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MONTHLY

**PAKISTAN
LEATHER GARMENTS
MANUFACTURERS &
EXPORTERS
ASSOCIATION**



**TO GETHER
FOR
LEATHER**

Pakistan's exports to European countries dipped year-on-year by 7.54 per cent in the first seven months of the current fiscal year, mainly due to reduced demand for Pakistani goods in western, southern and northern Europe.

The export proceeds from these countries fell to \$4.866 billion in July-January FY24, a drop from the \$5.263bn recorded in the corresponding months of the previous year, according to figures compiled by the State Bank of Pakistan.

This decline in export proceeds indicated the challenges faced by Pakistani exporters in these economically uncertain times despite having preferential access to 27-member EU countries.

In FY23, exports to the EU dropped 4.41pc to \$8.188bn from \$8.566bn in the preceding fiscal year. However, the decline in exports was seen despite the Generalised System of Preferences Plus (GSP+) scheme

In October 2023, the European Parliament unanimously voted to extend the GSP+ status for another four years until 2027 for developing countries, including Pakistan, to enjoy duty-free or minimum duty on exports to the European market.

Western Europe, which includes countries such as Germany, the Netherlands, France, Italy and Belgium, accounts for the largest portion of Pakistan's exports to the EU.

However, there has been a significant decrease of 13.85pc in exports to this region. The export value stood at \$2.393bn

in the first seven months of FY24, down from \$2.778bn during the same period last year.

While exports to western, southern and northern Europe have seen a decline, there is a silver lining in the form of an uptick in exports to eastern Europe. Exports to southern Europe saw a paltry decline of 0.22pc to \$1.743bn in 7MFY24 from \$1.747bn over the corresponding period of last year.

In this region, exports to Spain saw a growth of 5.67pc to \$856.423 m in 7MFY24 from \$810.461m over the last year. Exports to Italy stood at \$649.433m in 7MFY24 against \$661.932m over the last year, indicating a decline of 1.88pc.

However, exports to northern Europe have not done well, recording a 7.59pc decline. The export value to this region stood at \$0.365bn this year, down from \$0.395bn over the corresponding months of the previous year.

Consultative Meeting on Conduct of Data Fest-2024 and Optimal Utilization of Data In Various Section of the Economy held on 1st March, 2024 at PBS Provincial office, 1-B, S.M.C.H.Society, Karachi under the chairmanship of Dr. Naeem uz Zafar, Chief Statistician, PBS.



CM Punjab Inaugurated Business Facilitation Center Sialkot on 13.01.2023



About Business Facilitation Center

The Business Facilitation Centre (BFC) is a flagship initiative of the Government of the Punjab to help facilitate the business community and domestic & foreign investors by providing a host of services under one roof. These services include obtaining NOCs, licenses and permits etc. necessary for starting up and up scaling business. The initiative aims at reducing business barriers by connecting multiple Government Agencies

through a software application initiative would substantially contribute to creation of an enabling environment for the businesses, thereby fostering enterprise creation and operations.

Dedicated staff, comprising of Business Facilitation Officers (BFOs) and representatives of seventeen (17) Government Agencies, including two Federal Government Agencies i.e. LESCO and SNGPL have been deputed for processing and coordinating appli

cations of the walk-in clients

This knowledge repository is a compendium of NOCs licenses, permits etc. and their corresponding details (i.e. required documents, fees and processing time etc.) for information of the applicants. Our dedicated staff at the BFC will guide further and take up the matter hereon.

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Tel: 0092-52-3254401

Brief of Sialkot Tannery Zone

Leather Sector is very important industrial sector for Pakistan which is fetching more than 01 Billion US Dollars foreign exchange for Pakistan economy, however the leather industry creates high pollution as well and its environmental compliance is not possible without treatment of Effluents as well as solid waste for the purpose Sialkot Chamber of Commerce and Industry in cooperation with Environment Protection Department Government of Punjab has initiated a very important project that is establishment of Sialkot Tannery Zone. All the tanneries which are currently operating in the Sialkot city will be relocated in Sialkot Tannery Zone and environmental compliance/leather working group (LWG) compliance will be insured for the sustainable leather production in Sialkot.

In Sialkot Tannery Zone Common Effluent Treatment Plant, Solid Waste management System and chrome recovery plant will be established. The Project has secured financial and technical assistance from UNIDO, EPA Govt of Punjab, Ministry of Climate change and Ministry of Commerce (EDF). The current progress of different components of STZ are depicted below:

Establishment of Common Effluent Treatment Plant:

- Effluent Treatment Plant is under construction and 75% civil construction of CETP has already been completed.
- The electromechanical works of CETP are progressing satisfactorily and 95% equipments from UNIDO have already been imported and delivered at site.
- According to plan the treatment plant will be completed by 30th May, 2024.



Establishment of 21MW Grid Station:

- For electricity supply currently GEPCO has energized 2.5MW connection from the existing Grid Station and there is no hindrance in construction of tanneries in the STZ whereas there is a need of 21MW Grid Station is required for operation of the tanneries/factories in STZ. For the purpose Sialkot Tannery Association has already deposited Rs. 370 Million to GEPCO and GEPCO has also initiated the establishment Grid Station.

- Till today 100% civil works of grid station completed and installation of HT Pole are in progress, whereas the implementation of electromechanical works yet to be executed.

Shifting of Tanneries:

The STAGL Management have already allowed tanneries/factories to start construction of their buildings in Sialkot Tannery Zone. Currently more than 200 plot owners have started construction of tanneries/factories.



Leather Sector Exports

During the Month of January 2023 & January 2024

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

	Jan. 2023	Jan. 2024	% Change
Leather Tanned	013,480	009,805	- 27.26 %
Leather Garments	026,195	022,240	- 15.10 %
Leather Gloves	020,358	022,758	11.79 %
Leather Footwear	013,621	013,429	- 01.41 %
Leather Manufactures	001,278	001,247	- 02.43%
Total Leather Products	061,452	059,674	- 02.89 %

Trade Shows related to Leather & Fur

Exhibition Name	Country	Date	Related industries
APLF LEATHER + MATERIALS 2024	Hong Kong	March 19 - 21, 2024	Leather & Fur, Fashion - Clothing
FASHION ACCESS 2024	Hong Kong	March 19 - 21, 2024	Leather & Fur, Fashion - Clothing
MATERIALS+ 2024	Hong Kong	March 19 - 21, 2024	Leather & Fur, Fashion - Clothing, Clothing Machines
MOSSHOES 2024	Moscow (Russia)	March 20 - 23, 2024	Leather & Fur, Fashion - Clothing
STYLE FAIR 2024	Bangkok (Thailand)	March 20 - 24, 2024	Leather & Fur, Fashion - Clothing, Gifts & Souvenirs
SALON MADE IN FRANCE 2024	Paris (France)	March 27 - 28, 2024	Leather & Fur, Fashion - Clothing, Fabrics - Clothing Textiles
FASHION WORLD TOKYO 2024	Tokyo (Japan)	April 17 - 19, 2024	Leather & Fur, Fashion - Clothing, Jewelry
HONG KONG FASHION WEEK 2024	Hong Kong	April 20 - 23, 2024	Leather & Fur, Fashion - Clothing
ANPIC 2024	León (Mexico)	April 24 - 26, 2024	Leather & Fur, Fashion - Clothing, Clothing Machines
GLOBAL SOURCES FASHION 2024	Hong Kong	April 27 - 30, 2024	Leather & Fur, Fashion - Clothing, Fabrics - Clothing Textiles



Central & Southern Zone

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