PS on inaugural tour of Training & Production Center for Shoe Industry

The incoming Principal Secretary (State Department for Investments and Industry)—Mr. Patrick Nduati Mwangi conducted a facility tour of the Training and Production Center for Shoe Industry (TPCSI) in Thika. The aim of the visit was to understand the services and functioning of the Institute which was handed over to KLDC in November, 2015.

TPCSI Facility Tour

Mr. Moses Mwangi, the Manager—TPCSI took the PS and his team on a tour of the facility highlighting the services being offered by the Institution, the equipment available at the facility as well as the products developed at TPCSI.

How can I benefit from TPCSI?

The PS—Mr. Mwangi pointed out during the tour that one of the key aims of his Ministry was to see to the operationalization of TPCSI to full capacity catering to the needs of MSMEs in footwear and leathergoods in Kenya and beyond. “We have a treasure in TPCSI that if utilized efficiently will unlock the potential of many individuals in footwear and leathergoods production in Kenya therefore, as we forge ahead in ensuring adequate equipment of the Institute in terms of expertise and machinery let us utilize the opportunities offered by this facility both as a common manufacturing facility as well as a regional training center of excellence”. For inquiries on training and other services offered by TPCSI get in touch through: - 020-4442321

Services offered at TPCSI

During the tour, Mr. Mwangi pointed out that TPCSI is a regional training hub in footwear and leathergoods production in East Africa having been established in 1993 by United Nations Industrial Development Organization (UNIDO) with the aim of serving the footwear and leathergoods industry in the provision of technical skills in footwear and leather products development. According to Mr. Mwangi, the facility is well equipped with technical expertise and top notch machines and equipment for the production of competitive footwear and leather products.
Council participates in 2nd East Africa Business Manufacturing Forum

KLDC CEO—Dr. Issack Noor participated in the 2nd East Africa Business Manufacturing Forum held in Kigali, Rwanda from 23rd—25th May, 2017.

Forum Objective

According to Dr. Noor, the objective of the forum was to bring together top executives in the manufacturing and agri-business sectors, high ranking policy and decision makers as well as financial institutions from Africa and beyond with the aim of exploring opportunities for investment in the EAC region. Further, according to Dr. Noor, the forum also provided opportunities for the East African Diaspora to interact with EAC investors and policy makers.

The forum included an exhibition where investors, enterprises, researchers and academia collectively showcased new products and services as well as latest advances in manufacturing technology and innovation, particularly those with relevance to small and medium enterprises (SMEs).

Rationale for Participation

“Kenya’s leather sector has much to offer to investors in Kenya as well as those outside the country says Dr. Noor, however, there is little information regarding the opportunities and interventions spearheaded by the Government of Kenya in creating a conducive environment for the promulgation of value addition.”

As such, according to Dr. Noor, the forum provided a viable platform for awareness creation on the opportunities that lie in wait for investors in Kenya’s leather sector.

Mr. Onyango observed that the workshop served as a platform for regional networking among various women entrepreneurs, development partners, government and non-government organizations (NGOs) and civil societies in the energy sector. The main objective of the workshop was to develop an action framework to outline different approaches for women entrepreneurs to:

(i) Develop and strengthen a clear and coherent enabling gender responsive policies;
(ii) Access finance and markets in energy sector,
(iii) Build technical and business skills and know-how as well as technical competencies in sustainable energy technologies;
(iv) Utilize existing distribution networks and gain access to start-up and working capital.

According to Mr. Onyango, “the aspect of sustainability and cleaner production is a critical area for the leather sector especially as the Council continues to implement the Switch Africa Green (SAG) project with the aim of cultivating green practices across the leather value chain.”

Workshop Outcome

The workshop resulted in the Libreville Declaration and a forthcoming UN Environment led project on gender and sustainable energy to accelerate Sustainable Energy for All (SE4ALL) in Africa.
Kenyan Leather Trainers undergo skills refining in India

IL&FS conducted a two week training on leather product manufacture and design for Kenyan master trainers in Kanpur and New Delhi, India courtesy of IL&FS. According to the e tradehub.org, the East Africa Trade and Investment Hub has provided a grant to the Indian company IL&FS to implement the ‘Kenya Leather Industry Development Programme (KLIDP).

Training of Trainers

According to Mr. George Onyango, KLDC the two –week training held by IL&FS in India aimed to refine the skills of master trainers across the leather value chain to enable them respond to current market needs. Further, Mr. Onyango observed that “the trained trainers are expected to share the skills and knowledge gathered during the training in India thereby serving as trainers of trainers and contributing to the quality of products across the leather value chain.”

Expected Outcome of Training

According to Mr. Moses Mwangi, the Manager at Training & Production Center for Shoe Industry (TPCSI—Thika) who attended the training; “the beneficiary trainers have a massive task in front of them; creating a skilled labor force for Kenya’s upcoming 500-acre leather park.”

By 2020, the Kenyan government projects that more than 50,000 employees will be needed for the apt operationalization of the Kenya Leather Park. It is therefore essential to ensure a skilled workforce to meet the quality and quantity demands that the Kenya Leather Park portends.

Investors warm up to upcoming Kenya Leather Park

Kenya’s upcoming Leather Park promises much growth and development for the leather sector but what opportunities lie in wait for local and international players in this 500 acre piece of land which is set to revolutionize Kenya’s leather sector? In a bid to understand the opportunities, and challenges, of investing in the Kenya Leather Park, the Leather Articles Enterpreneurs Association (LAEA) partnered with KLDC and the Ministry of Industry, Trade & Cooperatives (MoITC) to create awareness about the upcoming Park.

Dissecting Kenya Leather Park—what opportunities exist for investors?

Speaking during a forum that brought together MSMEs from various quarters of the leather value chain including; footwear, leather articles, designers and the media, Mr. Yassin Awale—the leather advisor to the Cabinet Secretary (MoITC) observed that the Kenya Leather Park is an opportunity that investors both local, regional and international cannot afford to ignore. Kenya’s leather market is sprawling with opportunities as existing producers cannot cater the demands of Kenya’s population which is currently at 40 million plus. If the larger East and Southern Africa region is considered then the demand for footwear and leather products is over 100 million and Kenya stands at a strategic vantage point to leverage on these opportunities.

According to Mr. Charles Ndung’u (the Research, Standards and Policy Head—KLDC), “the Kenya Leather Park provides a commercially viable opportunity for leather, footwear and leathergoods manufacturers, training institutions and other sector allied players to acquire land and other utilities at highly subsidized rates thereby promoting production.”

Application Process

Mr. Mwangi observed that so far KLDC had received about 20 applications from local investors seeking space in the Park. He further observed that the Park was open for investment to both local and international players and application is currently ongoing. Applications through:- www.kenyaleatherpark.go.ke or contact 020-4442321
The Kenya Footwear Manufacturers Association (KFMA) launched its strategic plan (2017-2022) on February 28, 2017. In a bid to initiate and build on the objectives set out in the Plan, the Association, alongside KLDC, COMESA/Leather and Leather Products Institute (LLPI) as well as Switch Africa Green (SAG) held a forum that brought together Government agencies as well as sector players to establish a collaborative approach in the achievement of the set out objectives.

**Unpacking of KFMA Strategy**

In a forum held at Golden Tulip Westlands, footwear entrepreneurs, Government agencies and private partners came together to establish a way forward with regard to implementation of the strategy. According to COMESA/LLPI Programmes Coordinator Mr. Nicholas Mudungwe, “the Unpacking Process is the most critical part of the Strategic Planning Process as it converts the strategic objectives into an actual activity schedule with a responsibility matrix indicating who is responsible for what activity in the Strategic Plan.”

**Workshop Outcomes**

Mr. George Onyango (Monitoring & Evaluation Officer—KLDC) observed that the workshop resulted in the development of a matrix that clearly indicates how the five (5) key objectives of the KFMA Strategic Plan will be achieved in the period 2017-2022 and the responsible parties.

According to Mr. Akams Mburu, KFMA—Treasurer observed that “the beauty of the Strategy currently being implemented by the Association is that it brings together both public and private partners in the progress of the footwear agenda. In his words, “the footwear entrepreneurs in Kenya are not walking alone anymore, we have felt the support of Government and private partners and we are ready to work with all players in promoting a sustainable and competitive footwear industry in Kenya that creates employment and boosts income for the country.”

**Kenya contributes to regional dialogue on Leather**

Mr. Charles Ndungu, KLDC’s Research, Standards and Policy Officer participated in the East Africa Community Leather Experts Meeting held in Burundi—Bujumbura between 7th and 9th June, 2017. According to Mr. Ndungu, the aim of the meeting was to look into areas affecting the leather industry including: hides and skins quality, intra-regional movement, regional tariffs, taxation regimes and standardization across the region with a view of harmonizing them. The meeting was based on a directive by the East African Community (EAC) Heads of State to the effect that there is need to study modalities for the promotion of leather industries in the region in order to build up to the effective phase out of ‘mitumba’ (used clothes/shoes) and other leather products in the region.

Mr. Ndungu further stated that in a view to promote the leather and textiles sector in the region, the EAC directed member States to procure competitively, their textile and footwear requirements from within the region where quality and supply capacities are available with a view to phasing out used textiles and footwear within 3 years amongst other measures. A study on the challenges, opportunities and competitiveness of the leather and leather product value chains was also conducted by the EAC in order to develop action plans for the development of the leather sector. Findings of the study have been presented to policy meetings of the EAC who have recommended for the establishment of a regional platform to promote dialogue and interactions among public, private sector and development partners on policy matters in the sector, as well as promote business partnerships, information and knowledge exchange.
Champion Shoes gains global recognition on Switch Africa Green Project Implementation

Mr. James Mwaura of Champion Shoes in Europe’s leading development forum—the European Development Days (EDD) in Brussels courtesy of the Switch Africa Green (SAG) Project.

**Aim of the Forum**

Organized by the European Commission, the European Development Days (EDD) bring the development community together each year to share ideas and experiences in ways that inspire new partnerships and innovative solutions to the world’s most pressing challenges. Champion Shoes was selected for participation in the forum courtesy of the SAG Project sponsored by European Union (EU) in Kenya. The Project took off in September, 2015 with the aim of looking into how to incorporate eco entrepreneurship in Kenya’s leather value chain.

**Champion Shoes—A SAG Success Story**

One of the key criterion for participation in the EDD forum was adoption of eco innovative practices in production. Champion Shoes being a beneficiary of the Project has adopted various eco friendly practices in production of leather footwear. Some of the practices adopted by the firm include; utilization of leather offcuts for making of sandals, dog collars, key holders among other items, utilization of three-phase power plan in production thereby considerably cutting down the firm’s electricity bills as well as adequate record keeping where the Company has now hired an Accountant to manage its records. Further, employees as well as the firm’s manager have undergone various training sessions on quality production and proper pricing/costing of their products thereby tremendously improving on the quality of their products.

**Lessons Learnt**

According to Mr. Mwaura who participated in a panel discussion to his experiences, “there is so much to learn and to improve on, as Champion Shoes we have only started the journey and we hope to continue improving on our production processes to provide our markets with products they can wear proudly.”

Focus on the ‘Switcher of the Quarter’—JUASCO Shoes

COMESA/LLPI and KLDC embarked on the implementation of Switch Africa Green (SAG) Project in September, 2015.

The Project which is in the second (2nd) year of implementation has yielded fruits especially in the adoption of eco innovation among Micro, Small and Medium Enterprises (MSMEs).

**JUASCO Shoes**

A beneficiary of the Switch Africa Green Project, Mrs. Lucy Kiarie of JUASCO Shoes explains her journey of recovering waste in the form of leather offcuts and using them to make sandals as one that can be easily referred to as “from dust to gold.” According to Mrs. Kiarie, her journey with Switch Africa Green began in September, 2015 during the launch of the Project among leather MSMEs in Kenya.

**Key Take Aways**

According to Mrs. Kiarie, the empowerment she has gained through trainings and networking organized under the Project have yielded immense impact on her and her enterprise. In her words, “through the training we have not only learnt to improve on the quality of our products or embark on eco production practices alone, but the key thing we have learnt to look at is why do we need to embrace these practices.” In her view, this is the most important take away which then translates to the actual adoption of the practice being promoted. In her words, “as an entrepreneur, am not interested in the new trends or practices, of more significance to me is what will it do to my business—will it make my clients happier, will it make me sell more, that’s what I am interested to know and am glad that the trainings offered under this Project clearly spell out why I should embrace these eco innovative practices.”

**Recycling of Leather Offcuts**

Presently, the enterprise has been extensively engaged in the making of high quality sandals from leather offcuts. The sandals retail at KES 1,200—1,500. According to Mrs. Kiarie, clients have truly appreciated the sandals as they come in a diverse range of colours and designs and are also affordable. Further the story of recycling waste has also intrigued her clients who find value in the reuse of waste through production of quality products that can be sold in Kenya and elsewhere.
“as an entrepreneur, am not interested in the new trends or practices, of more significance to me is what will it do to my business—will it make my clients happier, will it make me sell more, that’s what I am interested to know and am glad that the trainings offered under this Project clearly spelt out why I should embrace these eco innovative practices.” - JUASCO Shoes (Kiambu)
PS – State Department for Investments and Industry Mr. Patrick Nduati on a tour of Training and Production Center for Shoe Industry—Thika

George Onyango at AMCEN forum in Libreville, Gabon
Kenya Leather Park Progress

One of the key Projects set to revolutionize Kenya’s leather sector is the upcoming Kenya Leather Park situated in Kenanie—Athi River (Machakos County). According to the CEO—KLDC Dr. Issack Noor, “the Kenya Leather Park being implemented by the Government of Kenya through the Ministry of Industry, Trade and Cooperatives (MoITC) and KLDC is aimed at stimulating the leather industry landscape thereby promoting the transition into full value addition.”

Why Value Add?

According to Mr. Charles Ndungu, Research, Standards and Policy Officer—KLDC, there is a lack of understanding among many on why Kenya would proactively pursue value addition especially in the leather sector. Mr. Ndung’u observes that finished leather products signify the climax of the leather value chain, wherein the highest scale of employment creation and income generation takes place. This is the drive behind Government’s push for value addition.

Current Progress of Kenya Leather Park

According to Mr. George Onyango—KLDC, developments at the Park are firmly course. According to Mr. Onyango, the following have been undertaken thus far; development of the pre-cast wall surrounding the park is 85% complete, construction of internally paved roads is ongoing, the administration office is complete, the entry gate to the Park has also been erected and construction of the Common Effluent Treatment Plant (CETP) is in its initial stage.

Projected Benefits

According to Mr. Ndungu, “upon completion, the Leather Park is expected to create an additional 5,000 direct and indirect jobs, enhance access to quality leather, footwear and leather products, promote uptake of skills in leather, footwear and leathergoods production thereby improving the overall national economy.”
Kenya Leather Development Council (KLDC) was established through the State Corporations Act (Cap 446), Legal Notice No. 114 of 9th September, 2011 to bring harmony and direction to the leather sector. Specifically, the Council is charged with the responsibility of formulating policies, initiating legal framework and providing services in a conducive environment for sustainable development of the leather sector leading to increased productivity, value addition and market access for leather and leather products.

Kenya Leather Development Council

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