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Where your money goes

Several recent comment pieces have focused on how the development of the leather value chain is managed in Africa. This month, I would like to put the magnifying glass up to how your money is actually being spent, because it is your and my tax money that is financing the aid programmes, the workshops and the travel.

One reader in Zimbabwe called my criticism paranoid, not understanding, or choosing not to understand, that I am defending the stakeholders in the country from being robbed of the funds that are meant for their development, rather than being used to feed those that fill the air with smoke and eat from the table that is supposed to feed those in need.

The reaction from the stakeholders in Zimbabwe, however, is that they like my column and believe that I am right to attack those who exploit the system. The problem is that nobody has the courage to come forward and shake up the system. Everybody is nice to each other, but in the back of their heads there is animosity, an animosity that my comments represent.

In this issue, I would like to focus on an example of a money-devouring organisation. It occupies a multi-storey building with a large garden, fully-equipped office and conference room, all with recurring monthly expenses for supply, energy bills and maintenance.

The next thing your attention is drawn to is the number of staff, which is unbelievable. There is an executive director, a personal assistant to the executive director, a programme coordinator, a head of administration, an information systems expert, someone dedicated to administrative service support, a finance assistant, an administration assistant, a cashier, a chauffeur/liaison officer, an assistant to the chauffeur and liaison officer, a procurement person, a data entry assistant, a building and infrastructure support officer, an assistant photographer, six security and safety office support people, three office gardeners, and two health and environmental assistants. What is the job description of the health and environment assistants? It must be important, because they need two. There are two chauffeurs, which implies that there are also two cars.

That is a staff of 26 people, of which three are gardeners, six security people and three administrative assistants, some of whom have double functions. I would guess that the cashier is busy from morning till evening, paying out the hundreds of bills that cross her desk every day and calculating the wages of all the staff. I imagine she goes home in the evening totally exhausted. All joking apart, this is enough staff to run a small company, one that produces and makes money, a small



leathergoods manufacturing company for example. Instead, this organisation is a money-devouring machine. To make the whole administrative structure complete, there are also a number of committees.

When you start digging it is depressing to see what it is being done with our money. We are footing the bills for a host of external and internal training workshops, such as: gender mainstreaming in the leather sector; rural tanning skills development; hides and skins quality production through improved tanning techniques; and working English training.

This last workshop is described as being a “short-term training program addressed at the intermediate level for employees to have the capability of expressing themselves in English and to participate in day-to-day institutional discussions.” Are you kidding me? In the online list of all employees there is a specific mention of all their academic titles. Are you telling me that they don’t speak English at an intermediate level? Maybe the gardeners and drivers must learn English so that they are capable of consulting with the executive director about how to cut the grass or wash the cars. Do you realise how ridiculous all this is?

Then there is a list of MoUs (Memorandum of Understanding) between the institute and partners that would make the US Department of State envious. Of course, all of the documents are adapted to each country’s perceived requirements. In order to sign those MoUs, people have travelled to meetings and discussed what to put in and what to leave out, with hotels and meals all paid for. What results have these expressions of collaboration actually brought in terms of dollars and cents? Some countries on the list of MoUs don’t even have a tannery or shoe factory. The quality of hides and skins in the whole region has not improved in spite of numerous projects starting back in the late 90s (as well as repeat projects), not to mention the regional and national strategies.

All talk

The organisation boasts the following accomplishments: strategy development capacity building, cluster development, promotion of intra-trade, strengthening of regional value chains, and creating strong public and private academia platforms. This is an accumulation of the usual slogans stitched together, all talk, with the need for people travelling to workshops, consultants talking and making presentations, and lunches. But there is not one single practical achievement, one realistic instance of a tannery or shoe factory being built, refurbished or updated.

In the end, it makes no difference whether these organisations exist or not. It makes no difference whatsoever for the leather value chains in the different countries because, in reality, nothing ever changes. The hide and skin quality was bad before the training and it is bad after the training. The tanneries produce nothing better, the shoe factories remain at the same level as before, and the leathergoods manufacturers do not make exportable products. In countries where the leather industry is autonomously active, such as Egypt, Ethiopia, Kenya, Uganda and Tanzania (to a certain extent), the industry works within its own means, not with the help of developers.

When you look at the pictures that are published regularly, you always see the same people meeting, greeting and discussing. But, there are few or no tanners and no footwear manufacturers. You see the secretaries of associations, the directors of institutions and ministry representatives, but there is no sign of (overseas) buyers, the guys that bring the business.

I asked this particular organisation for their 2016 budget, but there was no answer because I have the honour of being persona non-grata. So, I unearthed the 2014 annual report and I will treat you to some passages from it. The board “underscored the need to ensure that subsequent leather fair meetings involve member state representatives to officiate at the opening ceremony,” the report reads. Member state representative to officiate at the opening ceremony: do you realise how incredibly important this is? They didn’t decide to increase worldwide visibility to attract buyers that could ensure business, instead focusing on member state representatives.

Absent action plan

A two-man team from the institute conducted a baseline survey in January 2014, which included a master plan for a leather processing park, an assessment of the hides/skins value chain, and an action plan. Three years later and there is no sign of the publication of the master plan, the value chain assessment, or the action plan being transformed into the execution of a project.

During a meeting of the board of directors, board members commended the executive director for the enhancement of activities since his appointment. Another board of directors meeting took place in October 2014, following its usual procedures and agenda. Two board meetings in two countries, but to do what? To praise the executive director and to direct him to use local consultants rather than international consultants. They also approved the “director’s salary adjustment and the cluster expert’s one-year contract extension”.

Now here come the really exciting results: “A total of 331 SMEs artisans, including 24 mid-level managers, from Member States (Burundi = 53, Ethiopia = 98, Malawi = 40, Rwanda = 55, Sudan = 10, Uganda = 20 and Zimbabwe = 45) have been given training through national and regional consultants, in collaboration with focal points and training institutions,” the organisation said. So how many people travelled all over Africa to train these artisans and mid-level managers to produce saleable items? What was the cost per trainer and trainee? Were these artisans trained to substitute the millions of shoes that flood the African market annually? Who are we kidding?

The above are just a few examples because when you are through with the whole annual report you are totally disgusted and realise that all the money in world will never be able to change the situation in the leather industry in Africa as long as the present structure of the development organisations and their partners remains in place.

The challenge is there but how to deal with that challenge remains, for many involved, an unanswerable question. 🌐