



ZIMBABWE



Zimbabwe Leather Sector Strategy: 2021 – 2030

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FOREWORD



Foreword

The Zimbabwe Leather Sector Strategy (2021-2030), sets out the priority programs and reforms to be implemented over the next ten (10) years. The programs and policies herein, reflect the concerns of stakeholders in the leather Industry and are anchored under the country's vision of achieving an Upper Middle Class status economy by 2030.

This Leather Sector Strategy is framed against a backdrop of creation of value by unlocking wealth for the players at each of the nodes, such as farmers, traders, merchants, suppliers, abattoirs, tanners, small scale and large-scale manufacturers and retailers.

The main thrust of the Zimbabwe Leather Sector Strategy document will be anchored on the following pillars:

- Increased investment in the leather Industry, coordination and Governance of the leather value chain, value addition and beneficiation of leather industry produce,
- Development of a leather marketing entity, focus on the value for each player at every node on the leather value chain, increasing job creation and exports, and Ease of Doing Business reforms.

This strategy has come at a point when the country has escalated efforts aimed at revitalising the economy through value addition and other policies in order to attain the country`s vision of catapulting the economy into an upper Middle Class status by 2030.

My Ministry has crafted the leather Sector Strategy which envisages transforming the leather and leather products subsector from a producer of primary goods into a producer of processed value added goods for both the domestic and export markets. This will be achieved through promotion of viable cluster based industrial and commercial sectors with the leather and leather products sector being key and critical among these.

Given the abundance of quality natural hides, as well as highly skilled manpower in Zimbabwe, I believe that the implementation of this strategy will bear the necessary rewards in terms of, not only boosting the leather sector but repositioning Zimbabwe as a global competitor in the leather and leather products value chain.

A handwritten signature in black ink, consisting of several loops and a final flourish.

Hon. Dr. S. Nzenza (MP)
Minister of Industry and Commerce

EXECUTIVE SUMMARY

1.0 BACKGROUND

According to the Grand View Research, the global leather goods market size was valued at USD 414.0 billion in 2017 and was anticipated to progress at a rate of 5.4% in the coming years. The market growth is mainly driven by growing disposable income, improved living standards, changing fashion trends, and growing domestic and international tourism. Rising demand for comfortable, trendy, and fancy footwear along with growing brand awareness is expected to have a positive impact on the footwear market.

Zimbabwe should take advantage of the global market. After a decade of economic contraction, the economy recovered sharply in 2009. The country had double-digit growth rates shortly after dollarization in 2009, but growth started to decline in 2012. The birth of the Second Republic brought new impetus to growth, due to the transformative approach which was adopted by the government with regard to the new thrust focusing on pushing the country into the Upper Middle Income Status by 2030.

2.0 ZIMBABWE GLOBAL COMPETITIVENESS PERFORMANCE

Zimbabwe is ranked 48 in the world (0.35% of the world livestock herd) and 14 in Africa. However, Africa is a small producer ranked 6 out of 7 continents with a total share of 1.3%. Zimbabwe has great potential to scale up its production and processing of raw hides and skins to manufactured products.

3.0 INDUSTRY STRUCTURE AND VALUE CHAIN MAP

The leather value chain in Zimbabwe is well structured starting from the livestock farmers, abattoirs, hides and skins merchants/traders/suppliers, tanneries, manufacturers and retailers. The actors at various nodes play significant roles in the generation of revenue and contribution to the Gross National Product. However, some of the actors in the value chain have either closed or operating below capacity due to unfavourable macro-economic environment over the past decade, including the period of the Leather Strategy 2012 to 2017. Some of the challenges being faced by the sector include: poor animal husbandry practices resulting in poor quality of hides and value added products; absence of sector specific policies; lack of technical and managerial skills; high cost of finance, unsuitable or absent slaughter facilities; poor marketing of leather commodities; and, production of poor quality products due to inadequate and/or obsolete technology.

4.0 STRATEGY REVIEW HIGHLIGHTS

The review of the 2012 to 2017 strategy established that its implementation was characterised by low performance, in all five strategic objectives for the period. There was lack of coordination of key stakeholders in the value chain by an apex body. The only notable achievement was the formation and strengthening of leather clusters in Harare and Bulawayo,

which were given equipment for value addition. Training for clusters was carried out in Harare, Bulawayo, Gweru, Masvingo and Mutare.

The strategy review process recommended that the following issues be addressed in the new strategy to turn around the leather sector:

- Having a shared vision;
- Strengthening coordination and governance of the leather value chain;
- Development of a leather marketing entity to increase awareness, coordinate branding and promote exports
- Focus on the value for each player at every node on the leather value chain; and,
- Training for value chain players
- Lack of capital and obsolete technology

5.0 STRATEGIC ANALYSIS

The leather industry, which was one of the thriving industries in Zimbabwe, is currently operating below capacity due to a myriad of constraints ranging from lack of capital, obsolete technology and competition from cheap imports. The leather sector value chain players believe that, with adequate support, the sector can be turned around and ultimately contribute to sustainable exports. Few industries can claim a history as long as that of leather making. Zimbabwe, like many other African countries, relies on its leather industries as a source of significant income. Its tanneries, all private enterprises and some of them associated with downstream facilities manufacturing footwear and other leather products, are among the continent's most successful exporters.

6.0 ZIMBABWE LEATHER SECTOR STRATEGY 2021– 2030

6.1 Vision

To be a vibrant and internationally competitive, reliable and innovative leather industry contributing to sustainable development through value addition.

6.2 Mission Statement

To lobby, coordinate and transform the development of an inclusive leather value chain through competitive and sustainable intervention.

To achieve this mission, it is critical that there is a shared vision for the leather sector and an inclusive apex body.

6.3 Values

Values which will guide all conduct by, within and for the sector are:

- **Core**– Shared vision
- **Outer core** - Integrity and professionalism
- **Supportive** - Coordination

6.4 Goal

The overall goal of the Zimbabwe Leather Sector Strategy (2021 - 2030) is to increase the competitiveness of the leather value chain through building stakeholders' production capacities from about 30% to 75% by 2030 and enabling them to access local and export markets.

6.5 Strategic Objectives

The Zimbabwe leather sector strategy (2021-2030) is intended to achieve the following objectives:-

- Increase capacity utilization of value added products from 30% to 75% by the end of 2030;
- To enhance the application of sustainable production technologies from the current 10 % to 60 % of the manufacturing companies by 2030;
- To increase the export of leather products from 10 % to 40% of production by 2030;
- To lobby for the development and reform of 70 % of identified policies and legal frameworks for transformation of the leather sector by 2030;

The leather sector strategy 2021-2030 emphasises and prioritises the creation of value by unlocking wealth for the players at each of the nodes, such as farmers, traders, merchants, suppliers, abattoirs, tanners and both small and large-scale manufacturers and retailers.

STRATEGIES

Strategies identified to achieve the above objectives, include the following, among others:-

- Capacity Building of Livestock farmers on good animal husbandry techniques; Rehabilitation of tanneries and manufacturing facilities to increase their uptake of hides; Establishment and use of stakeholder platforms to address problems.
- Embracing joint ventures to access new technology; Making use of design studio to improve product design; Research and Development to boost markets; Use of environmental friendly technology.
- Product Development and Market Development by value chain players; Tanneries and manufacturers should streamline and produce for the export market.
- Using advocacy of subsector associations such as tanners, abattoirs, hides and skins traders, SMEs, Farmers Unions Joint Presidents Council and retailers associations to create awareness of supportive policies.

Cross-cutting issues involving gender, youth, health, wellness and environmental conservancies will be considered in strategy implementation. Key players in both the public and the private sector, will be involved in implementation. The devolution agenda will spur the growth of the sector.

CHAPTER 1: STRATEGY CONTEXT

1.1 Background

According to the Grand View Research, the global leather goods market size was valued at USD 414.0 billion in 2017 and was anticipated to progress at a rate of 5.4% in the coming years. The market growth is mainly driven by growing disposable income, improved living standards, changing fashion trends, and growing domestic and international tourism. Rising demand for comfortable, trendy, and fancy footwear along with growing brand awareness is expected to have a positive impact on the footwear market.

After a decade of economic contraction, the economy recovered sharply in 2009. Zimbabwe had double-digit growth rates shortly after dollarization in 2009, but growth started to decline in 2012 as confidence started to diminish and the investment-to-gross domestic product (GDP) ratio declined sharply. Besides, higher growth in 2017 of 3.4% (partly due to recovery in agriculture production), up from 0.6 in 2016, the economic growth trend was 2% below the average for Sub-Saharan Africa.

The birth of the Second Republic brought new impetus to growth, due to the transformative approach which was adopted by the government with regard to the new thrust focusing on pushing the country into the Middle Income Status by 2030. The future prospects are positive, as the new government has illustrated a commitment to open the economy, build robust governance, social and economic institutions and consolidate a foreign policy which anchored on the economic growth agenda. The current status of the economy is summarized in Table 1.

Table 1: Basic Economic Indicators

Description	Status (2016)
Gross Domestic Product	US\$16,29 billion
GDP per Capita	US\$1,008.60
GNP per Capita	US\$1,920 (PPP)
Internet coverage	15.7%
Literacy rate	90%
Life expectancy	59 years

Source: World Bank

Zimbabwe is considered to be among the major producers of bovine animals on the African continent. Below is a table indicating the number of bovine animals in some African countries. Thirteen (13) out of 54 countries produce more than 5 million bovine animals.

Table 3: Production of bovine hides and skins (wet salted weight)

Country	2015 Thousand tones
Algeria	10.9
Burkina Faso	12.3
Cameroon	12.2
Chad	13.5
Egypt	64.6
Ethiopia	37.1
Kenya	47.4
Madagascar	16.2
Mali	21.6
Morocco	14.8
Niger	14.8
Nigeria	49.5
Sudan	142.4
Uganda	16.0
United Republic of Tanzania	31.8
Zimbabwe	11.6
Other Africa	93.9

Source: World statistical compendium for raw hides and skins, leather and leather footwear 1999-2015

The potential for the country to scale up its production and processing to increase the value of its output is high. The raw hides finding their way through the value chain are at about 70% (2017) with between 20 and 30% being lost due to non-collection or poor preservation.

1.2 Competitor Analysis

A comparison of Zimbabwe with other African countries in table 4 below shows a full spectrum of variables from animal production up to the market demand. This analysis is critical with regard to product positioning and also identifying potential benchmarking partners in the African continent. Zimbabwe has a weaker livestock base in comparison to all the countries listed in the table, however, Zimbabwe has a solid base in the area of exotics, well ahead of Ethiopia, Uganda and Kenya.

Given the scenario, Zimbabwe should work to enhance its capacity in exotics; this will supplement in a bigger way the traditional leather segment. Despite the small size of livestock, especially cattle, Zimbabwe has an advantage over Ethiopia, Kenya and Uganda with regard to the size of skins (average 22 to 30 kgs), as opposed to 16 to 18 kgs in the other three countries. This creates an opportunity for Zimbabwe to specialize in the production of upholstery leather. A comparative on the performance of the Zimbabwe leather value chain against selected Africa countries is summarized in table 4 below.

Table 2: Number of bovine animals

Country	2015 Thousand heads
Algeria	1 996
Angola	4 703
Benin	2 162
Botswana	2 612
Burkina Faso	8 956
Cameroon	4 625
Central African Republic	4 401
Chad	8 021
Côte d'Ivoire	1 609
Egypt	9 118
Eritrea	2 101
Ethiopia	56 310
Ghana	1 582
Guinea	5 131
Kenya	20 821
Madagascar	10 110
Malawi	1 290
Mali	10 427
Mauritania	1 862
Morocco	3 184
Mozambique	1 708
Namibia	2 370
Niger	10 590
Nigeria	20 097
Rwanda	1 136
Senegal	3 501
Somalia	4 786
Sudan	42 107
Uganda	14 390
United Republic of Tanzania	21 858
Zambia	3 156
Zimbabwe	5 152
Other Africa	6 679

Source: World statistical compendium for raw hides and skins, leather and leather footwear 1999-2015

Zimbabwe is also considered to be one of the major producers of hides and skins on the African continent. Table 3 below shows that the country produced 11, 6 million kilograms of hides and skins in 2015.

Table 4: Competitor Analysis

Segment	Zimbabwe	S. Africa	Ethiopia	Uganda	Egypt	Kenya
Outputsⁱ						
Livestock Sizeⁱⁱ in Millions						
Bovine	5.1	14.1	56.3	14.4	9.1	20.8
Goats	3.4	6.0	26.5	15.4	15.4	33.3
Sheep	0.5	24.3	25.0	2.1	5.5	20.6
Hides and Skins						
Bovine	0.3	3.1	3.4	1.0	2.9	3.6
Goats		2.3	8.3	2.9	2.8	3.2
Sheep		8.6	8.9	-	2.5	2.2
Footwear output with leather upper	3.9	26.7	6.8		57.2	2.5
Exportsⁱⁱⁱ	US\$ million					
Raw hides and skins	35.4	82.3	0.00	0.1	1.5	0.41
Wet blue	3.2	93.0	0.3	53.0	64.0	49.0
Finished leather	4.4	94.4	74.5	0.0	46.5	0.4
Footwear exports	1.4	182.1	45.5	2.8	4.8	31.8
Total exports	44.4	357.4	120.3	2.9	116.8	81.61
Market of Footwear						
Estimated Market (# of pairs)	14.1	48.2	89.2	36.5	82.9	42.2
Import bill (2017) ^{iv}	14.6	857.6	112.9	62.8	99.7	43.7
Trade Balance on Footwear	-13.2	-675.5	-67.4	-60	-94.9	-11.9

FAO: World Statistical Compendium for raw hides and skins, leather and leather footwear (1999 and 2015)

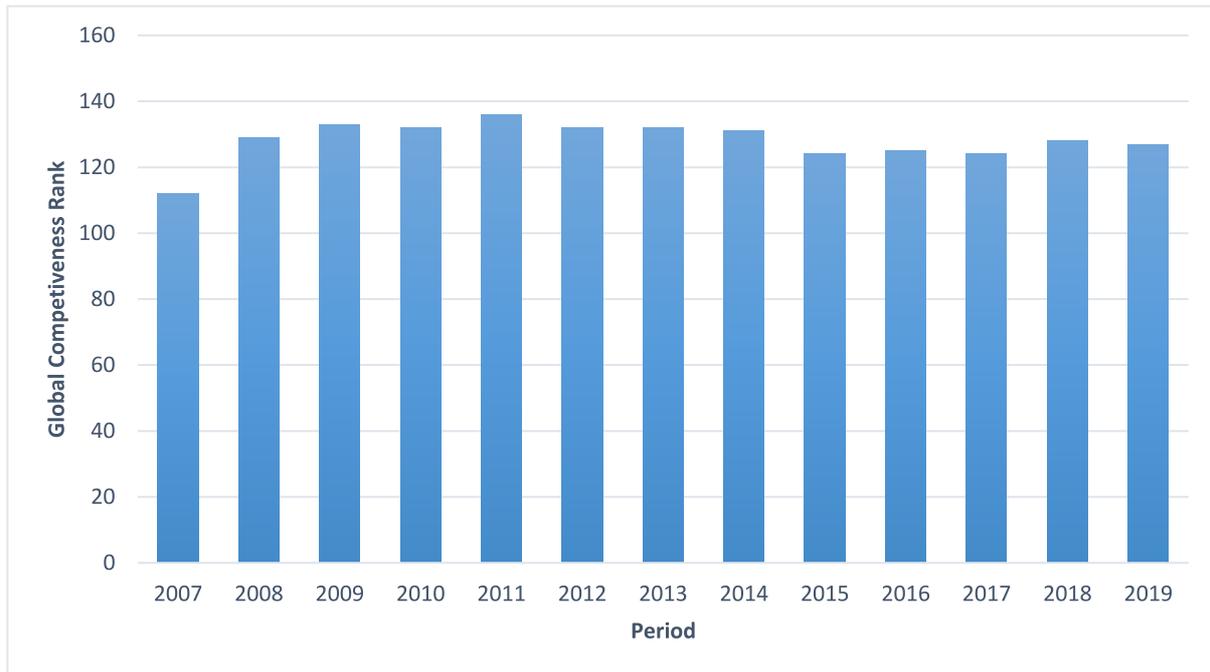
Zimbabwe and South Africa recorded the highest value of raw hides and skins exports in 2017, however, the significant proportion of Zimbabwean exports were made up of crocodile skins. This is a reflection of the importance of exotic skins for Zimbabwe. Exotic feeds into the high end niche market which is rarely affected by the global recession. Overall, Zimbabwe has better quality of hides and skins outside South Africa, thus the country requires to focus on ensuring that the significant proportion of these bovine hides are machine flayed which will then feed into the production of upholstery leather for both the domestic and export markets.

1.3 Zimbabwe Global Competitiveness Performance

Zimbabwe's rating with regard to global competitiveness has been very low in the past decade, standing at 136, out of the 137 countries in 2011, however since then its rating has been improving sitting at 127 out 140 in 2019. It is projected that Zimbabwe may move into the top 100 in the next 5 years due to the robust policies aimed at economic transformation that are being promulgated and implemented under the Second Republic. The positive development is set to stimulate investment in the livestock sector (command livestock), increased beef production and consequently quality hides and skins which will enhance the supply stock of the leather value chain. A new cadre of entrepreneurs that have entered the leather sector in the

past 10 years despite the harsh business environment, have developed innovative business management skills, thus the improvement in the overall business environment is set to stimulate the growth of their enterprises. A detail on Zimbabwe’s global competitiveness performance is summarized in Figure

Figure 1: Zimbabwe Global Competitiveness Performance

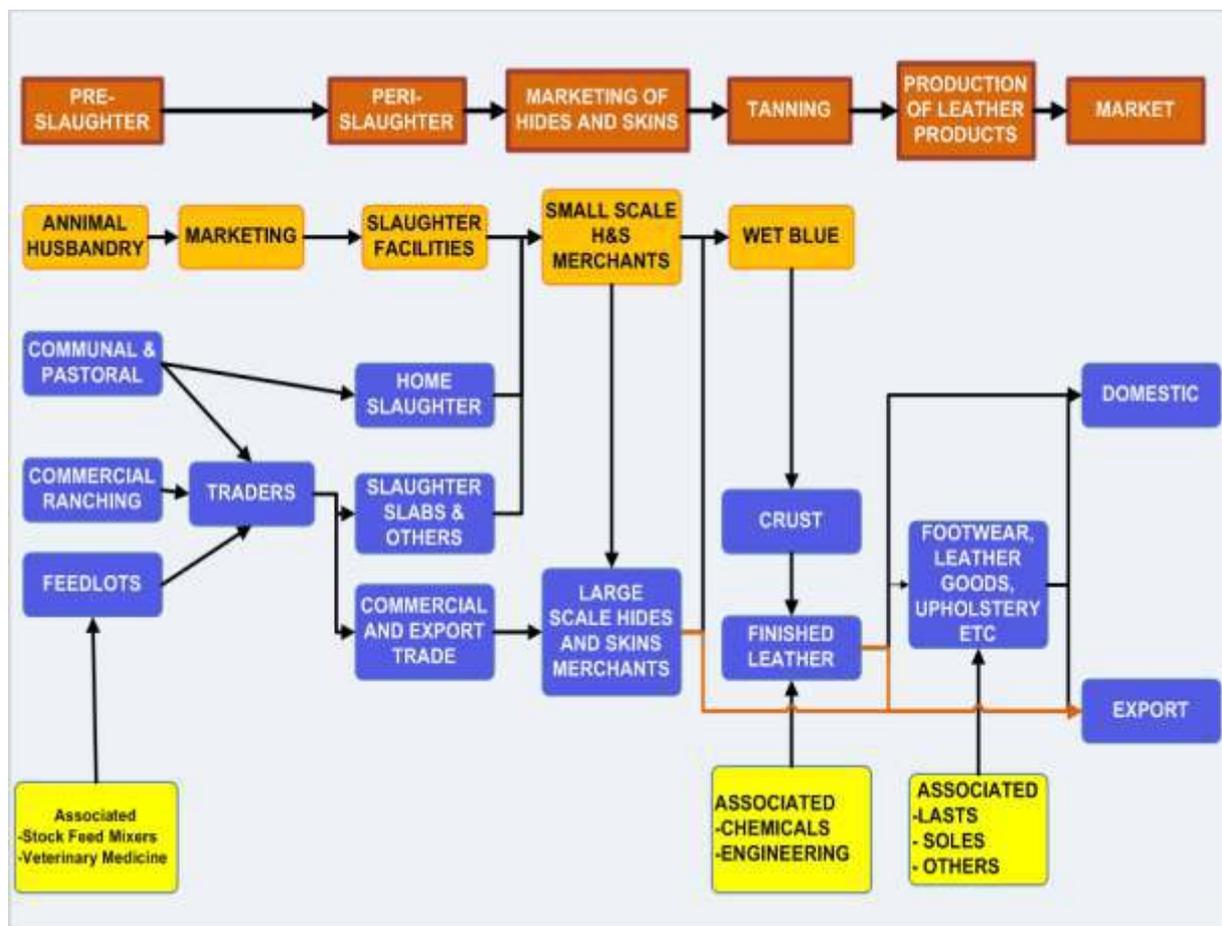


Source: World Economic Forum

1.4 Industry Structure and Value Chain Map

Zimbabwe has a well-developed leather value chain, which has various nodes from pre-slaughter, peri-slaughter, marketing of hides, tanning, production of leather products and market, as well as supporting institutions. Below is a schematic illustrations of the Zimbabwe Leather Value Chain presented in Figure 2.

Figure 2: Leather Value Chain



A Comparison of export performance in terms of raw hides and skins, wet blue, finished leather and footwear for the years 2002 and 2017 is shown in table 5 below. The export of raw hides and skins increased by 158% from 2002 to 2017 while finished leather increased by 633%.

Table 5: Export Performance

Description	2002	2017	Difference (-/+)
Exports	US\$ m	US\$ m	US\$ m
Raw hides and skins	13.7	35.4	21.7
Wet blue	11.7	3.2	-8.5
Finished leather	0.6	4.4	3.8
Footwear Exports (all types)	5.8	1.4	-4.4
Total	31.8	44.4	-12.6

The emerging strategic issues from this chapter are as follows:

- All the major segments of the value chain exist;

- Although Zimbabwe's livestock sector is smaller than some of its competitors on the continent, it has bigger bovine hides which opens opportunities for the production of upholstery leather;
- The Exotic leather segment showed a greater level of resilience during the economic challenges which were once experienced in Zimbabwe and the livestock based actors may need to draw lessons from this.

1.5 National Policy Framework Impacting the Leather Sector Performance

The following policies and regulations were identified as having impact on the value chain:-

- Policies Constraining Liquidity affecting trade
- Land Tenure Rights
- Agricultural Marketing Authority Regulations
- High National Biotechnology Authority Charges on Genetically Modified Organism (GMO) Free certification
- Lengthy processes to obtain raw materials Import Permits.
- High charges in Environment Management Agency Effluent and Solid Waste Disposal Regulations
- Inability of Farmers to use Livestock as Collateral Security
- Expensive Livestock Movement Permit System under the Animal Health Act and Stock Theft
- Lack of a modern Livestock Identification and Traceability System
- High Environmental Management Agency costs
- High Import tax on Mechanically Deboned Meat.

Source: AfDB -Beef and Leather Project Technical Paper on Policy Reform

These policies will be reviewed in order to support the competitiveness of the leather value chain.

Bulawayo and Harare having equipment procured for value addition. While COMSA/LLPI, AfDB, NUST, LIZ and MIC, among others, have been instrumental in providing training to value chain players, a large skills gap still exists at all levels and there is need for capacity building.

2.2 Problem Statement

Leather production and use has a long history, dating back from the Stone Age when it was used for clothing, bedding and for making traditional instruments such as drums, stools, among others. The industrial production of the leather and associated products in Zimbabwe started during the Second World War and its growth and strength was consolidated during the Unilateral Declaration of Independence (UDI), as Zimbabwe, then Rhodesia pushed up import substitution as a measure of containing the challenges that were being inflicted on the country due to international sanctions. By the nineties Zimbabwe had developed one of the most sophisticated leather industries that was exporting leather shoes and upholstery leather to leading leather fashion pacesetters such as Italy, France and the United Kingdom among others. Its tanneries, all private enterprises and some of them associated with downstream facilities manufacturing footwear and other leather products, were among the continent's most successful exporters. Until 2000, Zimbabwe produced 17 million pairs (of which 4 million pairs has leather uppers) per annum. By 2011, shoe production had plummeted to 1 million pairs per annum due to ongoing crises, competition from lower quality imports and exports of hides and skins.

On the demand side, Zimbabwe consumes approximately 14.3 million pairs of footwear per annum, made of leather, canvas, synthetics and plastic. With an annual production estimated at 1 to 1.5 million, it entails that the bulk of it is being imported. The Zimbabwe footwear bill has increased from US\$2.8 million in 2001 to US\$14.6 million in 2017, despite the acute shortage of foreign currency in the period post 2004. This is a marketing opportunity that new entrants into the industry may capitalise on.

The leather value chain was well developed boasting of more than 10 tanneries, more than 20 footwear and leather goods manufacturing units up to until 2000. Zimbabwe Bata was among one of the few African plants south of the Sahara to manufacture internationally branded sport footwear under franchise in the nineties. However, the industry was decimated post 2000 and today many large footwear companies and tanneries are either closed down or operating below capacity. Footwear production is now dominated by artisans, who make 2 to 3 pairs a day. The beef and leather sub-sectors face daunting and varied problems, key of which include:-

- low productivity at farm level
- Irregular supply of good quality hides and skins due to poor animal husbandry practices, lack of appreciation of the value of skin by farmers given low prices paid by collectors, improper flaying techniques and inadequate collection and storage system.
- Low level entrepreneurial and technical skills and weak institutional support
- Production of poor quality products due to inadequate and/or obsolete technology.

CHAPTER 2: THE RATIONALE FOR DEVELOPING THE LEATHER VALUE CHAIN STRATEGY

Zimbabwe used to be a dominant producer of leather and leather products such that prior to year 2000, it had a vibrant industry with skilled manpower. This status is well within reach.

2.1 Summary Review of the Zimbabwe Leather Value Chain Strategy 2012 to 2017

The main goal of the Zimbabwe Leather Sector Strategy 2012 to 2017 was to transform the Zimbabwe leather value chain from the production and export of raw materials and partly processed products to the production and export of value added products such as finished leather, footwear and other leather garments. The targets of the strategy were as follows:

- To reduce export of wet salted hides from 229,000 hides in 2011 to 20,000 hides in 2017 (reduction: -91%);
- To increase intake of wet salted hides by domestic tanneries from 194,000 hides in 2011 to 467,000 hides in 2017 (growth: +140%);
- To increase export of wet blue leather by domestic tanneries from 1,250 tons in 2011 to 2,500 tons in 2017 (growth: +100%);
- To increase intake of finished leather from domestic tanneries by domestic manufacturers from 229,000 m² in 2011 to 460,000 m² in 2017 (growth: +101%);
- To increase production of leather shoes by domestic manufacturers from 1 million pairs in 2011 to 2.2 million pairs in 2017 (growth: +120%);
- To increase export of leather shoes by domestic manufacturers from 162,000 pairs in 2011 to 1 million pairs in 2017 (growth: +517%);
- To increase sales of locally produced leather shoes by domestic retailers from 1 million pairs in 2011 to 1.4 million pairs in 2017 (growth: +40%).

Post the strategy implementation period on the balance, most of the proposed targets were not met because of a number of constraints ranging from inadequate finance and institutional challenges. Stakeholders concluded the following with regard to the implementation of the strategy:

- Implementation of the Leather Sector Strategy 2012 – 2017 was characterised by low performance in all five strategic objectives for the period.
- The full scale implementation of the strategy stalled due to the general macroeconomic bottlenecks including imports of finished leather products, leakages of hides along the value chain with up to 30% of hides being unaccounted for.
- The coordination mechanism of the value chain, which had been identified as a critical success factor for strategy 2012 – 2017 was stalled.
- Value chain players did not have a shared vision.
- On the positive side, there was some investment in developing the value chain skills base through the clustering and training approach. This resulted in the formation and strengthening of clusters in Harare, Bulawayo, Gweru, Masvingo and Mutare, with

CHAPTER 3: LEATHER SECTOR STRATEGY 2021-2030: VISION, MISSION AND OBJECTIVES AND STRATEGIES

3.1 Vision

To be a vibrant and internationally competitive, reliable and innovative leather industry contributing to sustainable development through value addition.

3.2 Mission

To lobby, coordinate and transform the development of an inclusive leather value chain through competitive and sustainable intervention.

3.3 Values

The following values will guide all conduct by, within and for the sector:

- **Core**– Shared vision
- **Outer core** - Integrity and professionalism
- **Supportive** - Coordination

3.4 Overall Goal

The overall goal of the Zimbabwe Leather Sector Strategy (2021 - 2030) is to increase the competitiveness of the leather value chain through building stakeholders' production capacities from about 30% to 75% by 2030 and enabling them to access local and export markets.

3.5 Strategic objectives and Strategies

Zimbabwe has not been very active in the regional and international markets in the past 15 years because of various challenges that impacted negatively on its capacity to manufacture and export, consequently most of the enterprises are operating in the range of 20 to 30%. This entails that the majority of enterprises are facing higher average unit cost when compared with other countries in the region. In order to enhance the VC's potential to fight competition in the domestic market and also to penetrate regional and international markets, the strategy will focus on cost reduction, value improvement and niche markets. The logical fit of the objectives with respect to the three pillars of boosting competitiveness are summarized in Table 6 below.

Table 6: Proposed Objectives and Strategies

OBJECTIVES	RECOMMENDED STRATEGIES
<p>1.To Increase capacity utilization of value added products from 30% to 75% by the end of 2030</p>	<ul style="list-style-type: none"> ▪ Capacity Building of Livestock farmers to be taught farming as a business ▪ Capacitating farmers on good animal husbandry techniques ▪ Implementing the Livestock Identification Traceability System (LITS) ▪ Implementing the Hides and Skins Traceability System (HSTS) ▪ Decentralization of abattoirs in all livestock districts- rural development to be taken seriously ▪ Building and rehabilitation of key infrastructure e.g. dip tanks ▪ Rehabilitation of tanneries & manufacturing facilities to increase their uptake of hides ▪ {Collaboration}Improved networking, share capacity and raise orders ▪ Establishment and use of stakeholder platforms to address problems
<p>2. To enhance the application of sustainable production technologies from the current 10 % to 60 % of the manufacturing companies by 2030</p>	<ul style="list-style-type: none"> • Embracing joint ventures to access new technology; • Making use of design studio to improve product design; • Research and Development to boost markets; • Use of environmental friendly technology. • Cascading Quality to all nodes.-Manufacturers should demand quality from tanneries and this will trickle up the value chain to livestock farmers • Improved orders can bring finance on the nodes
<p>3. To increase the export of leather products from 10 % of production to 40% by 2030;</p>	<ul style="list-style-type: none"> • Product Development and Market Development by value chain players; • Tanneries and manufacturers should streamline and produce for the export market • Improve on Research and Development to boost export markets • Manufacturers should demand range of colours from tanneries in line with market trends or requirements • Diversification-produce new products for new markets
<p>4. To lobby for the development and reform of 70 % of identified policies and legal frameworks for transformation of the leather sector by 2030.</p>	<ul style="list-style-type: none"> • Establishment and use of Stakeholders Platforms to avoid compartmentalization of issues ▪ Using advocacy of subsector associations such as tanners, abattoirs, hides and skins traders, SMEs, Farmers Unions Joint Presidents Council and retailers associations to create awareness of supportive policies. ▪ Improved advocacy so that the costs associated with production can be reviewed ▪ Identified policy makers in respective fields to be lobbied by apex body and all affiliates

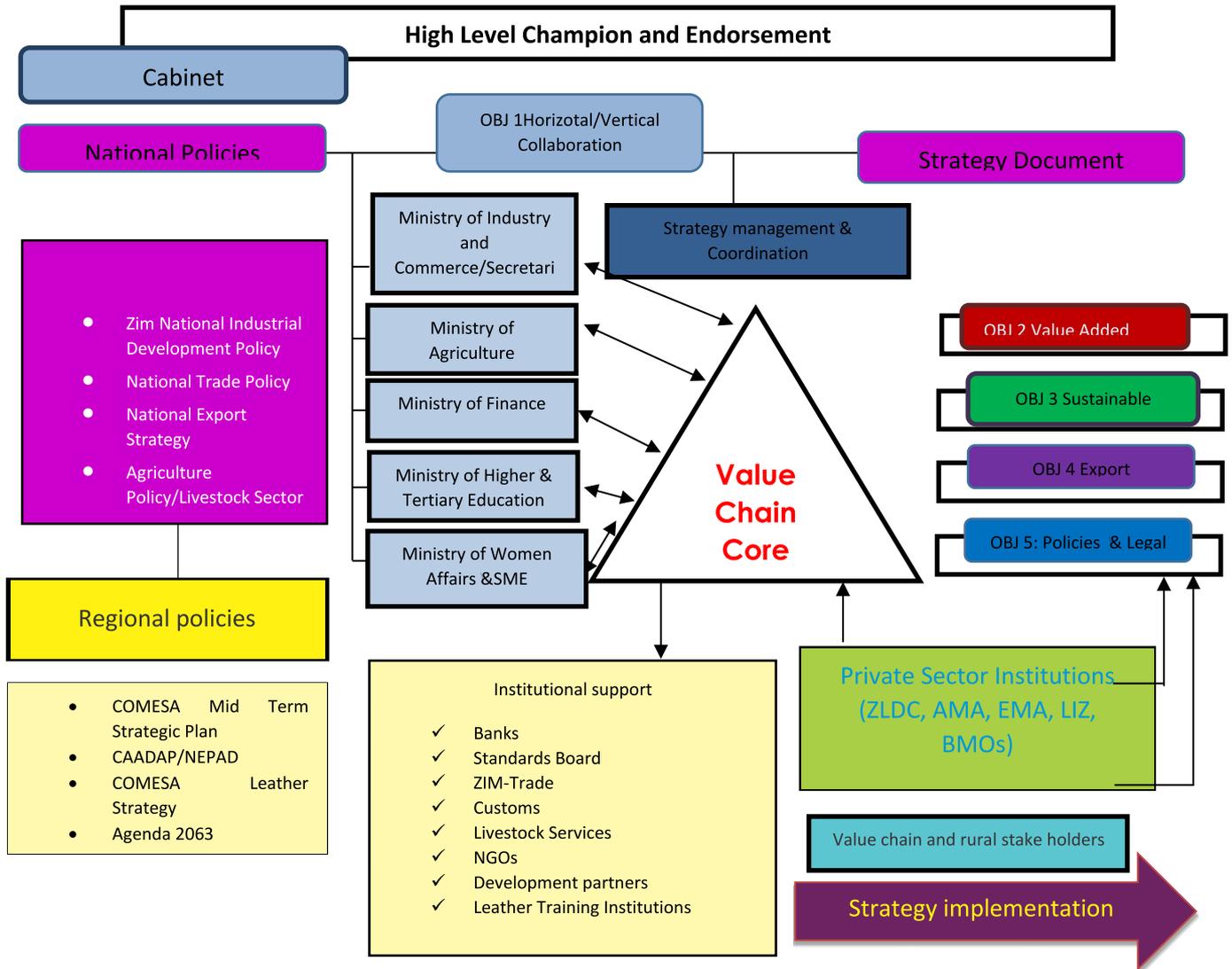
All strategies will include and mainstream cross-cutting issues involving gender, youth, health, wellness and environmental conservancies. Strategies must also aim to improve value of the nodes, reduce costs and be market focussed.

CHAPTER 4. IMPLEMENTATION

4.1 Framework for the Coordination of the Strategy

The diagram below represents the framework for the coordination of the strategy implementation as well as the overall relationship between the strategy objectives and the existing national policies.

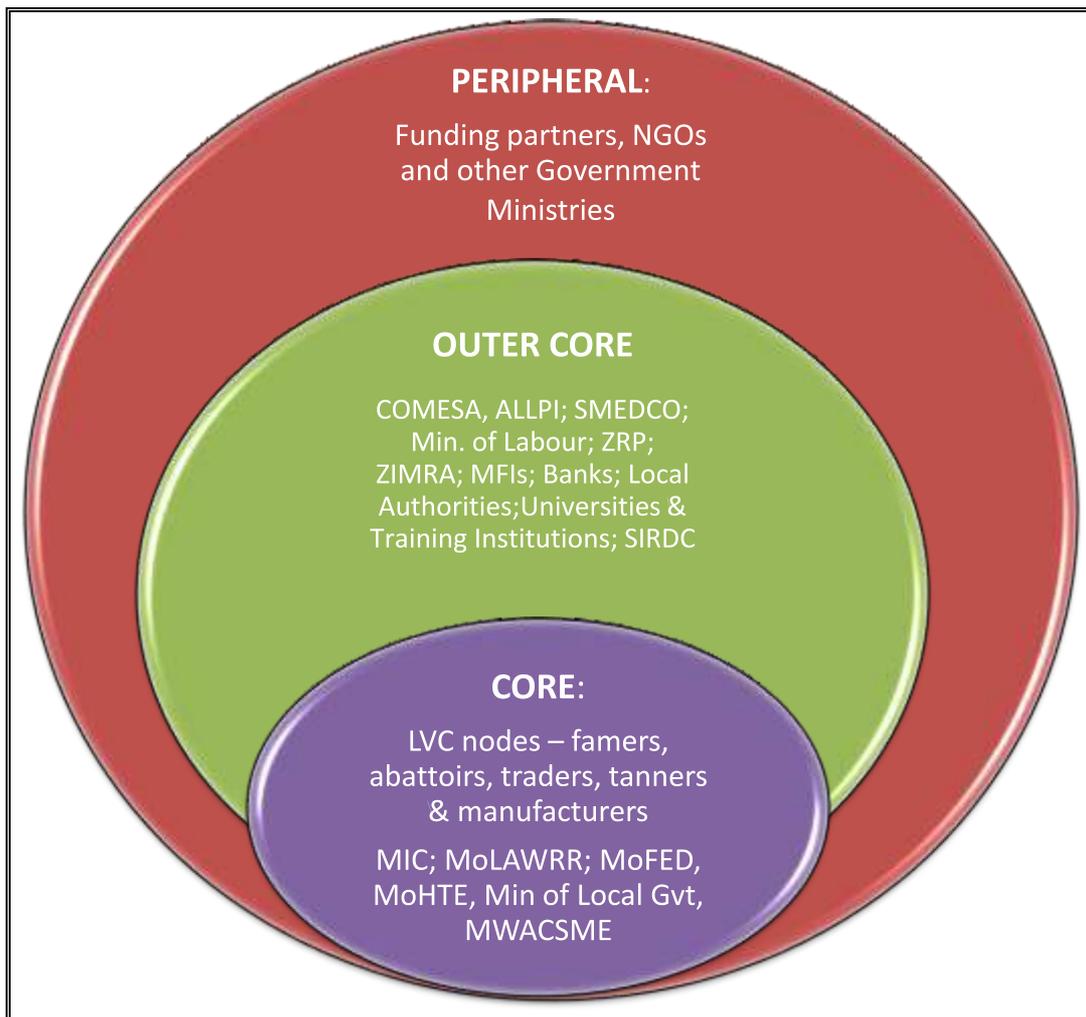
Figure 3: framework for coordination



4.2 Nurturing Relationships for the Leather Value Chain

Resource mobilisation for financial and technical resources will be at local, regional and international level. In this regard strategic partnerships will be developed. At local level, a stakeholder mapping was conducted by stakeholders in the leather value chain which identified the following as key relationships to be coordinated by the Apex Board in driving this strategy forward.

Figure 4 Stakeholder mapping



4.3 Goodwill from Government Partnership to Leverage More Resources

The goodwill will manifest in the good relationships or sound partnerships between the government arms and the private sector. Players in both the public and the private sector, will be involved in implementation and the devolution agenda will spur the growth of the sector.

Below are the roles of Government in support of the private sector in implementing the Strategy, through ministries

Existing partnership	Contribution to LVC	Priority action 2021-2030
MIC	<ul style="list-style-type: none"> • Host ministry • Provision of secretariat space for ZLDC • Facilitating implementation • Policy decisions affecting trade 	<ul style="list-style-type: none"> • Gazetting of Apex Body as the coordination mechanism for the sector • Review of SIs that impact on LVC • Review of duty on capital equipment • Mobilization of investors for JVs
MoFED	<ul style="list-style-type: none"> • Enabling mobilization of financial resources to establish a sustainable LVC fund 	<ul style="list-style-type: none"> • Review of SI on surtax for raw hides and skins • Establishment of the revolving LVC fund
MoHTE	<ul style="list-style-type: none"> • Capacity building of LVC players 	<ul style="list-style-type: none"> • Conduct VC training needs assessment • Develop training manuals and offer tailor made training to value chain players; • Use of incubation centers • Use of design studio
MoAL&RR	<ul style="list-style-type: none"> • Host for the primary production of the key input – hides & skins • Infrastructure development for the primary production and quality of herd and traceability for security and access to export markets • Regulator through AMA, DL&VS 	<ul style="list-style-type: none"> • Policy development to incentivise the farmers primarily through the development of grading standards and pricing • Roll out livestock identification and traceability system (LITS) • Contribute to establishment of hides and skin collection system to fill the vacuum left by SM Laurie system to reduce wastage from the current 30% to 0% in ten years • Find ways for farmers to benefit from the 5th quarter
MWACSME	<ul style="list-style-type: none"> • SMEs needs 	<ul style="list-style-type: none"> • Leather Cluster registration • Linkages with big companies

4.4 Resourcing the LVC

Resources required to implement the Leather Sector Strategy 2021 – 2030.

- ❖ Human resources;
- ❖ Financial and technical resources;
- ❖ Resource mobilisation for financial and technical resources informed by a resource strategy;
- ❖ Goodwill from the government & partnership drive to leverage more resources;, and
- ❖ Operational cost requirements.

4.5 Monitoring and Evaluation of Objectives

The Government and the private sector will develop a monitoring and evaluation framework (Logical Framework) to track objectives, strategies, outcomes, indicators and targets. This is key in the implementation of the Zimbabwe Leather Sector Strategy.

4.6 Critical Success Factors

Strategic Focus- Vision must be shared and represents the thoughts, feeling and aspirations of the entire nodes in the leather value chain;

People- personnel in the value chain and supporting institutions who implement activities need to be capacitated and motivated.

Operating Environment- There is need for harmonisation of the different pieces of legal instruments/legislation impacting the leather sector and a predictable policy environment is required.

Finances- for acquisition of assets, facilities, equipment and machinery

Apex Board- for coordination purposes

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