



Leathergoods And Footwear Manufacturers
& Exporters Association of Bangladesh

Introduction to LFMEAB, Footwear and Leathergoods Industry



Introduction to LFMEAB

Key Partnerships

Established
2003

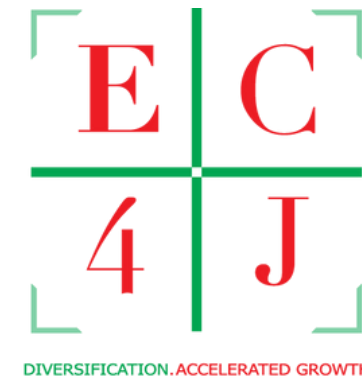
271
Total members

Represents major
export-oriented
manufacturers and
exporters of leather
products &
footwear.

20%
Annual membership
growth



Centre of Excellence for Leather Skill Bangladesh Ltd. (COEL)
One stop skill solutions for leather



Implemented by:
giz Deutsche Gesellschaft
für Internationale
Zusammenarbeit (GIZ) GmbH



Vision, Mission & Values



VISION

Promote the development of a **globally competitive, integrated and sustainable** leather products & footwear industry in Bangladesh.



VALUES

- Professionalism
- Advocacy
- Fairness
- Inclusivity
- Respect

MISSION

To ensure **safe workplaces and workers' rights**.



Promote the **interests** of our membership in line with **global best practices**, market requirements & industry needs.

To promote and foster a **strong value chain** for industry at home and abroad.



To be the **voice** of the industry with key policy makers especially NBR, Bangladesh Bank, Ministry of Commerce and Ministry of Finance.

To educate and build awareness about **ESG** reporting and the circular economy.



To promote and help implement adoption of digital and **modern technology** in industry.

To promote local and foreign **investment** in Bangladesh

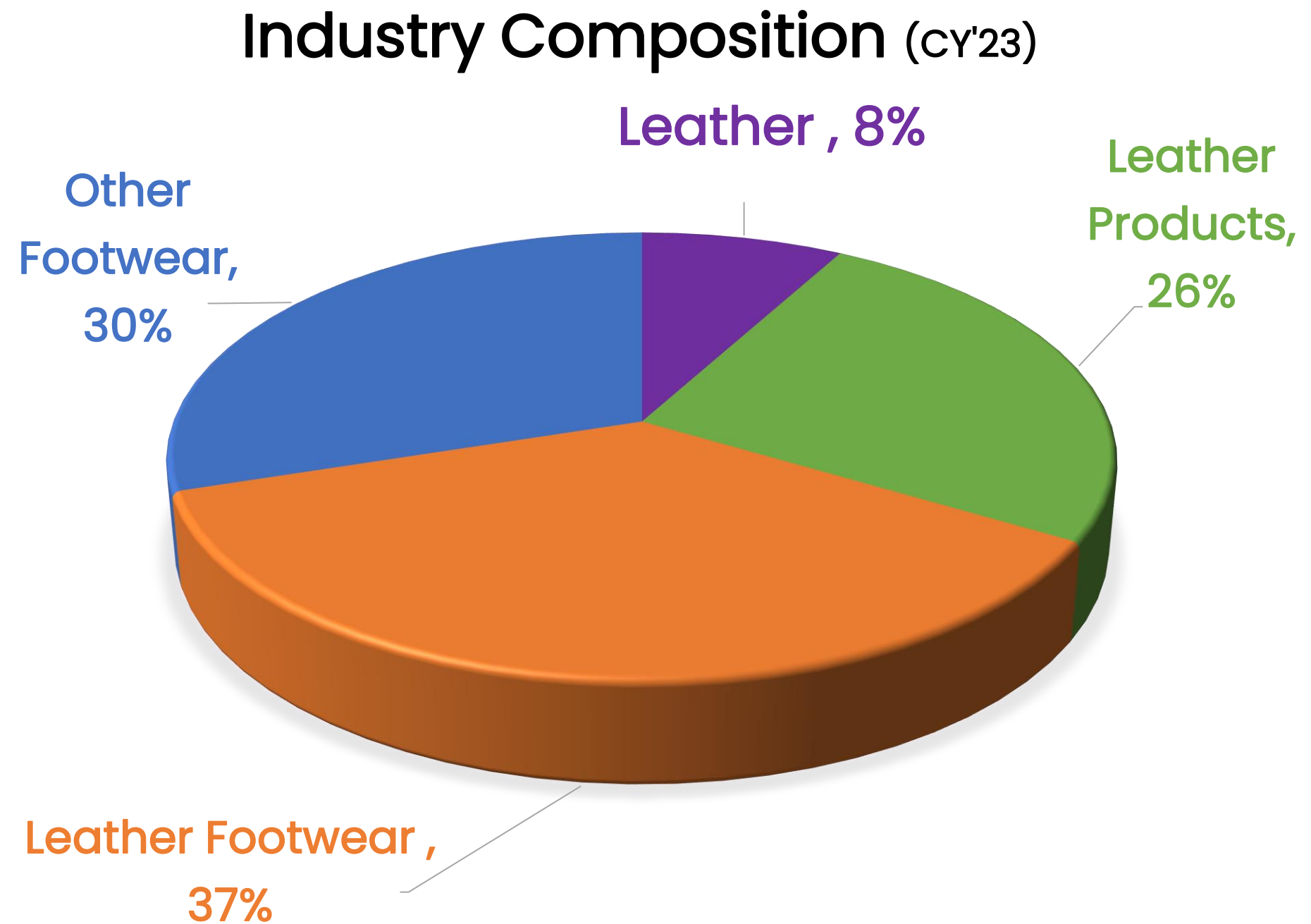


To promote diversity, equity and inclusion (**DEI**) amongst all member firms.

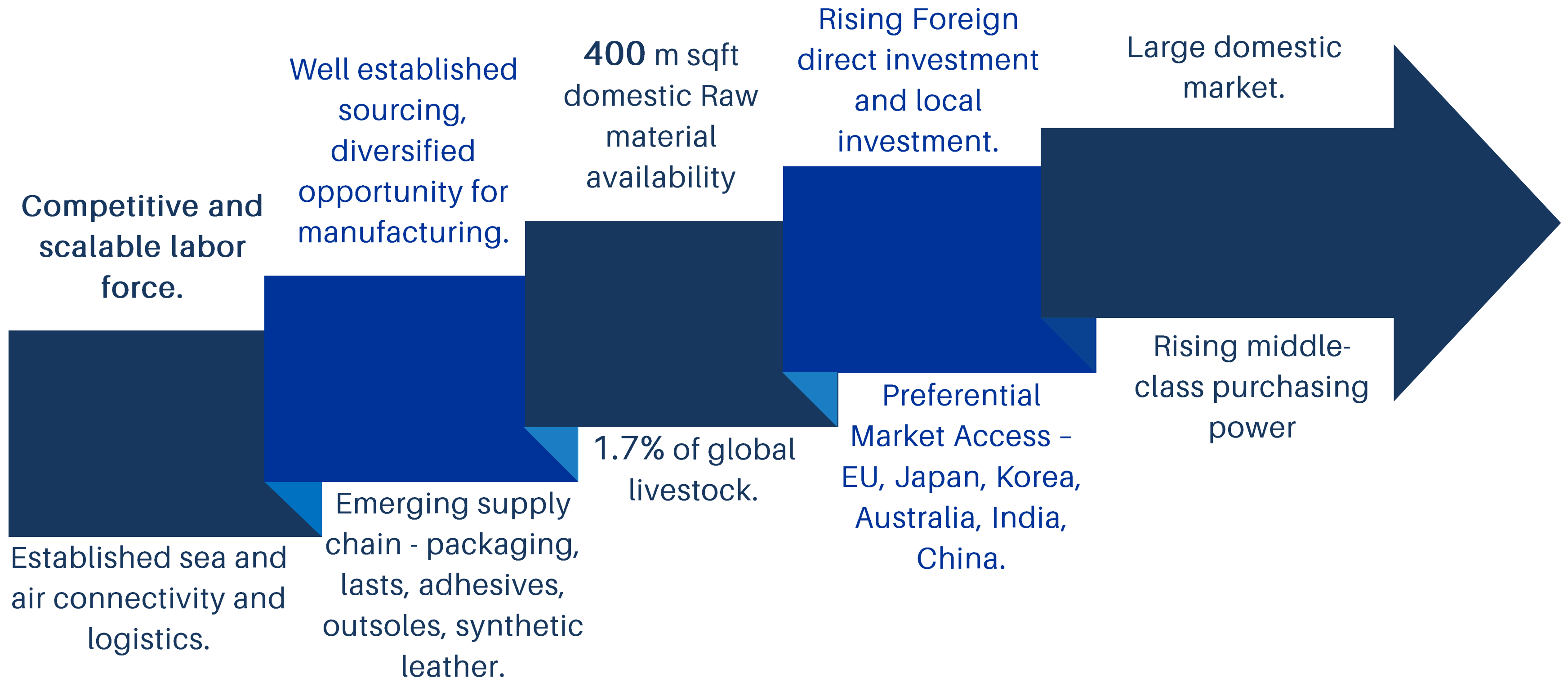


Introduction to Industry

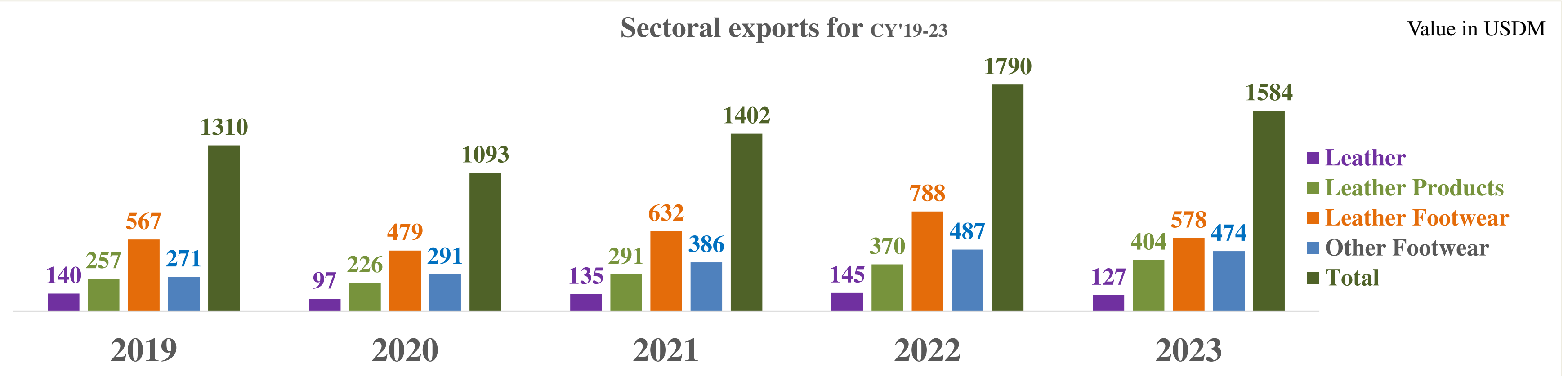
- 1 Country's **2nd** largest export sector
- 2 Govt. declared thrust sector
- 3 Up to **85%** value addition.
- 4 Highly labor-intensive industry with **60%+** women workforce
- 5 **200,000+** people actively employed and indirectly employed **150,000+** people.
- 6 **271** factories including **90** large firms, **15** big enterprises & many SMEs.
- 7 New and emerging markets: France, Japan, Poland, Australia, India, Chile, Turkey.



Competitive Advantages







Industry Performance



Source: EPB

Export in 2022

		Value		Volume		
		Million USD	World Rank	Million Pairs	World Rank	Price
	Export	1594	15	107	17	\$14.95
	Import	137	77	20	79	\$6.88
	Production			467	8	
	Consumption			380	11	

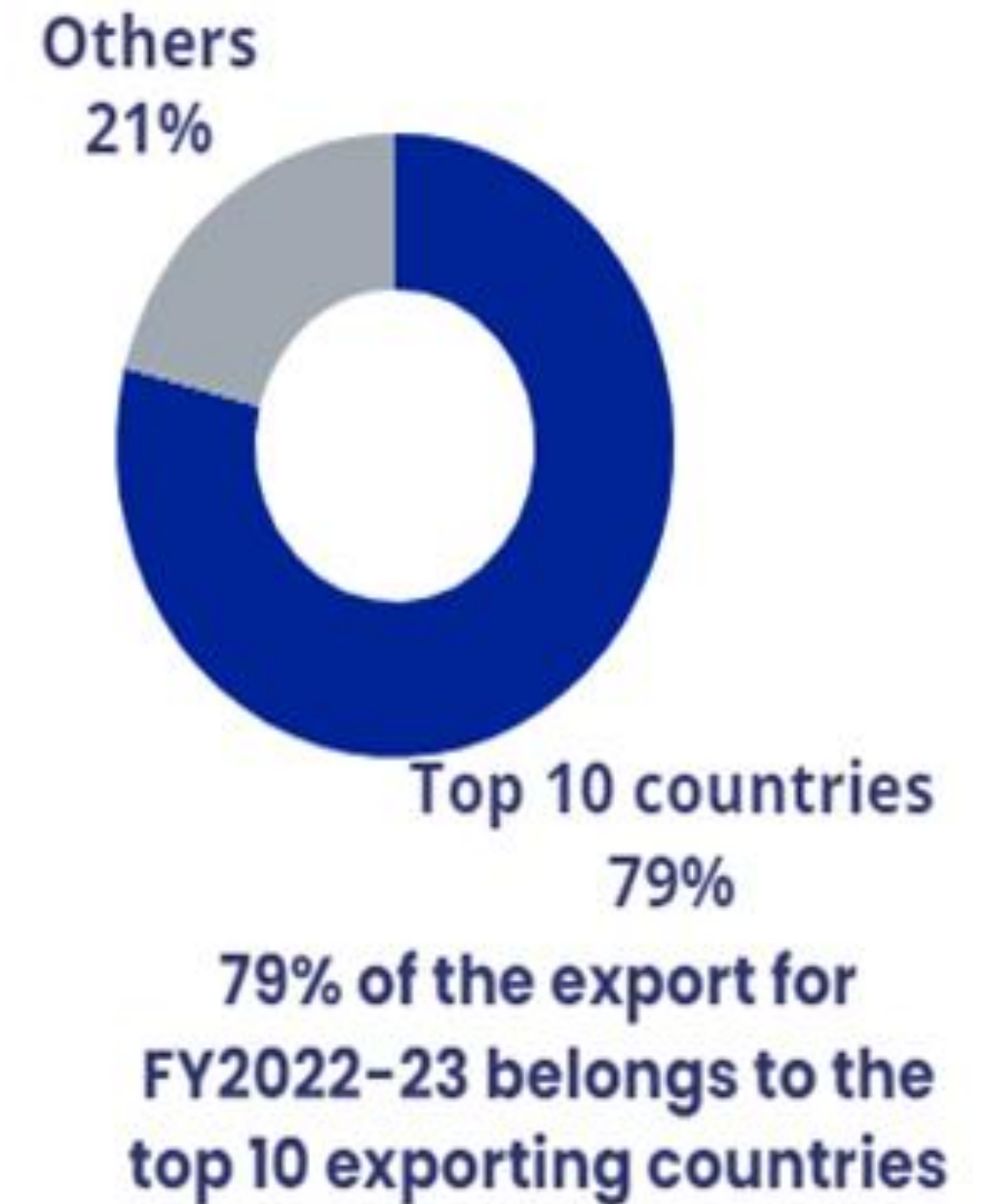
(Source: World Footwear Yearbook 2023)

Sectoral Performance at a Glance (FY'23)

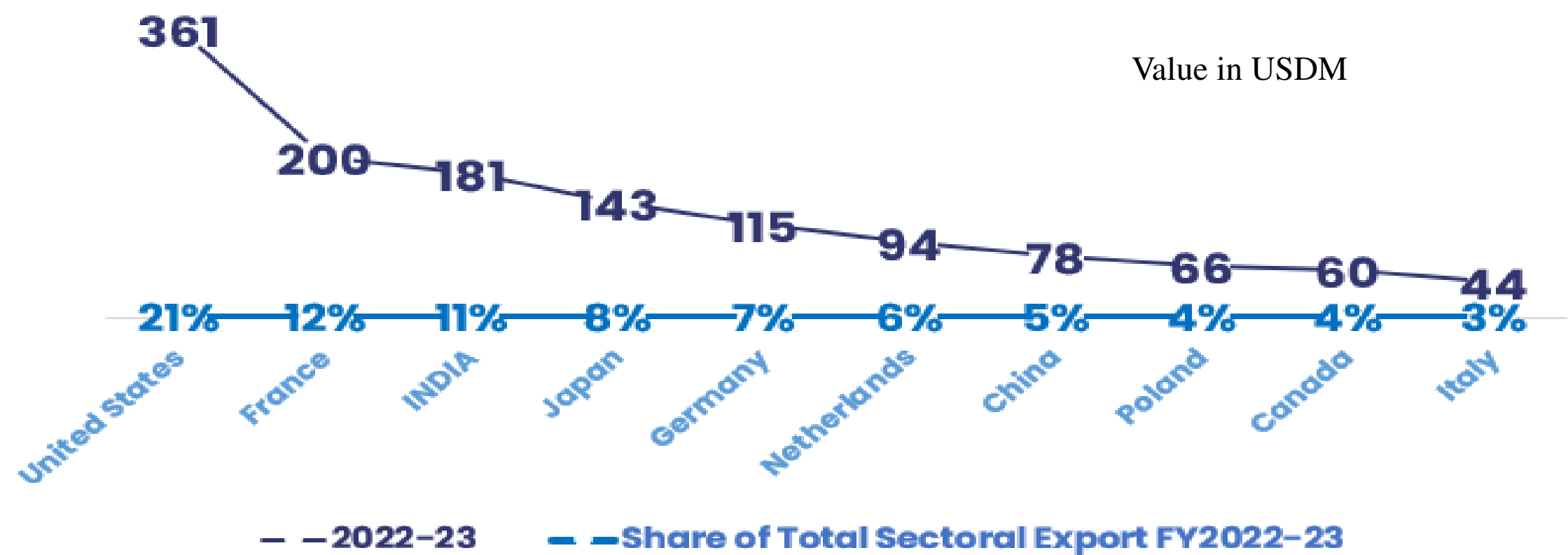
Exported to
119
Countries

15 more countries
than FY 2021-22.

1702
USDM
Total Sectoral Export
3%
of Bangladesh's Overall Export



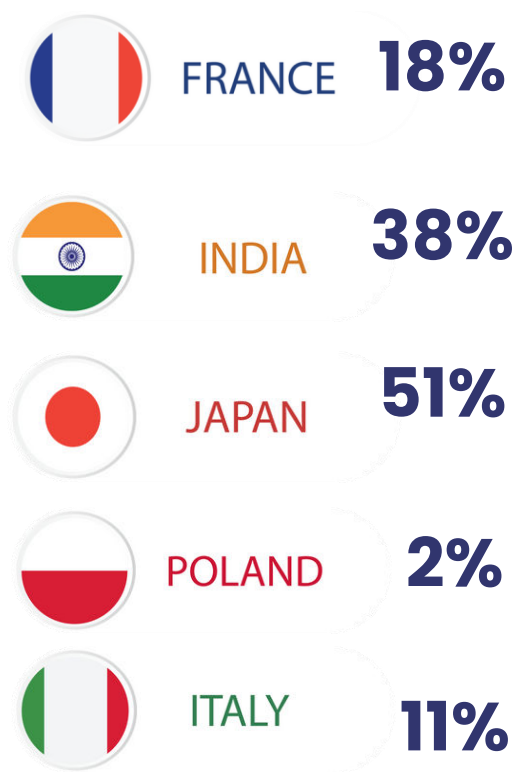
Top 10 Exporting Countries in FY'23



USA, France and India are top 3 countries with 44% of total export

Export growth and fall in sectoral top 10 export countries (percentage change over SPLY)

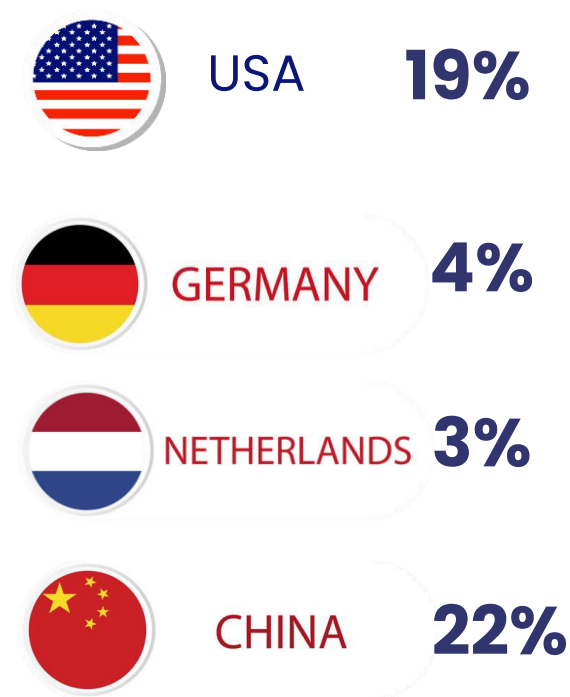
Growth



Consistent



Fall

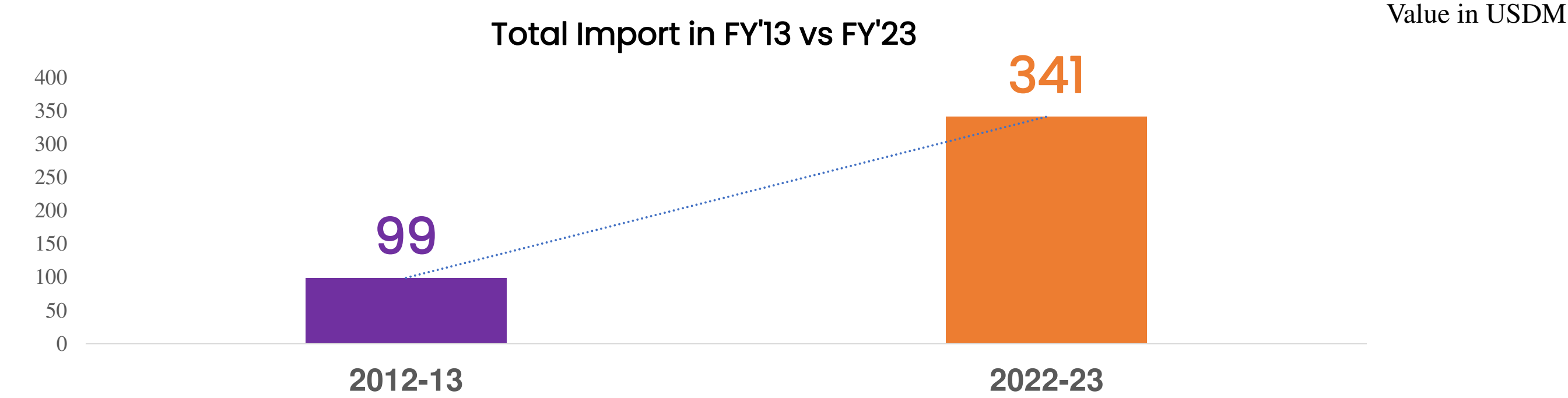


Import Source

	Million USD	Value Share	Million Pairs	Quantity Share
 China	131	96%	19	96%
 India	1.7	1%	0.11	1%
 Singapore	1.5	1%	0.27	1%
 Hong Kong	0.7	1%	0.14	1%
 Cambodia	0.4	0%	0.05	0%

(Source: World Footwear Yearbook 2023)

Imports trends



Category	FY'13	FY'23
Leathergoods (42-43)	14	21
Leather footwear (6403)	0.53	5.67
Non-leather footwear (64 excluding 6403)	34.45	176.42

Higher Level of Compliance



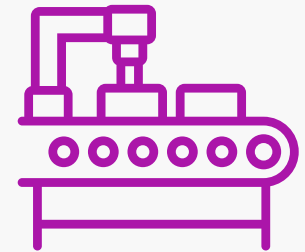
Supply Chain Localization

01 LESS DEPENDENCY ON FOREIGN SUPPLIERS

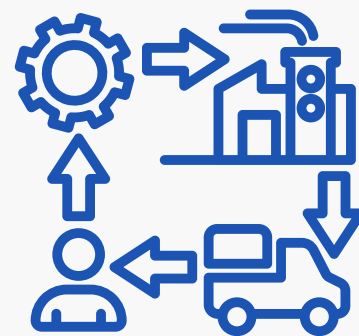


03 COMMERCIAL PRODUCTION OF ACCESSORIES

Now more than 50 companies in Bangladesh are commercially producing leather products and footwear accessories.



02 EMPHASIS ON SOURCING DIVERSIFICATION AND LOCALIZATION



04 OPPORTUNITY TO DEVELOP & UTILIZE BACKWARD LINKAGE.



Possible. In Bangladesh

Farm to Fashion



Possible. In Bangladesh



Possible. In Bangladesh

FILA

Clarks

DEICHMANN


Timberland

DECATHLON

H&M


MICHAEL KORS

PICARD 
since 1928

AMERICAN
TOURISTER
SINCE 1933 ¹⁵

Walmart 


Hush Puppies

s.Oliver

MARKS &
SPENCER

WOLVERINE

ALDO

UNI
QLO GU

Samsnite

Ongoing initiatives

Digitalization

- Digital transformation of LFMEAB Services
- Development of digital worker database
- Mapping of local supply chain



Skills for Employment Investment Program (SEIP)

- Developed competency Standards for **14** courses and 10 competency-based learning materials
- Equipped with **230** trainers and **30** assessors
- Provided competency-based skills training to **25,984** trainees
- **20,304** trainees already employed

Factory Improvement Program (FIP)

- **100** factories assessment.
- **200** certified master trainers on OSH and Chemical Management.
- Capacity building training.



STILE Program–Social Dialogue Approach

- Training and follow up visits in selected factories
- Assessment for implementation of improvement measures
- Awards provided based on performance

BLLISS

Glimpse of 4th Edition of BLLISS-2023

- **3+** industry Knowledge Sessions.
- **200+** Industry Leaders & Executives.
- Over **200** participants from over 15 countries
- More than **2200** visitors.

5th Edition of BLLISS-2023

Date: 21-23 November, 2023 (Tentative)

Venue: ICCB (Hall-2)

Market Scenario

Global Macroeconomic Outlooks in 2024 (WB)

- Global GDP is likely to grow 2.4%
- US: 2.5% grew in 2023
- Eurozone's picture is bleaker, with growth forecast at 0.7%
- China: growth slows to a forecast 4.5%
- Emerging markets and developing economies: 3.9%

Global industry market scenario

- Consumption declined due to inflation and geopolitical tensions.
- Price awareness has risen again. **Less brands, more discounts, less impulse buying, and more bargain hunting** are the dominant trends at present.
- Christmas retail sales fell well short of hopes and expectations

BANGLADESH

- Sectoral export in FY 24 July-December: 523 USDM, **18% down SPLY**
- Leather shoes decreased by **33%**.
- increased freight charges by at least **40%**

VIETNAM

- Exports decreasing **4.4% YoY**
- Footwear exports fell **15% YoY**

INDONESIA

- Exports decline: **12% YoY**

CAMBODIA

- Export declined by **12% YoY**

PAKISTAN

- Export down by **15%**

Key brands

- Wolverine: **24% revenue decline**
- Foot Locker: **10% sales down for**
- Stella International declined by **8.9%**
- VF Corp cuts **500 jobs**

Recommendation for Boosting Competitiveness

Please view the attachment for
recommendations

THANK YOU!

**Leathergoods And Footwear Manufacturers &
Exporters Association of Bangladesh
(LFMEAB)**

Tel: +880-2-58810271-2

www.Lfmeab.org

