



**PAKISTAN
LEATHER GARMENTS
MANUFACTURERS & EXPORTERS
ASSOCIATION**

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Pakistan Leather Exports Decline by 7% in FY23 But There is a Silver Lining:

Pakistan's leather exports declined 7 percent YoY to \$887 million in FY23 from \$953 million last year. Tanned leather exports showed the biggest decline of 19.4 percent from \$208 million to \$167 million.

It was followed by an 18 percent decline in other leather manufacturers and an 11 percent reduction in leather garments respectively, while leather gloves exports also shrunk by two percent. But leather footwear exports surprisingly rose by 14.07 percent to \$142 million in FY23 compared to \$124 million during last year according to the data released by the Pakistan Bureau of Statistics (PBS).

Pakistan contributes less than 0.5 percent to global leather exports despite having huge potential and well-established industry. Pakistan's leather industry is the second-largest export-oriented sector, and it also offers far more potential for value addition and high perceived pricing due to being a luxury and untapped niche

market opportunity.

The country's leather exports recovered significantly post-pandemic as industries in Pakistan became operational earlier than regional competitors, but the growth streak has ended this year as the industry is facing significant challenges due to economic crisis, slow adoption of sustainability standards, lack of skilled workforce, no localization of necessary chemicals and dyes and little focus on value addition, R&D and branding.

"Government imposed curbs on imports of raw material and high customs duties are the primary reason behind the decline in leather exports," said Tariq Ismail, Secretary of Pakistan Leather Garments Manufacturers and Exporters Association (PLGMEA) while talking to ProPakistani.

He added that the abolishment of export concessions in electricity & gas tariffs and rebates also added to the industry's struggles and government needs to devise specific policies to support it and tap its true potential.

According to a report by Trade Development Authority Pakistan (TDAP), nearly 90

percent of the dyes, chemicals, and raw materials are imported so high customs duties pose a threat to the industry. On the positive side, the State Bank of Pakistan recently eased the import restrictions but there is still a need for stable economic policies.

In the face of all of these challenges, leather footwear exports have managed to grow by 14 percent with a 26 percent increase in volume as well which experts say is a good thing as the industry is moving towards value addition.

"Leather export decline is good thing in way, and it means we are on path of value addition," said the famed leather enthusiast.

"Footwear exports have increased as it's the need of every person despite his economic class but leather jackets and other garments have become an item of luxury" added Ismail. He also pointed out that PLGMEA has always opposed plain leather exports because though it provides profits, it has low value, and they then have to import the precious raw material from abroad.

30 fabric, garments, and leather manufacturers of Pakistan showcase excellence at Texworld/Apparel Sourcing Paris:

ISLAMABAD: Texworld/Apparel Sourcing Paris, the renowned international trade fair, concluded on a high note, leaving attendees impressed with innovative ideas and cutting-edge designs. Spanning three days, the event attracted professional buyers from across the globe, offering them a chance to explore the offerings of 1,350 exhibitors hailing from 26 countries.

As per details among the prominent participants, Pakistan made its mark with a dedicated national pavilion organized by the Trade Development Authority of Pakistan (TDAP). Alongside national pavilions from Bangladesh, China, Ethiopia, Myanmar, South Korea, and Turkey, the Pakistani stands were abuzz with trade enquiries and attracted buyers from the United Kingdom, the United States, Turkey, Germany, France, and various other European and Central Asian countries.

The Pakistani exhibitors at Texworld/Apparel Sourcing Paris not only showcased their prowess but also fostered numerous business prospects. Mr. M. Tanveer Afzal Malik, AGM Marketing at Shahtaj Textile, expressed his satisfaction, stating, "We received a very positive response and had the opportunity to meet buyers from different countries. We hope to establish fruitful business relationships with them, as we received significant interest from new fashion brands." Another exhibitor, Mr. Abdul Haq Zahid, Marketing Manager of Ijaz Apparel Pvt Ltd., shared his contentment with the fair's response. He said, "We are extremely pleased with the outcome of the fair. Buyers from Africa, America, Europe, and other nations visited our stalls and exhibited keen interest in our displayed products. Our participation in this exhibition aimed to expand our product offerings, and we are confident that we have achieved that goal."

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LEATHER JACKET EXPORTS FROM WORLD

As per Volza's Global Export data, Leather jacket export shipments stood from World at 470.8K, exported by 9,153 World Exporters to 20,968 Buyers.

World exports most of its Leather jacket to Germany, Italy and United States

The top 3 exporters of Leather jacket are India with 384,440 shipments followed by Pakistan with 31,300 and China at the 3rd spot with 17,993 shipments

Visit PLGMEA official website

All Members of PLGMEA can log on to PLGMEA website www.plgmea.pk and can make their mini website is Search Engine Optimized (SEO) like Google, Yahoo etc. The salient features of our website are as following:

- Update Members Directory
- Visa Recommendatory Letter
- Current Rebates SEOs & Circular
- Inter-member Trading

DO YOU HAVE SOMETHING TO SHARE ?

All members are cordially invited to share their personal experiences tips, useful websites, articles or anything beneficial to our members.

Any such information should be sent to PLGMEA NZ office which shall be scrutinized and the published in the next bulletin.

TARIQ ISMAIL

Secretary PLGMEA (NZ)

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The 7th Meeting of 21th Executive Board of Pakistan Leather Garments Manufacturers & Exporters Association (Northern Zone) Held on July 19, 2023



Leather Sector Exports

July - Nov. 2021-22, July - Nov. 2021-23

Value = (Rupees in Million)
(US Dollars in Thousands)

	July - Nov. 2021	July - Nov. 2022	% Change
Leather Tanned	208,091	167,615	-19.45%
Leather Garments	315,197	280,848	-10.90%
Leather Gloves	287,227	281,300	-02.06%
Leather Footwear	124,535	142,059	14.07%
Leather Manufactures	018,625	015,285	-18.05%
Total Leather Products	745,611	719,492	03.43%

The 4th Meeting of Central Executive Committee of PLGMEA via Zoom Held on July 25, 2023



Vivify Group Shiekh Mubashar Afzal received the 46th FPCCI Best Exports Performance Award for 2021-22 from Governer Sindh Mr. M Kamran Khan Tessori, at a ceremony held in the Governer House Krachi on Jul 22, 2023



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Proposed PLGMEA Business Center (Northern Zone)

