Ethiopian Tannery have been identified and discussed in several reports. The situation has improved during the last year: the quality of the products has gone up, the production has increased and the working discipline has improved. The CTA is of the opinion that more emphasis should be placed by this project on the strengthening of that tannery in order to bring about future success. As the leather manufacturing expert and the tannery machinery maintenance engineer will be devoting much of their time towards assisting the sector as a whole, the Ethiopian Tannery should receive full-time assistance through an experienced technician. This has already been discussed with UNIDO, and UNIDO has agreed in principle and pending the receipt of an official request, to use part of the funds under budget line 11.07 for the expert's appointment. NLSC may consider requesting further assistance to the Ethiopian Tannery through the sources accessible to them, including additional

UNDP funds. The future success of the leather sector is closely related to the outcome of the Ethiopian Tannery's operation, and to whether or not the above-mentioned suggestions will be considered by the authorities. The present leather manufacturing expert and the CTA, after their visit to all tanneries in the country, have concentrated mainly on Ethiopian Tannery pending the arrival of the tannery specialist. The leather manufacturing expert has also helped to solve a lot of problems at the other tanneries; he has attended meetings of tannery technical managers and has written memos and reports of his findings to the CTA who forwarded them to the persons concerned. He has also given lectures at a seminar for tannery general managers.

It is the CTA's opinion that the quality of semi-processed leather has improved considerably during the last year. Much work still remains to be done in up-grading the finishing standards in the tanneries. The leather sector will have to concentrate on the full utilization of existing plant capacities which according to reports on project DP/ETH/74/C13 was 51 and 38 per cent for hides and skins respectively. In the meantime the capacity of the tanneries has increased to some extent. Priority will have to be given to the export of semi-processed leather. The processing of all available raw stock in the country should be realized within a period of five to ten years since this will be vital for the country's economy. It will result in creating employment opportunities and in increasing the present export rate of nearly 70 per cent of both hides and skins compared with the quantity utilized by the local tanning industry. The Government should consider the possibility of providing incentives to the leather sector. Additional production capacities should be considered, preferably closer to the raw material sources.

The CTA and the leather manufacturing expert also assisted their counterparts in the following: preparation of plans for (a) transferring the tannery of Addis to a more suitable place and (b) the extension of other tanneries; improvement of the quality of the effluents; calculations of costs for new tanneries; plans for the expansion of the leather industry in Ethiopia during the next five to ten years.

The possibility of heating the water at the tanneries by solar energy has been discussed and it has been suggested that a small experimental pilot plant for that purpose be used at NPC's training workshop.

The CTA and the leather manufacturing expert have also been involved in the planning of tannery chemical and tannery by-products industries in Ethiopia and have discussed the possibility of appointing a consultant who would make a survey on the feasibility of such a project.

#### Shoe sector

The CTA, together with the shoe sector experts, made first an extensive study of the existing shoe factories under NLSC. Contrary to the leather sector, the shoe sector needs to improve in many areas such as production, planning, designing, machinery maintenance, sales, working discipline, cleanliness of the factories and training of manpower. Special training at all levels, both locally and abroad, would seem to be a priority in order to achieve fast results. The shoe factories have no trained management staff and do not have enough trained workers. The situation will improve when the trainees who have been sent abroad under the project's training programme for higher education will return to Ethiopia, and also once the requested NPC training workshop for the shoe industry will become operational. Then it would be possible to start, under the supervision of a shoe industry expert, short- and long-term courses for foremen and workers of the shoe factories.

Immediate attention has to be paid to the Ambessa Shoe Factory in regard to the improvement of its operation. When the three shoe experts started their work at that factory, they had difficulties with each of the programmes, problems of transportation, there was a lack of co-ordination, short working hours etc. and they were not able to gain the full confidence of the management and the workers. The workers took an attitude of questioning the experts' advice which made their job very difficult.

The agreed-upon programme was not implemented because of some misunderstandings between the experts, the CTA and the executive of NLSC. Therefore Mr. Berg of UNIDO was requested to come to Addis Ababa in order to help solve the existing problems. He arrived on 6 May and left on 13 May 1980 and as a result of various meetings and discussions Mr. Klatil was nominated co-ordinator of the project's shoe industry sector under the supervision of the CTA. After Mr. Berg's visit the shoe experts have co-operated well and thus achieved some visible results although some difficulties still exist.

The shoe technologist has prepared a new layout for Anbessa Shoe Factory which was approved by NLSC and the work on the modification of the production line has been started. He also recommended that the shoe factories specialize in their production and proposed a central sales organization for those factories.

The shoe technologist and the shoe machinery maintenance engineer prepared a list of machines required for the future NPC training workshop for the shoe industries which was sent to UNIDO for approval. Their first report was submitted in January 1980 and included recommendations on how to improve production methods and stream-line the products which are manufactured in various shoe plants. Since this requires a major reorganization, the government authorities will study carefully its possible implementation.

The shoe designer proposed in his interim report to design in co-operation with his counterpart a range of about 30 different models of footwear for production in the Anbessa Shoe Factory. This work programme was approved by the CTA, NLSC and the Anbessa Shoe Factory, the only alteration being that the Factory Manager requested the range be finished already by mid July and not by end July as originally proposed. At a meeting, held on 14 July 1980, a total of 28 designs was submitted for consideration out of which 23 designs were accepted for production. The shoe designer was later engaged in preparing these designs for production.

The shoe machinery maintenance engineer has trained the maintenance staff at the Anbessa Shoe Factory, instructing them in the repair and the installation of different types of machines and equipment. He also advised the maintenance staff of other plants on problems concerning the machinery. Together with the shoe technologist, he advised the Rubber and Canvas Shoe Factory on the purchase of new machines for the future expansion of the factory which will increase the plant's capacity from 8,000 pairs to about 12,000 pairs per day.

#### Leather products sector

At Awash Tannery, a small leather products workshop produces handbags, gloves, belts etc. for the domestic market; the quality of these products is rather low due to the lack of well-trained supervisors and workers. One of the objectives of the present project is to explore the possibilities of establishing a leather products industry (excluding footwear) in Ethiopia. In September 1979, Mr. Schmél, a UNIDO consultant on project SI/ETH/77/801, made with the assistance of the CTA an intensive survey on the subject. His report was for-

warded to the offices concerned. In February 1980, Mr. Bowey, also a UNIDO consultant on project SI/ETH/77/801 prepared a new extended survey on the same subject, with particular emphasis on the marketing aspects. He later went on a study tour to Europe together with Mr. Bacry of the Ministry of Industry, in order to familiarize Mr. Bacry with the leather products market. NLSC has received all relevant reports and is now considering which steps to take to start the development of that very important sector. The Fellowship Committee has selected one trainee for a two-year leather products industries course in England who in the meantime has left for England.

### Training

After having familiarized himself with the situation at the project site the CTA found that in all plants training was needed at all levels; without sufficiently trained managers, foremen, supervisors and workers, it is impossible to achieve any improvement in the factories.

A training programme was worked out in co-operation with NLSC making use of the funds of \$US 180,000 available in the project's budget line for training abroad. Priority was given to technical training in different professions. A Fellowship Committee was established at NLSC in November 1979 with the following composition: the Deputy General Manager of NLSC acting as chairman, one shoe factory manager, one tannery manager, the CTA and a junior training officer of NLSC. The programme includes 54 training posts and altogether 552 man-months of training for 1979-1981 but because of the importance of fast training results, implementation is very well ahead of the programme. The Committee nominated at first 17 candidates; since it took a rather long time for UNIDO to find the right training places for the candidates, the implementation of the programme was delayed in the beginning but is now proceeding well. The Committee selected a total of 21 candidates for training abroad of whom 13 had left when this report was drafted and the rest were scheduled to leave in September and October 1980. For further details see annex III.

The Fellowship Committee is at present selecting suitable candidates for training in costing, accounting, finance, production planning and control, marketing and distribution. In co-operation with NPC workshop and the ILO Tannery Training Specialist, Mr. Gonzales, a six-weeks training course for 17 tannery workers and a two-weeks course for about 100 workers in the field of hides and skins were held at the end of 1979. A six-months course for 17 tannery foremen and supervisors has been given in 1980. The CTA requested

that the NPC workshop be extended in order to accommodate a similar training workshop for shoe industry. After approval by NPC, its layout was prepared and distributed to the executive offices for their approbation. It is hoped that it will be operational in spring 1981.

All efforts are being made to implement the training activities proposed in the project document, and it is expected that the targets set will be reached during 1980-1981.

## II. ACHIEVEMENT OF IMMEDIATE OBJECTIVES

After having overcome various difficulties which occurred during the first six months, the implementation of the project's objectives has started and in the next year tangible results will be achieved due to the following facts:

(a) Most of the experts assigned under the project are in the field and working according to their workplan;

(b) The project has received three vehicles which are being used for the transportation of the experts to their working sites; the transport problem which was a serious one, is therefore almost solved;

(c) During activities at the plants in the last six months a better understanding between the experts and their counterparts has been achieved;

(d) All the experts have prepared a number of reports, recommendations and memoranda in order to keep all persons concerned informed about the past and future implementation of their work programme. This should enable the Ethiopian counterparts to recognize the situation more clearly. In the CTA's opinion the work of the experts, especially at the shoe factories, should now be easier than during the first six months of their activity;

(e) Based on findings of his tours to different parts of Ethiopia, the hides and skins expert will prepare a plan of action for the improvement of the treatment of hides and skins at the respective abattoirs and hide stores. Since hides and skins dealers, supervisors of hides stores, hides technicians etc. know him by now, he will have no difficulties to instruct them in various matters concerning his field of work;

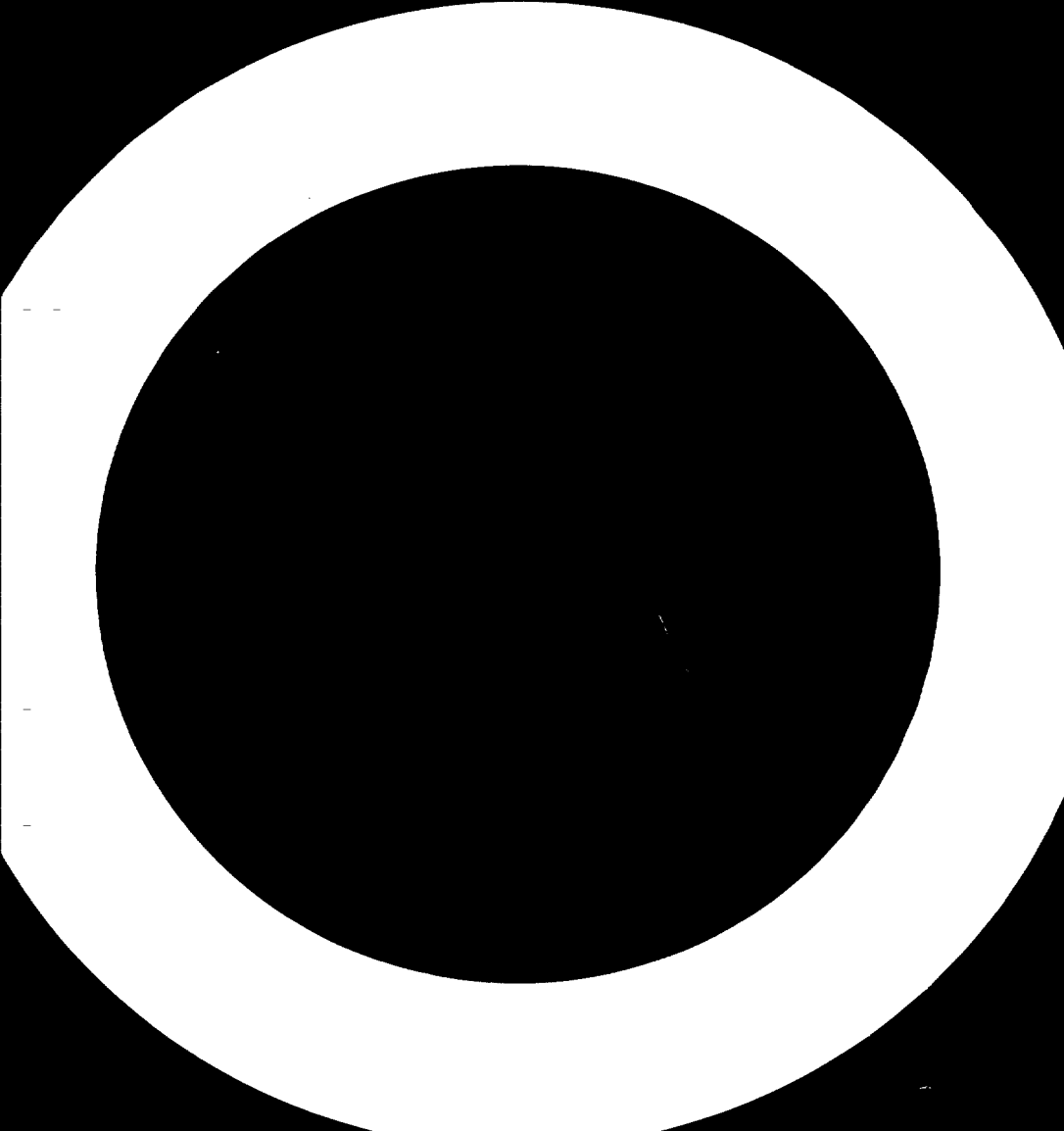
(f) The leather manufacturing expert is now aware of the situation prevailing at all plants related to his field of activity. He was also allocated a vehicle for his permanent use. The CTA is convinced that, as an outcome of the studies prepared by the leather manufacturing expert following his visits of the different tanneries - especially the one of the Ethiopian Tannery - and which contain valuable advice for the technical managers and supervisors, results will be visible soon. With the arrival of a second leather manufacturing expert suggested for the Ethiopian Tannery, the situation at the tannery would certainly improve considerably. Once the tannery machinery maintenance engineer will have been fielded, the experts belonging to this sector should, based on the findings of Mr. Scott, be able to improve the situation of the Ethiopian leather industry;

(g) In the shoe sector the experts succeeded in gaining more confidence among their counterparts and the implementation of the work plan is progressing. The change in the production line of the Anbessa Shoe Factory is being implemented according to the shoe technologist's layout. With this new production line the factory will start to manufacture shoes according to the newly approved designs. The shoes are expected to be of a higher quality than the present ones and the production price should be lower. After completion of their task at the Anbessa Shoe Factory the shoe experts are expected to move to the other factories where, due to their experience gained at the Anbessa factory results should be achieved a lot faster. The arrival of the requested shoe industry consultant, Mr. Parkinson, will further enhance the achievement of the objectives in that sector since all shoe experts will, under his guidance, work out a plan for the complete reorganization of the Ethiopian shoe industry;

(h) In the training sector the CTA has achieved good co-operation with UNIDO, UNDP and NLSC's training sections. In his opinion the entire training programme will be implemented by the end of 1981; however, further training will be needed and additional funds will have to be sought. Local training of tannery staff at the workshop of NPC is at present very intensive and a further workshop for staff in the shoe industry is expected to begin soon. These training courses for foremen and workers will provide the factories with more and more well-trained medium-level personnel and at the same time facilitate the work of the experts because they will find a better understanding among supervisors and workers. As far as the managerial staff is concerned, it is hoped that the technical seminar held in August for the general managers of the tanneries and a similar seminar for the shoe factory general managers held at the end of September will help to improve the understanding among all staff involved in those industries since after those seminars the general managers should be acquainted with the technology of tannery processes and shoe production.

To sum up, considerable progress in the implementation of the objectives is expected for 1981 due to the fact that a sound basis has been created during the first year of activity.





Annex I

JOB DESCRIPTION

Post title: Leather Industry Expert (Chief Technical Adviser)

Duration: Twelve months, with possibility of extension

Date required: June 1979

Duty station: Addis Ababa, with possibility of travel within the country

Purpose of the project: To enhance the capabilities of the National Leather and Shoe Corporation to discharge the responsibilities entrusted to it in further developing and strengthening the leather and leather products sector of the economy. It will aim at the best possible utilization of the valuable raw materials, hides and skins, abundantly available in the country.

Duties: The Chief Technical Adviser will be attached to the National Leather and Shoe Corporation (NLSC), which administratively falls under the Ministry of Industry and will specifically be expected to:

1. Advise the NLSC and the industrial plants which are under the supervision of the NLSC on managerial, organizational and overall technical and economic matters within the Corporation's area of activity, and train national counterparts accordingly.
2. Supervise the activities of the other international experts attached to the project, and co-ordinate the efforts of all concerned towards the efficient and timely implementation of the work programme agreed upon.

The International Team Leader will prepare, in consultation with the General Manager of the NLSC, six monthly progress reports on the activities carried out under the project and a terminal report containing the findings of the project and recommendations for further follow-up action that may be required.

Qualifications: The Chief Technical Adviser should have extensive experience in technical as well as in managerial and economic aspects concerning the leather industry sector. He should have experience in the long-term planning of the sector's development at a country level. He should also possess the ability to co-ordinate the efforts of several specialized experts working within the same project in order to fulfil the project's objectives efficiently and timely.

Language: English

Annex II

WORK PLAN OF THE CHIEF TECHNICAL ADVISER

According to the job description, the Chief Technical Adviser is expected to:

(a) Advise the NLSC and the industrial plants, which are under the supervision of the NLSC, on managerial, organizational and overall technical and economical matters within the Corporation's area of activity, and train national counterparts accordingly;

(b) Supervise the activities of the other international experts attached to the Project and co-ordinate the efforts of all concerned towards the efficient and timely implementation of the work programme agreed upon.

Based on the above-mentioned instructions the CTA prepared a list of the following detailed duties:

Be a link between NLSC, UNDP and other organizations

Be a link between the experts, UNDP and UNIDO

Be a link between the experts and NLSC

Be a link between the experts and other organizations

Have weekly meetings with each group of experts, working in the different sectors concerning their work programme

Attend every fortnight a meeting with the shoe sector's experts, the General Manager of NLSC and the plant managers

Attend meetings of the Fellowship Committee in order to select candidates for training courses

Follow up the training courses at NPC's workshop

Visit regularly the different plants together with the experts working in that sector and discuss any problems on the site

Help experts to solve day-to-day problems concerning their work

Receive the expert's temporary reports and memos, make comments and forward them to those concerned

Receive the experts' progress reports and after co-ordination forward them to the offices concerned

Prepare progress report concerning the overall activity of the project

Follow up the implementation of the training programme

Keep close contact with the Agro-Industries Branch of UNIDO

Follow up the appropriation of the project's funds

Have a complete control over the use and maintenance of the project's vehicles

Advise and help the experts in their daily personal problems

Together with the shoe and leather technologists, prepare a plan for short- and long-term development of the Ethiopian leather and shoe industry

Together with the Chief of Planning Department at NLSC, prepare a plan for the future development of a tannery chemical industry, the development of a leather products (other than footwear) industry and the development of a tannery by-products industry

Study the possibility of using solar energy for the heating of water at the tanneries

Recommend candidates for consultant posts to NLSC.

Annex III  
STATUS OF IMPLEMENTATION OF THE TRAINING PROGRAMME,  
AS OF SEPTEMBER 1980

Field of study	Country	Duration (months)	Number of persons
<u>A. Training completed</u>			
Shoe machinery maintenance	Italy and United Kingdom	2	3
Tannery machinery maintenance	Czechoslovakia and Italy	2	2
Total			5
<u>B. Undergoing training</u>			
Shoe production	Hungary	12	2
Shoe designing	United Kingdom	24	1
Shoe technology	United Kingdom	24	1
Leather production	Romania	10	1
Leather production	Brazil	10	1
Leather technology	United Kingdom	24	2
Total			8
<u>C. Awaiting training</u>			
Leather production	Italy	12	2
Tannery machinery maintenance	United Kingdom	1	3
Shoe technology	United Kingdom	24	1
Leather goods production	United Kingdom	24	1
Training officers course	United Kingdom	3	1
Total			8

