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Final Version  
15 May 1990

**MISSION REPORT**  
**PTA LEATHER FAIR IN ADDIS ABABA**  
**MEETING WITH NATIONAL AND INTERNATIONAL EXPERTS OF PROJECT**  
**US/RAF/88/100 AND ASSOCIATED COUNTRY PROJECTS**  
**22-29 JANUARY 1990**  
by Juhani Berg and Aurelia Calabrò  
IO/T/AGRO/ Leather Unit

## 1. BACKGROUND INFORMATION

The PTA Leather Fair 90 was held in Addis Ababa, Ethiopia, from 25-30 January 1990. This fair was the first of its kind in Africa and out of the 18 PTA member countries 14 participated in the fair and exhibited their leather and leather products. All the relevant background papers are available at the leather unit including the following:

- Status of the leather industry in PTA member states
- Proposed co-operation in leather industry - PTA member states
- Recommendations at national level
- Proposal to set up a PTA leather technology centre
- PTA Leather Fair
- Draft report of the symposium on leather goods

As the objectives of the PTA leather industry development and those of the UNIDO project US/RAF/88/100 and the associated country projects are practically identical, it is of great importance that the UNIDO project and the PTA leather development activities are closely co-ordinated. For this reason it was decided that all UNIDO national experts and also some of the international experts and project management would participate in the fair. During the fair a specific UNIDO project meeting was foreseen to discuss the project activities. In addition it was agreed to invite several Kenyan participants to represent the KIRDI Leather Development Centre so that its activities and capabilities could be made known to the other PTA countries.

The following persons participated at the cost of the US/RAF/88/100 and associated country projects:

### Regional Headquarters Nairobi:

Mr. G. Felsner, CTA  
Mr. M. Beci, Associate Expert

### National Experts:

Mr. S. Hailu	Ethiopia
Mr. A. Abbo	Sudan
Mr. I. Farah	Somalia
Mr. C. Siulapwa	Zambia
Mr. R. O'Shaughnessy	Zimbabwe
Messrs. S. Massay and E. Muyinga	Tanzania

Ad hoc Experts:

Mr. R. Msosa, Liwonde Tannery	Malawi
Messrs. R. Ronoh, J. Muriuki, N. Mwicigi, D. Songok	Kenya
KIRDI LDC	

UNIDO International Experts:

Mr. J. Baradat, Footwear Expert  
 Mr. D. Tracy, Leather Goods Expert  
 Mr. H. Eckert, Leather Finishing Expert  
 Mr. Devassy, Hides and Skins Improvement Consultant  
 Mr. Machanga, Hides and Skins Improvement Expert  
 Mr. Daniels, Effluent Treatment/Tanning Expert (Sub-Contractor)

Vienna Headquarters:

J. Berg, Backstopping Officer  
 A. Calabrò, Associate Expert

2. FINDINGSa) The Fair

The Fair was well organized and the quality of some of the exhibitions, especially the Ethiopian and Zimbabwean, were outstanding. The fashion show exhibiting leather garment fashion of Ethiopia was of international top quality and presented in a very professional style. The designs showed a lot of imagination, top class workmanship and excellent leather quality. The designers behind the show were three well-known Italians and the only element missing was some Ethiopian-inspired native styles which could have further improved the presentation.

In any case the show demonstrated how far the Ethiopian leather industry development has reached and it was acknowledged by several international observers that this show could have been presented in Paris and obtained top marks.

With regard to the symposium organization one could be more critical as delays and poorly announced and conducted meetings caused some confusion. UNIDO was invited as observers to participate in the symposium on leather and leather goods. This symposium discussed the status of the leather industry in the PTA countries and the proposal to set up a PTA leather centre in Addis Ababa in accordance with the decision taken at the 13th meeting of the PTA Council of Ministers, held in Arusha, November 1988.

The country papers presented by the national representatives showed some inaccuracies, mainly caused by the fast development and changes since the study was made. However, a number of useful recommendations were made on country level as well as the level of PTA co-operation.

A very controversial discussion took place regarding the proposal to set up a PTA leather technology centre. Some delegates were of the opinion that the proposed centre was far too "grand", expensive and would probably end up as a "white elephant" if executed in accordance with the paper presented. The existing centres in the other PTA countries such as the LIZ in Zimbabwe, KIRDI LDC in Nairobi and the national centres in Sudan and Tanzania should be considered and linkage established. The meeting recommended that UNIDO should be approached to finance and conduct a preparatory phase leading to a well prepared project document. An official request from the PTA secretariat was given to UNIDO during the fair. Funding to conduct this preparatory assistance is available under the present project US/RAF/88/100. Terms of reference and the request are presented in Annex 1.

b) Meeting with Mr. Zewdu Kebede, Project Co-ordinator for Hides and Skins Improvement within US/ETH/88/100, Animal Resources Marketing Department (ARMD), Ministry of Agriculture (MOA).

The CTA Mr. G. Felsner, the two Associate Experts Mr. Beci and Ms. Calabrò, and the National Expert Mr. Hailu participated in a meeting organized with Mr. Devassy, Hides and Skins Consultant (post 11-55, FAO/UNIDO), Mr. Z. Kebede, Project Co-ordinator, and Mr. G. Argaw, Project Co-ordinator's Assistant, Animal Resources Marketing Department, Ministry of Agriculture, in order to discuss the actual status of the hides and skins improvement scheme within US/ETH/88/100 and to define the workplan for 1990.

The CTA briefed Mr. Devassy on the regional programme and on some general administrative matters. Mr. Devassy submitted his workplan for the first phase of his assignment from 15 January to 14 July 1990.

The itinerary of the first trip to the target area, which includes the four regions: Sidamo, Borena, North Omo and South Omo, is already planned to take place during the first week of February.

During this first duty mission the team, composed of Messrs. Devassy, Kebede, Argaw and Hailu, is supposed to carry out the following activities:

- Discussion with the respective regional and Awasa officers of the Ministry of Agriculture;
- Identification of regional co-ordinators, regional experts and Awasa experts;
- Identification of participating service co-operatives.

It has been decided that Messrs. Devassy, Kebede and Argaw will be travelling in the project area for 10 days per month. Prior clearance by the Ethiopian Ministry of Agriculture is needed before authorization for the local and regional travel, including respective daily subsistence allowance (DSA), of Messrs. Kebede and Argaw, can be given.

Mr. Kebede has also presented the provisional workplan for 1990. There will be three types of in-service training in the current year:

	<u>Duration</u>
1. A briefing seminar for 45 staff in the project area	1 week
2. A refresher training for SC members, SH workers and other artisans	2 weeks
3. 25 technicians will be trained at the Productivity Improvement Centre	45 days

As to the study tours, Mr. Kebede will send the nominations forms to UNIDO headquarters for the necessary co-ordination with the Training Branch as soon as the first field trip has been conducted and project field experts and technicians identified.

Mr. Kebede submitted a list of small equipment items needed for the hides and skins improvement and two estimates for the constructions of six hides and skins curing sheds as specified in the project document, page 15, UNIDO Inputs. Purchase action will be taken upon the project management team's return to headquarters.

c) US/RAF/88/100 Project meeting

A very useful full-day meeting was held on Saturday 27 January in the conference room of the National Leather and Shoe Corporation (NLSC). In spite of the limited time it was possible to cover all essential points. A meeting report prepared by Mr. Boci is included as Annex 2, therefore, no further comments are needed.

d) Visit to the Swiss Embassy

A meeting was organized with the Swiss Ambassador Mr. Ruf to inform him of the present status of project US/ETH/88/100 and the newly requested project for establishing a PTA leather technology centre in Addis Ababa. In commenting on the project status report Mr. Ruf found the development encouraging and took note of the possible forthcoming request for financing the centre. A copy of the summary status report of the US/RAF/88/100 was promised to be forwarded to him.

e) Meeting with FAO

A meeting was organized on 29 January at the FAO offices with the FAO local representative Mr. K. Mesfin, Mr. Zewdu Kebede of the Lifestock Department and Mr. Devassy, UNIDO/FAO consultant. From UNIDO the backstopping officer, the CTA and Associate Expert participated.

The work programme of Mr. Devassy (Annex 3) was discussed and it was agreed that the field portion of the work should be increased.

It was also suggested that the large target area would probably need more time and effort than could be provided by the present six-month assignment. It was agreed that the present six-month UNIDO/FAO contract will be complemented by a three and a half-month UNIDO Special Service Agreement (SSA) contract, followed by a three-month re-assignment under an FAO project and then again by a four-month UNIDO/FAO contract from January - April 1991. The UNIDO SSA

assignment would be financed by US/RAF/88/100 under BL 11-50 Consultants and include the participation of the consultant in the Nairobi hides and skins seminar. The CTA will discuss the matter with FAO during his stop-over in Rome early March 1990.

It was agreed that Mr. Devassy will prepare a mid-term report after three months and based on this report the needs for additional inputs in the target area will be considered.

It seems that there is poor communication between the MOA and the NLSC. Co-operation between the MOA hides and skin activities and the NLSC is needed in order to increase the necessary feedback from the tanneries which, at present, does not function for obtaining information helpful for further improvement action. It was said that a meeting between the representatives of the two parties concerned will be organized in order to discuss this problem.

f) KIRDI/LDC participation

Contrary to UNIDO expectations the invited KIRDI/LDC participants have not provided any information and demonstration material which was planned to be exhibited at the Kenya stand, thus missing an excellent opportunity to draw attention to the modern facilities available at KIRDI/LDC - particularly in view of the fact that LDC is the best equipped leather development centre in the PTA. The non-presentation of articles made from leather of Nile perch skins - a process developed by LDC - reduced the prospects of introducing these exotic leather goods to the international market represented at the fair.

It was also expected that the UNIDO-sponsored LDC/Ministry of Livestock delegation would have adopted a more positive and convincing approach on the subject of the PTA leather centre planned to be established in Addis Ababa. Again, the lack of any relevant information on the LDC which could have been distributed during the fair and the subsequent sessions did not contribute to strengthen the position of KIRDI/LDC to become an effective regional leather centre. Indeed, the project management of US/RAF/88/100 has expressed concern about the lack of motivation and interest shown.

g) Visit to Awash Tannery and Productivity Improvement Centre

A short visit of all National Experts to Awash Tannery and to the Productivity Improvement Centre was organized in order to show examples of well-functioning structures in the region.

Of particular interest was the visit to the Productivity Improvement Centre where Mr. Ande Breshan, head of the leather section, illustrated all activities of the centre which has very ambitious objectives such as:

- increase of the production of hides and skins by improving the quality and collection of hides and skins through intensive training of agents and periodic consultations with the Ministry of Agriculture and other organizations concerned;
- increase of productivity of tanneries;

- improvement of the Ethiopian leather sector by adoption of new leather technology processes;
- development of methods of preparation of leather processing chemicals from indigenous raw materials so that imported chemicals could be partly replaced;
- improvement of methods of tannery processes and rural tanning.

#### h) Acknowledgements

The efforts of those responsible for the well-organized Fair and project team visits are gratefully acknowledged. Special thanks are due to Mr. Hailu for the kind assistance in solving the difficulties met in cashing the cheque issued at UNIDO headquarters for the payment of DSA to Mr. E. Machanga, International Expert (post 11-02, UNIDO/FAO) and Mr. F. Ismail, National Expert US/SCM/88/100.

#### ANNEXES:

1. Request and terms of reference for PTA Leather Technology Centre
2. US/RAF/88/100 Project meeting report
3. Work programme Mr. Devassy

FAIR.PTA

ANNEX 1

30 January 1990

TERMS OF REFERENCE

Preparatory Assistance  
for the establishment of the PTA Leather Technology Centre  
in Addis Ababa, Ethiopia

1. INTRODUCTION

According to the decision of the PTA Council of Ministers at its 13th Meeting in Arusha, Tanzania, November 1988, a leather technology centre is to be established in Addis Ababa in Ethiopia and to serve as a sub-regional institution for PTA member states. The decision was subsequently ratified by the Seventh Heads of State Summit.

A proposal for setting up the centre was presented at the PTA leather fair symposium on 26 January 1990 and the symposium recommended that:

- (i) The proposal (document) would be further developed to incorporate more information on the status of other existing national institutions and to indicate the possible linkage with the proposed centre.
- (ii) That UNIDO be requested to provide technical and financial assistance to prepare a project document which would be submitted to donors for funding.

The official request for this assistance was received from the PTA Secretariat with their letter of 28 January 1990.

2. PREPARATORY ASSISTANCE

The preparatory assistance can be carried out by consultants under the umbrella of US/RAF/88/100 Regional Africa Hides and Skins, Leather and Leather Products Improvement Scheme against budget line 11-50. Three consultants will be needed for a total of 3.5 man-months. In addition, a secretary for two weeks will be needed to prepare the project document and reports. The experts needed will be the following:

<u>POST</u>	<u>CANDIDATE</u>	<u>DURATION</u>	<u>TRAVEL SCHEDULE</u>
Leather Centre Design	F. Schmel	1.5 mth	ETH 2 weeks, ZIM 4 days, KEN 4 days, Vienna 2 weeks
Regional expert PTA	S. Kiruthu	1.5 mth	as above
Senior consultant	M. Nestvold	0.5 mth	Vienna 2 weeks
Secretary		0.5 mth	Vienna 2 weeks



The timing of the activities is scheduled as follows:

Zimbabwe	1 April	-	8 April
Ethiopia	15 May	-	20 May
Kenya	20 May	-	24 May
Vienna	1 June	-	16 June

..... The job descriptions are attached.

The total cost is estimated to be about \$ 40,000 and should be transferred to budget line 11-50 in the forthcoming revision.

8. LETCENTRE.PTA

# U N I D O

UNITED NATIONS INDUSTRIAL DEVELOPMENT ORGANIZATION

## JOB DESCRIPTION

US/RAF/88/100/11-58/J13104

**Post title** Consultant, Leather Centre Design

**Duration** 0.5 months

**Date required** Early June 1990

**Duty station** Vienna

**Purpose of project** To prepare a design for a PTA Leather Technology Centre as recommended by the PTA Council of Ministers. The centre is to be located in Addis Ababa, Ethiopia, and is expected to have linkage to the national centres in the other PTA countries, specifically to KIRDI/LDC in Nairobi and LIZ in Bulawayo. The centre is expected to cover three main areas of activities, namely: advanced training, research and development and consultancy services.

**Duties** The expert will be attached to the UNIDO IO/T/AGRO Leather Unit and work in close co-operation with the team coordinator, staff member of the leather unit, and with other members of the project team. During his mission he will be specifically expected to:

1. To carry out a desk survey of the training needs in the PTA region for the coming ten-year period and study the present training facilities within the region. Material for this purpose is available at UNIDO. The team coordinator will make field visits to Ethiopia, Zimbabwe and Kenya to collect additional data.
2. Prepare together with other team members the Project Formulation Framework (PFF) and draft project document for the project in accordance with the UNIDO project design norms.

The expert will also be expected to prepare a short technical report after his mission, setting out his recommendations to the PTA secretariat and UNIDO Headquarters on further actions which might be taken.

**Qualification** Leather and leather products development expert with several years of experience in the various fields of the sector. Experience within leather research and/or similar institutes is essential. Knowledge in UNIDO project design is needed.

**Language** English

**Background information**

*Provided by the following papers:*  
Proposal to set up a PTA leather technology centre status of the leather industry in PTA Member States Draft Report of the Symposium on Leather and Leather Goods (PTA leather Fair 25-30 January 1990) US/RAF/88/100 Project document and project reports.

8. LEATHCENTR. JD3

# U N I D O

UNITED NATIONS INDUSTRIAL DEVELOPMENT ORGANIZATION

## JOB DESCRIPTION

US/RAF/88/100/11-57/J13104

**Post title** Senior Consultant, Leather Centre Design

**Duration** 0.5 months

**Date required** Early June 1990

**Duty station** Vienna

**Purpose of project** To prepare a design for a PTA Leather Technology Centre as recommended by the PTA Council of Ministers. The centre is to be located in Addis Ababa, Ethiopia, and is expected to have linkage to the national centres in the other PTA countries, specifically to KIRDI/LDC in Nairobi and LIZ in Bulawayo. The centre is expected to cover three main areas of activities, namely: advanced training, research and development and consultancy services.

**Duties** The expert will be attached to the UNIDO IO/I/AGRO Leather Unit and work in close co-operation with the team coordinator, staff member of the leather unit, and with other members of the project team. During his mission he will be specifically expected to:

1. To carry out a desk survey of the training needs in the PTA region for the coming ten-year period and study the present training facilities within the region. Material for this purpose is available at UNIDO. The team coordinator will make field visits to Ethiopia, Zimbabwe and Kenya to collect additional data.
2. Prepare together with other team members the Project Formulation Framework (PFF) and draft project document for the project in accordance with the UNIDO project design norms.

The expert will also be expected to prepare a short technical report after his mission, setting out his recommendations to the PTA secretariat and UNIDO Headquarters on further actions which might be taken.

**Qualification** Leather and leather products development expert with several years of experience in the various fields of the sector. Experience within leather research and/or similar institutes is essential. Knowledge in UNIDO project design is needed.

**Language** English

**Background  
information**

*Provided by the following papers:*  
Proposal to set up a PTA leather technology centre status of the leather industry in PTA Member States Draft Report of the Symposium on Leather and Leather Goods (PTA leather Fair 25-30 January 1990) US/RAF/88/100 Project document and project reports.

8. LEATHCENTR. JD2

# U N I D O

UNITED NATIONS INDUSTRIAL DEVELOPMENT ORGANIZATION

## JOB DESCRIPTION

US/RAF/88/100/STAFF/J13104

**Post title** Leather Centre Design Expert (UNIDO staff member)

**Duration** 1.5 months

**Date required** April 1990

**Duty station** Vienna with travel to Addis Ababa, Nairobi and Bulawayo

**Purpose of project** To prepare a design for a PTA Leather Technology Centre as recommended by the PTA Council of Ministers. The centre is to be located in Addis Ababa, Ethiopia, and is expected to have linkage to the national centres in the other PTA countries, specifically to KIRDI/LDC in Nairobi and LIZ in Bulawayo. The centre is expected to cover three main areas of activities, namely: advanced training, research and development and consultancy services.

**Duties** The expert will be attached to the UNIDO IO/T/AGRO Leather Unit and work in close co-operation with the NLSC of Ethiopia, KIRDI/LDC of Kenya and LIZ of Zimbabwe and other members of the project team. During his mission he will be specifically expected to:

1. To carry out a preliminary survey of the training needs in the PTA region for the coming ten-year period and study the present training facilities within the region. Ethiopia, Kenya and Zimbabwe will be studied through field visits and the other PTA countries from material available in the UNIDO Leather Unit.
2. Prepare together with other team members the Project Formulation Framework (PFF) and draft project document for the project in accordance with the UNIDO project design norms.

The expert will also be expected to prepare a short technical report after his mission, setting out his recommendations to the PTA secretariat and UNIDO Headquarters on further actions which might be taken.

**Qualification** Leather and leather products development expert with several years of experience in the various fields of the sector. Experience within leather research and/or similar institutes is essential. Knowledge in UNIDO project design is needed.

**Language** English

**Background  
information**

*Provided by the following papers:*  
Proposal to set up a PTA leather technology centre status of the leather industry in PTA Member States Draft Report of the Symposium on Leather and Leather Goods (PTA leather Fair 25-30 January 1990) US/RAF/88/100 Project document and project reports.

8. LEATHCENTR. JD1

**PREFERENTIAL TRADE AREA  
FOR EASTERN AND SOUTHERN  
AFRICAN STATES**



**ZONE D'ECHANGES PREFERENTIELS  
DES ETATS DE L'AFRIQUE  
DE L'EST ET DE L'AFRIQUE AUSTRAL**

*Telex: PTA ZA 40127*

*Cable: PTA LUSAKA*

*Telephone: 229725/26/27728/29/33*

**NDEKE HOUSE ANNEXE  
HAILE SELASSIE AVENUE  
P.O.Box 30051  
LUSAKA, ZAMBIA**

**Ref: CIC/1400/40(a)**

**Date: 28th January, 1990**

**The Director  
PPD/Area Programming  
United Nations Industrial Development Organization  
Vienna International Centre  
P.O. Box 300  
A-1400 VIENNA  
Austria**

**Attention: Mr. S. Ndam**

**Dear Sir,**

**PREPARATORY ASSISTANCE IN LEATHER INDUSTRY**

I have the pleasure to inform you of the successful outcome of the first PTA Leather Fair and Symposium on Leather Industry that was held in Addis Ababa, Ethiopia from 26 to 30 January, 1990.

The event brought together buyers and manufacturers of leather products from the PTA and Europe a phenomenon that proved highly useful in indicating state of the art of the leather industry in the PTA and that of the industrialized countries. The high quality of the products displayed by the PTA member States. However, there are some constraints that face the industry which impede Africa's effective participation in the international market.

A study undertaken by the PTA and UNIDO revealed that although Africa has 140 million heads of cattle, 131 million sheep and 133 million goats representing about 10,12 and 28 per cent respectively of world's livestock population its share was only 1% of the world's US \$ 32 billion annual trade in leather products.

Africa's poor performance was attributed to losses arising from improper utilization of hides and skins. The losses estimated at 3.7 billion were due to poor quality of raw hides and skins, low recovery, lack of inputs such as spare parts, chemicals, and shortage of skilled manpower.

The Symposium noted efforts the member States were taking at the national level to address the constraints and agreed that there was need to co-operate at the subregional level in:

- (a) Trade in finished leather and leather products;
- (b) Procurement of spare parts, chemicals and and auxillaries;
- (c) Technology transfer, quality control and marketing information;
- (d) Training of personnel; and



(e) Environmental control.

The Symposium further agreed that there was need to establish a Leather Technology Centre in Addis Ababa, Ethiopia to co-ordinate subregional activities in training, research and development and consultancy services as decided by the PTA Council of Ministers.

The Symposium also noted with appreciation UNIDO's activities in this area particularly, the assistance being provided through a Regional Project US/RAF/88/100 based in Nairobi, Kenya. In this regard, the Symposium requested that UNIDO provide preparatory assistance for a project document for the establishment of a Leather Technology Centre which could be submitted to donors for funding.

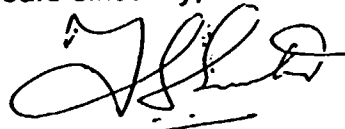
I hereby wish to formally transmit the request and suggest that you may wish to consider providing the assistance within the existing regional project.

I should like, on behalf of the Symposium and the PTA Secretariat, to express our gratitude to UNIDO for participating at the Fair and the Symposium. Th contribution by UNIDO's representatives Messrs: Juhani Berg from Vienna, G. Felsner, the CTA of the Regional Project based in Nairobi at the Symposium was extremely useful.

May I place on record PTA's satisfaction in the very fruitful co-operation with UNIDO in providing assistance to the countries of Eastern and Southern Africa.

Finally, we congratulate you on your well deserved appointment as Head, Area Programming for Africa and wish you every success.

Yours sincerely,



J.E.O. Mwencha

**DIRECTOR OF INDUSTRY AND ENERGY**

c.c. Mr.. Juhani Berg  
Senior Industrial Development Officer  
Leather and Footwear, Leather and Rubber Products,  
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P.O. Box 400  
Vienna International Centre  
A-1400 VIENNA  
Austria

**ANNEX II**

**MISSION REPORT**

**on Briefing Seminar on the status achievements and  
planned activities within US/RAF/S8/100  
and associated country projects**

**Addis Ababa, Ethiopia  
27 January 1990**

**by Marco Beci  
Associate expert**

LIST OF PARTICIPANTS

National Experts

Ethiopia	Mr. S. Hailu
Somalia	Mr. F. Ismail
Sudan	Mr. A. Abbo
Tanzania	Mr. S. Massay Mr. E. Muyinga
Zambia	Mr. C. Siulapwa
Zimbabwe	Mr. R. O'Shaughnessy

Ministry of Agriculture, Ethiopia

Mr. Z. Kebede, Head, Animal Resources, Marketing Dept.  
Mr. G. Argain, Senior Officer

UNIDO US/RAF/88/100 Team

Mr. J. Berg	SIDO, UNIDO - Vienna
Mr. G. Felsner	CTA, US/RAF/88/100, Regional Office - Nairobi
Mr. E. Machanga	Hides and Skins Consultant (11-02)
Mr. T. Devassy	Hides and Skins Improvement Consultant (11-55)
Mr. H. Eckert	Leather Finishing Expert (11-05)
Mr. D. Tracy	Leather Goods Expert (11-07)
Mr. J.L. Baradat	Footwear Expert (11-08)
Ms. A. Calabro'	Associate Expert, UNIDO - Vienna
Mr. M. Beci	Associate Expert, Regional Office - Nairobi

Other participants

Mr. N. Mwicigi	Project co-ordinator, Kenya
Mr. R. Ronoh	Project co-ordinator, Kenya
Mr. J. Muriuki	KIRDI/LDC, Kenya
Mr. D. Songok	Designate Regional co-ordinator
Mr. R. Msosa	General Manager, Liwonde Tannery, Malawi
Mr. R. Daniels	Consultant, Ewbank Preece, United Kingdom

## Introduction

The National Experts Meeting was scheduled to take place at the Conference Room of National Leather & Shoes Corporation, Addis Ababa, on Friday 26 1990, 14.00 to 17.00, and continue on Saturday 27 1990, 8.30 to 12.30 and 14.00 to 17.00. The programme had to be changed and the meeting rearranged on Saturday due to the protracting of the debate at the PTA Symposium which was attended by most of the participants in the national experts meeting. The time constraints didn't create an hindrance to the discussion, which was quite frank and useful, though it is felt that more time should have been devoted to the presentation of the country reports made by the national experts.

1. Information on the status, achievements and planned activities within US/RAF/BS/100 and US/RAF/BS/102

1.a. Adoption of the agenda and opening remarks

The agenda of the meeting, which has been duly communicated to the participants from the Regional Office, Nairobi, was officially presented by Mr. Berg, Chairman of the meeting, and adopted; carrying on his introduction, Mr. Berg remarked the success the PTA Leather Fair is achieving with the substantive participation of the PTA countries. He also referred to the fashion show organized by the National Leather & Shoes Corporation at Hilton Hotel on Friday night as one of the most successful event of the whole fair. The impressive range of products presented to the public and the excellent quality achieved, is a clear parameter of the good health the Ethiopian leather sector is enjoying; this success should goad other countries to follow this path, taking conscience of the enormous potentialities of leather as a job-creating and foreign currency earning sector. Coming to the PTA symposium, Mr. Berg stated that the country reports presented were generally good and informative, although some inaccuracies in the data have been noticed. As far as the PTA Leather Technology Centre is concerned, he said that the symposium has recommended a further assessment of the training facilities available in the area in order to coordinate the new institute with the existing ones; he also informed the meeting that UNIDO has been requested by the PTA Secretariat to assist in the revision of the PTA Leather Technology Centre project document and look for potential donors. The existing document has been criticised from more than one side and a substantive revision is actually needed; nevertheless, the idea of a regional leather institute is very good and makes sense in an area which is experiencing a sound waste of resources due - inter alia - to the lack of proper training for the personnel involved in the development of the leather sector.

Next topic in Mr. Berg's speech was his November/December mission trip to the project countries. The mission was very well prepared by the national experts and very useful in order to assess the status of the project. His mission reports are ready and will be shortly forwarded to the national experts and to the relevant Governmental bodies. As the content of some reports could be confidential and the spreading of such news could hurt somebody's feeling, the countries won't receive all the reports but only the relevant one. A different criterium will be followed for the donor countries which will receive all the reports. Leaving to the CTA the task to inform the meeting on the status of the project, Mr. Berg concluded his intervention underlining the complexity of the US/RAF/88/100, a project under which more than 20 national and international experts have to coordinate their efforts in order to achieve the foreseen objectives; as far as the international experts is concerned, Mr. Berg informed the meeting that the Federal Republic of Germany has agreed to finance a new post in the project, for an expert in the promotion of women in human resources development in leather industries. The expert has already been identified and will be fielded after the fulfilment of the administrative procedures.

#### i.b. CTA's report

After Mr. Berg's introduction, Mr. Felsner took the floor to present his report on the status of the project. First of all the CTA welcomed Mr. Abbo as the new national expert for Sudan; the problems which have beset Mr. Tambal's recruitment seem to be by now overcome and it is hoped that the project will start soon to be implemented. The whole project is going reasonably well, said Mr. Felsner, even though it can't be denied that we are experiencing some delays.

The most substantive delay is being experienced with the tannery expert who is still under recruitment: Mr. Haecker, the selected one, had to abandon the assignment due to health and familiar problems last September. UNIDO is actively looking for a substitute and it's hoped that a new one will be shortly recruited. Some delays are registered in the fielding of Mr. Leach, Hides and Skins Improvement Expert; his recruitment is in processing and Mr. Leach will be possibly fielded in April.

As far as the implementation of the project is concerned, Mr. Felsner said that most countries started working: equipment and vehicles have arrived almost everywhere and some field trips have already been organized and carried out.

2. Criteria for the identification of objects eligible for rehabilitation under US/RAF/88/100 and US/RAF/89/102

Coming to the rehabilitation project (US/RAF/88/102), Mr. Felsner drew the attention of the participants to the time factor which may affect its implementation: a reasonable time span from identification to delivery of equipment is almost one year, hence the need to have clear rehabilitation objectives which should be established, at the latest, by April 1990. The rehabilitation expert, Mr. Alfred Lesuisse, has already carried out visits to most of the countries, held discussion with the national experts and prepared reports; so it is expected that the expert will come shortly into practical work on the rehabilitation side of the project. Mr. Felsner also reminded the meeting that there are clear indications from the donor countries on the rehabilitation project: we are here to rehabilitate factories not to start new ones, since it is largely agreed that there is a theoretical excess tanning capacity within the area.

Our work is going to be evaluated on the impact we will create in the leather industry in the eight countries, said Mr. Felsner; rehabilitation objectives must be clearly identified on the basis of sound criteria. First of all, the factories to be rehabilitated must show a real capacity to meet working capital requirements, this kind of assistance being beyond UNIDO's mandate; technical capability to utilize the equipment is also a big concern of UNIDO's rehabilitation team; it shouldn't be also forgotten the environmental aspect of the matter: the factories should have an efficient effluent treatment plant; alternatively UNIDO experts will assist in this field, but the management of the factory must show a cooperative attitude.

A large amount of money has been allocated for rehabilitation: detailed feasibility studies must be carried out before any decision is taken; in this respect, it can be said that Ethiopia and Zimbabwe are ahead of other countries in the implementation of the rehabilitation programme because feasibility studies had been prepared prior to the commencement of the project.

Mr. Felsner also reminded the meeting that the project team will make recommendations on equipment needed; those recommendations are supposed to be as neutral as possible and the same will be for the enquiries on the requests which will be screened at the HQ on the basis of the "cheapest technically acceptable alternative" criterion. A crucial point is also the transfer of the equipment: as known, UNIDO is going to assist private enterprises under the Regional Leather Project and this may arise deontological problems and a lot of political implications: private industries

benefitting of the rehabilitation project shall contribute to the development of the leather sector through the payment of financial contribution towards hides and skins improvement of the country. Details of such an agreement will be worked out at due time with the recipient countries and institutions. As Mr. O'Shaughnessy raised the question about the payment, i.e. what is fair to pay for the equipment received, Mr. Berg said that he is very confident that the matter will be easily settled, since there is a large consent on the principle. Mr. Berg remarked once again the new attitude of UNIDO towards private industry briefly describing the positive experience registered in Egypt, where some private industries operating in the leather sector are already assisted by UNIDO and they seem to benefit a lot from such an assistance. UNIDO's General Director himself is strongly convinced of the need to help private industry and is encouraging the Organization to follow this path.

3. Presentation of specific country reports and informations covering all project activities carried out so far and planned for 1990.

The presentation of the national experts' report followed Mr. Felsner's report. The reports were presented according to the alphabetical order of the countries; being Ethiopia the first one, Mr. Seyoum Hailu took the floor presenting a detailed report on the status of the project in his country

Mr. Berg congratulated Mr. Hailu for the excellent work done and give the floor to Mr. Mwicigi, Implementation Team Coordinator for Kenya, who delivered his report. Mr. Mwicigi's statement was followed by a short intervention by Mr. Muriuki who analyzed the project under the rehabilitation point of view; the particular situation of Kenya was pointed out by Mr. Felsner who remarked the delay in the project implementation just in the country which hosts the Regional Project Headquarters. Mr. Berg also reminded the meeting that the bulk of the seminars organized by the subcontractor (according to the project document provisions) will be held at KIRDI which is supposed to be a reference point not only for Kenya, but for the neighbouring countries as well. Bearing this in mind, he expressed the hope that Kenya will bridge very soon the gap and start implementing the project.

Being Malawi the next country, Mr. Msosa took the floor briefing the meeting on the situation in the country; as known Malawi joined the Regional Project at the beginning of this year, and the project is obviously delayed.

Nevertheless some equipment has been ordered and the national expert is on the brink to be recruited: Mr. Felsner will shortly visit Malawi and will assist in the selection.

The Chairman gave then the floor to Mr. Farah, national expert for Somalia, who delivered his report. Mr. Felsner remarked the strange situation occurring in Somalia, where a new tannery has been set up but it's not operational; this hampers the purchase of new equipment for Somalia since there would be no logical justification in purchasing equipment for Km 7 Tannery, which is in a so bad shape, while the other one, completely new and fully equipped, is remaining idle.

Mr. Felsner also pointed out the paradoxical situation of salt production in Somalia: there is no shortage of salt in the country, said Mr. Farah, but the transport within the country is a paramount problem which badly hampers the distribution of the good, so that Somalia is exporting salt, but occasionally shortages are registered in the country itself.

After the presentation of Somalia country report, the meeting was adjourned at 2.30 in the afternoon. As decided the participants in the meeting gathered at the National Leather & Shoes Corporation conference room at 2.30 p.m. Mr. Abbo, the new national expert for Sudan, was given the floor to deliver his report on the situation of the project in his country. Mr. Abbo prepared a well elaborated report; he stressed the delays encountered in the implementation of the project, but he is confident that with the signing of his contract and the briefing at the Regional Office in Nairobi, the project will start to be properly implemented. As far as the identification of the target areas in Sudan is concerned, Mr. Felsner hinted that transport facilities might be not adequate, as the areas are very wide; in this respect Mr. Abbo is more optimistic as the target areas enjoy good road connections; but it was agreed that it's still premature to worry about this problem. Still on Sudan, Mr. Berg said that there is an urgent need to update and modernize the Leather Technology Institute of Khartoum thus improving the exchange of experiences with the outside world. He also informed the meeting on a huge rehabilitation project which is currently under implementation in Sudan; the project, which is financed by Italy and Rumania, is aiming to rehabilitate and improve the leather sector in the country and Mr. Berg said that a positive cooperation should be sought.



After Mr. Berg's comments on Sudan, Messrs. Messay and Muyinga took the floor to present their report on Tanzania. Apart from some problems with the bill of lading of some goods, project equipment has been delivered and project has started to be implemented. A big Italian company, Intersomer, is looking into leather sector in Tanzania and it seem there are good possibilities to coordinate their efforts and UNIDO team's: Mr. Felsner has already scheduled a visit to Intersomer, Milano, late in February to discuss a possible area of cooperation between the Regional Leather Project and the Italian company.

The report on project status in Zambia was presented by Mr. Siulapwa; commenting on Zambia report, Mr. Devassy raised the question of the rural tanning which shouldn't be encouraged since they cause more harm than good; only in wanting of other proper facilities, rural tanning could be taken as a solution, and extension officers should try to upgrade such traditional techniques.

The last national expert to take the floor was Mr. O'Shaugnessy from Zimbabwe; he presented a well elaborated report on the project activities performed in the country and Mr. Berg congratulated him for the excellent work done. No questions arising on Mr. O'Shaugnessy report, the Chairman introduced the next point on the agenda.

4. Hides and skins, leather and leather products: market situation. Incentives and constraints in the countries covered by the project.

5. Exchange of informations/data and problems encountered within hides and skins improvement work in the project countries.

Due to delay in the fielding of Mr. Manly (Marketing Expert II - 09) the meeting couldn't benefit from the expert's report. Therefore the market situation of hides & skins and leather products was not analyzed in details, although some indications and informations on the local markets are included in the national experts' country report. The lack of informations and statistical intelligence on this subject was stressed by Mr. Eckert and the participants agreed on the need to work on this issue, which is, after all, one of the output of the project. It was noticed that the PTA Secretariat is going to establish a statistical system on hides and skins situation for the whole area, and a possible form of cooperation between the Regional Leather Project and the PTA experts on this issue could be foreseen.

As far as hides and skins improvement work is concerned, relevant informations are included in the national experts' reports.

## 6. Administrative matters

The communications between the field, on one side, and the Regional Office and the Headquarters, on the other side, is a vital point for the success of the project. In this respect, reports play a key role and the national experts should abide by UNIDO provisions covering the reporting system within the organization. In this respect, Ms. Calabro', associate expert at UNIDO Headquarters, presented a new report format prepared by UNIDO, which will be regularly filled by the national experts; they were requested by Mr. Berg to prepare the reports every two months, but Mr. Felsner insisted that the reports should be done on a monthly basis; the reports should be sent to the Regional Office together with the travel plan for the international/national experts covering the project trips for the following month; this will be very helpful for the CTA's team to planning ahead and arrange for the relevant authorization and documentation.

Some communications problems have been experienced in this first period, above all between the Headquarters and the field; it has been noticed that fax and telex lines in Vienna are definitely overloaded and this hampers a bit the work at the Regional Office; on the contrary, communications are smooth enough between the field and the Regional Office in Nairobi, even though it can't be denied that some countries can be reached only by telex: fax and telephone communications are virtually impossible with Somalia and Sudan.

In order to facilitate the fulfilment of administrative procedure, Mr. Berg said that Ms. Ilercil, from UNIDO/FMTC (financial management) could possibly attend the next national expert meeting - which will probably be held in Paris, during the Semaine du Cuir - and brief the field personnel as well as the national experts on financial matters. Mr. Felsner also informed the national experts that a monthly leave report should be prepared and submitted to UNIDO - Vienna through the local UNDP offices. As far as the delivery of equipment is concerned, Mr. Felsner informed the national experts that they are supposed to acknowledge the Headquarters of the receipt of the equipment by filling the appropriate forms.

Mr. Berg informed the meeting that his office has already started to prepare the participation of project personnel in the Semaine du Cuir, Paris, 15 - 18 September 1990. National experts are supposed to participate and most probably the next national experts meeting will be held there. Soon after the Semaine du Cuir, the first seminar on Hides and Skins Improvement, Tannery Technology and Tannery Maintenance will be organized by the sub-contractor and are scheduled to take place in November 1990.

#### 7. Other matters

Mr. Beci, associate expert at the Regional Office, Nairobi, raised the question of the marketing and the commercial side of the project. Even though the two main objectives of the project are the improvement of hides and skins and the rehabilitation of target plants and factories, we shouldn't overlook an important output such as no. 8 which maintains that a list of suitable partners for joint venture or commercial agreement is supposed to be prepared and at least one meeting of commercial/business nature should be organized in each participating country. At this very stage of the project it might be premature to talk about the achievement of that output, but it is very important to start preparing the ground. In fact, potential investors need a clear picture about the legal framework they are going to operate within: in this view, the national experts are requested to collect and convey to the Regional Office all the relevant informations, government guidelines and legal provisions concerning foreign investments and joint ventures in the respective countries; CTA's team is going to work on the documents received in order to familiarize with the different legal contexts and get prepared to discuss and give advices to potential investors. The project is stirring up interest in the business world and the project team has already been approached by companies seeking guidances and suggestions.

Elaborating on Mr. Beci's intervention, Mr. Berg said that output no. 8 has been included in the project document on request of the donor countries and we are responsible for its achievement. The project wants to create an impact in the leather sector of the eight countries and can't leave the commercial side out of consideration. It's out of doubt that leather is a good foreign currency earner sector for most African countries, and UNIDO's concern is to foster it as much as possible. He fully agreed with Mr. Beci on the need to work on this issue and asked the national experts to cooperate with the Regional Office providing all the relevant informations on the subject.

No other matters arising, Mr Berg took the opportunity to thank the participants for the contributions given; he also expressed the hope that the countries which are late with the implementation of the project could bridge the gap very soon and keep on working to promote and strenghten the leather sector in the area.

The meeting was officially close at 6.30 p.m.



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LA AGRICULTURA  
Y LA ALIMENTACION

منظمة  
الغذية  
والزراعة  
للأمم  
المتحدة

Our Ref.:

T.J.Devassy  
US/ETH/88/100

Your Ref.:

FAO, PO Box 5536  
Addis Ababa  
16-1-90

Dear Mr. Berg,

Please find enclosed the workplan of the project " National hides and skins , leather and leather products improvement scheme" for your information and comments.

with best personal regards

Yours sincerely

T.J.Devassy

Mr.Juhani Berg,  
Senior Industrial Development Officer,  
UNIDO, Vienna.

US/ETH/88/100-National Hides and Skins,  
Leather and Leather Products Improvement  
Scheme

WORK PLAN

PHASE -I, 6 Months 15 Jan, to 14 July 1990.

0-3 months

- Preparatory discussions with AR&D of Ministry of Agriculture, National Leather and Shoe Corporation and other related agencies.
- Placement of national staff (1 Co-ordinator, 3 Regional experts and 10 extension officers at Awraja level) with necessary terms of reference and with provision of vehicles and motor-cycles.
- Updating statistical data of the target area (Regions: Sidamo, Borena, North Omo and South Omo) relating to livestock population; off-take rates; production of hides and skins in pieces and by weight; facilities available; technical manpower; number of farmers and artisans involved in this subsector; details of trading system with prices at various levels of trading; hides and skins catagorised by method of preservation; number of rural tanners and their utilisation of hides and an estimate of illegal trade.
- Establishing base data on hides and skins relating to grades, collection, types of preservation, main defects downgrading the quality and the extent of wastage. Data will be at Awraja & Regional level.
- Study of the working of Service Co-ops in Target Area and selection of 6 Service Co-ops where curing shed cum slaughter slab will be built.
- Selection and placement of trainees for overseas group training, seminars and study tours.

4-6 months

- Construction of 4 curing sheds cum slaughterslabs by the Service Co-ops in the Target Area and starting of purchase, curing and sale of hides and skins.
- Demonstration in the above sites, the correct techniques of ripping, flaying, preparation, preservation and storage along with projection of Video films in selected places.
- Selection of sites where salting can be used as a preservation technique.
- Introduction of incentive scheme as initiated by NLSC for traders and technicians both for quality and quantity improvement.
- Introduction of special incentive scheme for elimination of flaycuts and putrefaction.
- Preparation of posters and pamphlets on hides and skins improvement.
- Technical training for 30 experts for 60 days in Productivity Improvement Centre, Addis Ababa.
- Refresher courses for 60 artisans of 1 week duration.
- Seminar (1 week) for Target Area technicians.
- Reporting and debriefing.

PHASE II, 4 Months- Feb, 1991 to  
May 1991

Phase II will be a follow-up of the activities already initiated in Phase I.

0-2 Months

- Construction of 2 curing sheds cum slaughterslabs by the Service Co-ops already selected and starting of purchase, curing and sale of hides and skins.
- Assessment of the working of the Project during Phase I and analysis of the objectives achieved. especially on grading, pricing, incentives and the levy system introduced in 4 curing sheds.

3-4 Months

- Extension and other development activities as introduced during Phase I to be repeated in 2 centres started during Phase II.
- Technical training for 15 experts for 60 days. in P.I.C. Addis Ababa.
- 1 week refresher course for 60 artisans
- 1 week seminar for Target Area technicians.
- Reporting and debriefing.

PHASE III-2 Months - Feb,-Mar, 1992

Phase III will be a follow-up of the activities already initiated in Phase I+ II.

0-2 Months

- Assessment of the working of the Project during Phase I and II and analysis of the objectives achieved.
- Revolving fund out of the levy collected from 6 drying sheds to be utilised for building further curing sheds in the Target Area.
- Drawing up main conclusion and recommendations for future activities.
- Reporting and debriefing.