



## Asia Update

*A round-up of news and updates from all parts of Asia (excluding China) provides information on current leather supply chain issues.*



At the present recovered water is returned to the tanners by tanker for reuse, but shortly this service will be replaced by a dedicated 25km pipeline to the tanneries.  
CREDIT: WTP

### India: Indian facility claims complete solution for water, effluent and salinity

The problems of water consumed by tanneries, and effluent and salinity discharges into the wider environment, have been solved, a new report will claim.

Ranitec, the Ranipet Tannery Effluent Treatment Company, in Tamil Nadu in southern India is receiving effluent from 90 tanneries. Following conventional effluent treatment, advanced processing is being applied that avoids any discharge of effluent from the site, with the return of 95% of the treated effluent to the 90 tanneries for reuse.

This avoids the problems of water provision or abstraction for a very significant concentration of tanneries, inland effluent discharges, and issues concerning increasing salinity in ground water.

This advanced processing is in two stages. The first involves a combination of ultra filtration and reverse osmosis that provides 75% water recovery, the remaining 25%, known as concentrate, being high in dissolved solids. The second stage employs thermal evaporation of the concentrate followed by condensation and recovery. It is calculated that 95% of the tannery effluent received is recovered, the balance being lost through normal evaporation as expected from effluent treatment and the dry salt recovered.

At present the recovered water – at a total dissolved solids level of 200 mg/l, a higher standard than required for drinking water – is returned to the tanners by tanker. Within the next month a 25km

pipeline will be in use for direct supply to these tanneries.

The recovered solids are mainly sodium chloride and sodium sulphate with other residual materials. These lightly coloured dry solids are being packaged in polypropylene bags and securely stored on site until a responsible use of this solid has been developed.

A full report will be published by *World Leather* in a special environmental issue later this year. The report will claim this is a world first: a combination of clean technology on behalf of the tanners, and a considerable investment by Ranitec has created a massive water-tanning-effluent closed loop, which could become a global benchmark. 🌐



### Vietnam: PrimeAsia Vietnam wins recognition for water conservation

**T**anning group PrimeAsia has announced that its facility in Vietnam has won an award for its work in water conservation.

Sports brand Puma and Cologne-based investment firm Deg have set up and co-financed a public-private partnership project called CONSERV (for Conservation of Environmental Resources in Vietnam). In an awards programme for 2013, the CONSERV Best Water Saver Award went to PrimeAsia Vietnam.

PrimeAsia has said that water recycling practices have reduced its Vietnamese tannery's water usage from 125.6 litres of water for each square-metre of finished leather it produces to 67.7 litres per square-metre in the course of the last four years, a reduction of 46%.

Water-saving best practices include collecting rainwater for use in wet-back drums, reusing wet-back water more than once in those drums, using recycled water for water wash spray machines, and cleaning all machinery and facilities with recycled water. ☺



*Wet back drums at PrimeAsia's tannery in Vietnam make ensures that water is used more than once.*

CREDIT: PRIME ASIA

### Bangladesh: Leather industry plans to counter critical report

**F**ollowing a report that criticised the working conditions in the Hazaribagh tannery area, the Leathersgoods and Footwear Manufacturers and Exporters Association of Bangladesh (LFMEAB) has called for a 'road map' to be drawn up to boost growth and answer the claims.

"We need to adopt an appropriate strategy to regain our lost image. We must start to prepare a practical road map for the integrated and sustainable growth of the total leather industry," said LFMEAB president Syed Nasim.

The Human Rights Watch report was picked up by news agency Reuters and subsequently published around the world. "It has created an adverse image amongst the buyers and stakeholders. Buyers' objections to any point of the value chain is likely to make products at other points liable for rejection," he added.

The comments were made at a meeting attended by the head of UNIDO operations in Bangladesh, Dr Zaki-Uz-Zaman, and other representatives from the Ministry of Commerce, Ministry of Health and Family Welfare and Leather Sector Business Promotion. Mr Nasim added that funding should come from both the public and private sectors and a clear plan for growth should be produced following the seminar. ☺



CREDIT: SHUTTERSTOCK/KONSTANTIN

### Middle East: Camel leather growing in popularity

**A**n initiative by Abu Dhabi's government to promote the use of camel leather is paying off, according to the general manager of a local tannery.

Jean-Marie Gigante of Al Khaznah tannery said the site is producing high-quality leather that is being used by the

footwear, automotive and aviation industries. He said the tannery can process up to 1,500 hides per day, and includes a physical and chemical testing department.

The animal is valued in the Middle East for transport and milk, but Mr Gigante, who has previously worked for high-end

fashion houses including Hermes, says interest in the skin is growing.

He said the hides are 10 times more fibrous than those of cows, creating a strong and durable leather, and that the tannery has developed a process to tan the skins that is both chrome and metal free. ☺



## Nepal: Leather expo targets 150,000 visitors

**M**ore than 100,000 visitors attended the 9th Leather Goods & Footwear Expo in Nepal's capital, Kathmandu, at the end of December, up from the 90,000 who visited the event last year.

Domestic footwear companies, tanneries and component manufacturers were joined by suppliers and retailers, aiming to promote growth in the domestic market. About 80% of the materials used by the industry are imported from countries such as India and China.

The price of leathergoods in Nepal rose between 20% and 25% last year, according to the Leather Footwear and Goods Manufacturers Association, which organised the fair. This was due to the rising price of raw materials, the strengthening of the dollar against the Nepali rupee and the rise in labour costs, it said. ☉



CREDIT: SHUTTERSTOCK/VADIM PETRAKOV

## Iran: Leather producers benefit from sanctions

**D**isputes over Iran's nuclear programme have brought sanctions against the government from trading partners in Europe, North America and other parts of the world. The country's currency, the rial, has lost value.

These factors have combined to make it difficult for Iran to import manufactured goods and local manufacturers serving the domestic market are benefiting.

One example is Dorsa Leather Industry Company, which the *Financial Times* has described as Iran's most successful luxury brand. Its managing director, Shahin Fatemi, said its sales levels had stayed high, in spite of the country's economic challenges, and that he was confident of a big boost once existing inventories of imported luxury goods have been sold. Shops will need to restock with locally sourced inventory.

He added that demand for his products in export markets is getting stronger all the time, thanks to the low value of the rial. ☉

## Japan: Surge in demand for Vietnamese shoes

**B**ecause of the gloomy situation in the EU, Japan is becoming a key market for Vietnamese leather footwear.

In the first 11 months of 2012, footwear worth \$299 million was exported to Japan, a year-on-year increase of 35%.

Nguyen Thi Tong, general secretary of the Vietnam Leather and Footwear Association, said businesses were trying to attract more clients from Japan against declining orders from China and the EU.

Japan now takes 5% of Vietnam's footwear exports, according to Vietnam's General Department of Customs. ☉

## North Korea: Enterprise zone encourages cross-border collaboration

**A** delegation from Rason in North Korea met representatives from the Chinese leather industry to discuss opportunities in Rason's Special Economic Zone.

Nine businesses from the provinces of Zhejiang, Guangdong and Jilin attended, as did a contingent from Vladivostok in Russia, at the meeting in Hunchun, a city on China's border with the neighbouring countries.

One of the main proposals concerned setting up manufacturing operations in Rason to take advantage of its low cost base. China wishes to invest in this zone, and plans to establish a power line from China to ease acute electricity shortages there.

The Rason Special Economic Zone was established in the early 1990s by the North Korean government to promote economic growth through foreign investment. ☉

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