



Following Africa

*A proposal for the development of the Nigerian
leather and footwear industry*

Is Leather Tanning and Footwear Production possible in Nigeria?

YES!

Nigeria tans between 40 and 50 million **leather pieces annually from cows, goats, sheep** etc. earning almost \$83 million.

However, most of the leather available in Nigeria is exported as raw material or semifinished. Foreign industries process them abroad and turn them into valuable products, such as shoes, bags, belts etc.

The raw material is worth very cheap price.

The processed leather is worth up to \$ 2 sqft. With 10 sqft. of leather, about 3 pairs of shoes are produced, at a market value of up to \$10 per pair.

In 2019 Nigeria imported footwear worth \$59.7 million (yearly 2019 figures).

Imports cover more than 90% of the entire Nigerian footwear market.

The same is the case in all the countries of Africa. In 2019, the African import of footwear amounted to \$4.6 billion.

And in the future ...

Leather and shoes demand is growing at more than 10% annually.
In Nigeria, there are 200 million people today, with over 300 million expected population in 15 years.



Purchase power from consumers is also growing



Government policies increasingly support local add value creation.



**Leather and shoes in Nigeria
is a big opportunity**

What do you need to set up a leather tanning and a shoe production unit?

Leather

With cow, goats and sheep leather, it's possible to produce mainly shoes, bags, belts, wallets etc. The waste from the tanning processing can be reused to produce fertilizers etc.

Tanning

Leather is one of the oldest recycling process.

The tanning process is divided in different phases: from raw to finished.

The tanning gives a lot of added value to the leather.

Once tanned the finished leather can be exported or used to support the local production of shoes, bags, small leathergoods etc.

Footwear production

There are almost a hundred types of machines in line for the production of footwear. The processing phases are many.

A shoe factory gives the opportunity to improve the local employment, particularly for young people and especially women.

Meanwhile in Tanzania...

- Tanzania exports 90% of its leather as raw material.
- Tanzania's population is about 60 million.
- In Tanzania there are 8 small tanneries.
- Yearly import of shoes \$41 million (2019).

In Tanzania Italprogetti and TMC are running a project with local partners. The local Partner is Public Service Secutity Fund, a Government body.

- Investment worth \$23,5 million in machines
- Duration to set up almost one year.

Our targets:

- In the tannery a daily production (8 hours per shift) of 2000 sheep and goat skins + 1500 cattle hides.
- In the shoe factory a production of 4000 pairs (two shifts) of shoes + leathergoods.

New employees:

- In the tannery 300
- In the shoes factory 1300

Expected yearly turnover in the shoe factory \$24 million.

Other advantages for The local production:

- Industrial project for import substitution.
- Creations of new jobs.
- Enhancement of local raw material.
- Production for local and African market.

Tanzania - Moshi



If in Nigeria...

Entry level

- 2000 sheep/goat skins or 500 Cattle hides daily.
- \$ 2.5 million minimum investment for tanning machines.
- \$ 1.5 million minimum investment for shoes production machines.
- Area sqm: 4000 (Tannery)
3300 sqm: (Shoe factory).

100 new jobs at tannery

300 new jobs at shoe factory

Daily shoe production
600 / 800 pairs + leathersgoods.
Expected annual turnover at the tannery \$ 10 million.
Expected annual turnover at the shoe factory \$ 3.5 million.

Medium size project

- 4000 sheep/goat skins + 1000 Cattle hides daily.
- \$ 7/9 million average investment in machines for tanning.
- \$ 3.5 million average investment in machines for shoes production.
- Area sqm: 8000 (tannery).

300 new jobs at tannery

700 new jobs at shoe factory

Produce 1200 / 1500 daily shoes + leathersgoods.
Expected annual turnover at the tannery \$ 19 million.
Expected annual turnover at the shoe factory \$ 6.2 million.

Covid Effect

The COVID-19 pandemic has created severe Economic consequences for all countries around the world. Nigeria has also been very badly hit. The lockdowns have frozen economic activities, causing massive job losses and supply chain disruptions. It has also depressed the demand for crude oil and precipitated an unprecedented oil price crash. Nigeria's dependence on oil for revenue and foreign exchange makes it particularly vulnerable in this situation.

Economic impact

One of the major objective Nigerian Economic Sustainability plan is to:

- Retain or create jobs using labour intensive methods in key areas like agriculture, facility maintenance, housing and direct labour interventions.

The leather sector as one of the most potentially viable agricultural sector could help stair Nigeria more towards economic diversification.

Potential

- Nigeria Leather industry is projected to have the potential to generate about \$1 billion by 2025.
- Capable of generating thousands of jobs.
- Increase Nigeria export.
- Will foster the actualization of local production of “all we can” ideology.

We are



ITALPROGETTI

The logo for ITALPROGETTI is a red oval containing the company name in white, bold, sans-serif capital letters. A horizontal line with green, white, and red segments is positioned below the text.

PO.TE.CO.
POLO TECNOLOGICO CONCIARIO

The logo for PO.TE.CO. is a red oval. It features a blue circular emblem with a white outline of a horse's head and a white gear-like shape inside. Below the emblem, the text 'PO.TE.CO.' is written in large, white, serif capital letters. Underneath that, 'POLO TECNOLOGICO CONCIARIO' is written in smaller, white, sans-serif capital letters.

THE PARTNERS

- **ITALPROGETTI** is a company born in the seventies in San Romano, close to the Leather Cluster of Santa Croce sull'Arno located in the Tuscany Region, Italy. Today Italprogetti export almost 80% of its production all over the world. Since the very beginning of the activity, Africa has been one of the main Area of cooperation. The main witness of the company's commitment to the African leather industry has been the creation of the company «Italprogetti Africa», based in Addis Abeba, Ethiopia. The main projects of Italprogetti in Africa are related to New Leather District of Robeiki, close to Cairo (Egypt); to the modernization of the Ethiopian tanneries, the installation of an experimental tannery in LIDI (Leather Industry Development Institute), the participation at the Unido project for the relocation of tanneries in Modjo.
- **TMC** is a company with 40 years of experience spent designing factories for the production of all kind of shoes including departments for the production of leather or injected soles, insoles, toe, counter and many other shoes accessories. The services guaranteed by TMC are those of design, supplying machines, new or reconditioned with its staff within the workshop, installation and commissioning service of the entire plant, after-sales service, training etc. both in Italy and in any part of the world. The main projects are located in Italy, also giving daily assistance to the main brands as Gucci, Ferragamo, Prada, Valentino, Jimmy Shoes, Chanel, in Europe, in India, Bangladesh, where TMC has installed cutting, stitching and lasting lines for a daily production of 6.000 pairs shoes. Pakistan and Tanzania (Moshi plant).
- **PO.TE.CO.** is a Public and Private Mixed Company supported by the Private tanning and footwear companies and public bodies of the Leather Cluster of Santa Croce sull'Arno. PO.TE.CO. has been active internationally since 2002 in the field of Research, Training, Testing Innovation and Technology Transfer. Its structure is equipped with: (a) a state of the art experimental tannery with all the necessary equipment to perform wet and finishing process; (b) a state of the art experimental shoe-factory, in which the stages of the entire footwear process can be realized.

Italprogetti's main projects in Africa



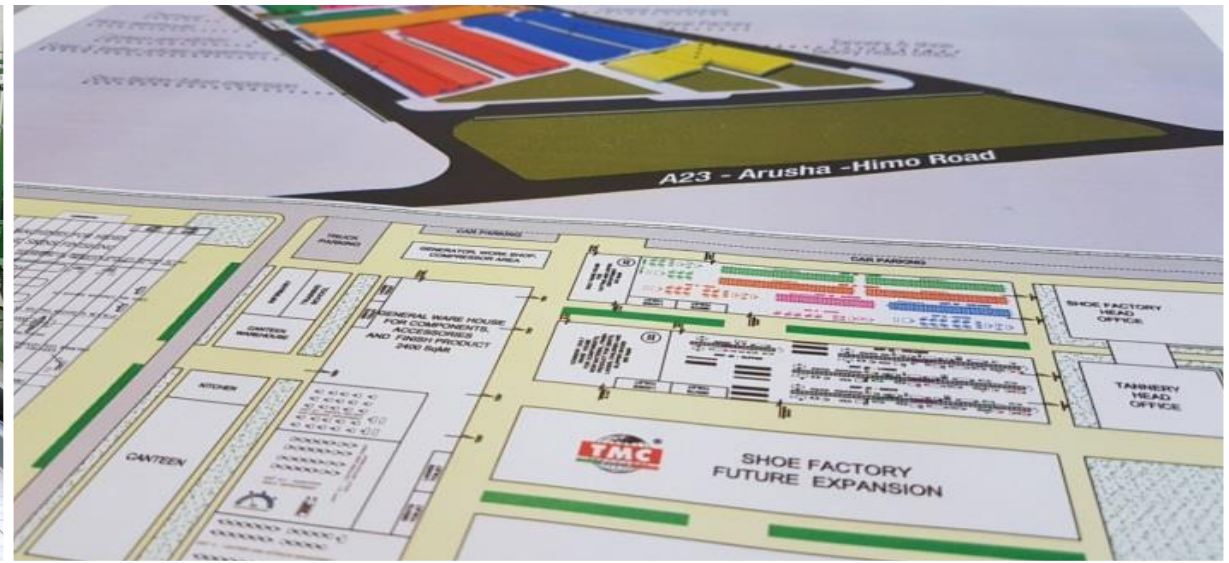
*New Leather district
in Robikki,
with supply of
Common Effluent
Treatment Plant*



*Conceptual design
of new Leather district
in Modjo and supply
of pilot tannery in LLPTI
(Leather Technological Institute)*



***TMC's
main
projects***





PO.TE.CO.
*Head
Quarter*

What We do

- Master Plan
- Business Plan
- Turnkey
- Process Design, Engineering, Machines supply, Start up of the Plant for Tanning, Shoe and Leathergoods Industry
- Dedicated after sale service
- Training for managers and production workers
- Personalized training, according to the projects needs, in fashion, leather, shoe and leathergoods
- Mechanical technical assistance
- Technology transfer
- Leather testing: physical-mechanical and chemical. Water analysis laboratory
- Consulting



THANK YOU!!!

**We are planning meetings in Nigeria
with interested parties.
Please give us your feedback
[here](#)**