



# Best Practices in Leather and Footwear

## Synergy amongst Institutions, Industry and Trade Bodies

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CLRI, Chennai

**Consolidated Project for SME Development in India**

([www.unidosmeindia.org](http://www.unidosmeindia.org))



# UNIDO in Brief

A specialized agency of the United Nations to promote and accelerate **sustainable industrial development** in developing countries and economies in transition, and work towards **improving living conditions** in the world's poorest countries by drawing on its combined global resources and expertise.

Focus on three main thematic areas to achieve long-term impact:

- **Poverty reduction through productive activities**
- **Trade capacity-building** (Joining the main stream Global Economy thru participation in Intl. Trade)
- **Energy and Environment** (Sustainable Industrial Development)

In recent years, UNIDO has assumed an enhanced role in the global development agenda by focusing its activities on poverty reduction, inclusive globalization and environmental sustainability.



# Consolidated Project for SME Development in India

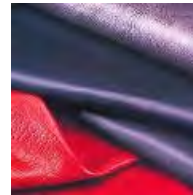
**3.5 Million Euro**

**Fully funded by the Govt. of Italy**

**Duration**

**2007 - 2013**

**3 Manufacturing Sectors**



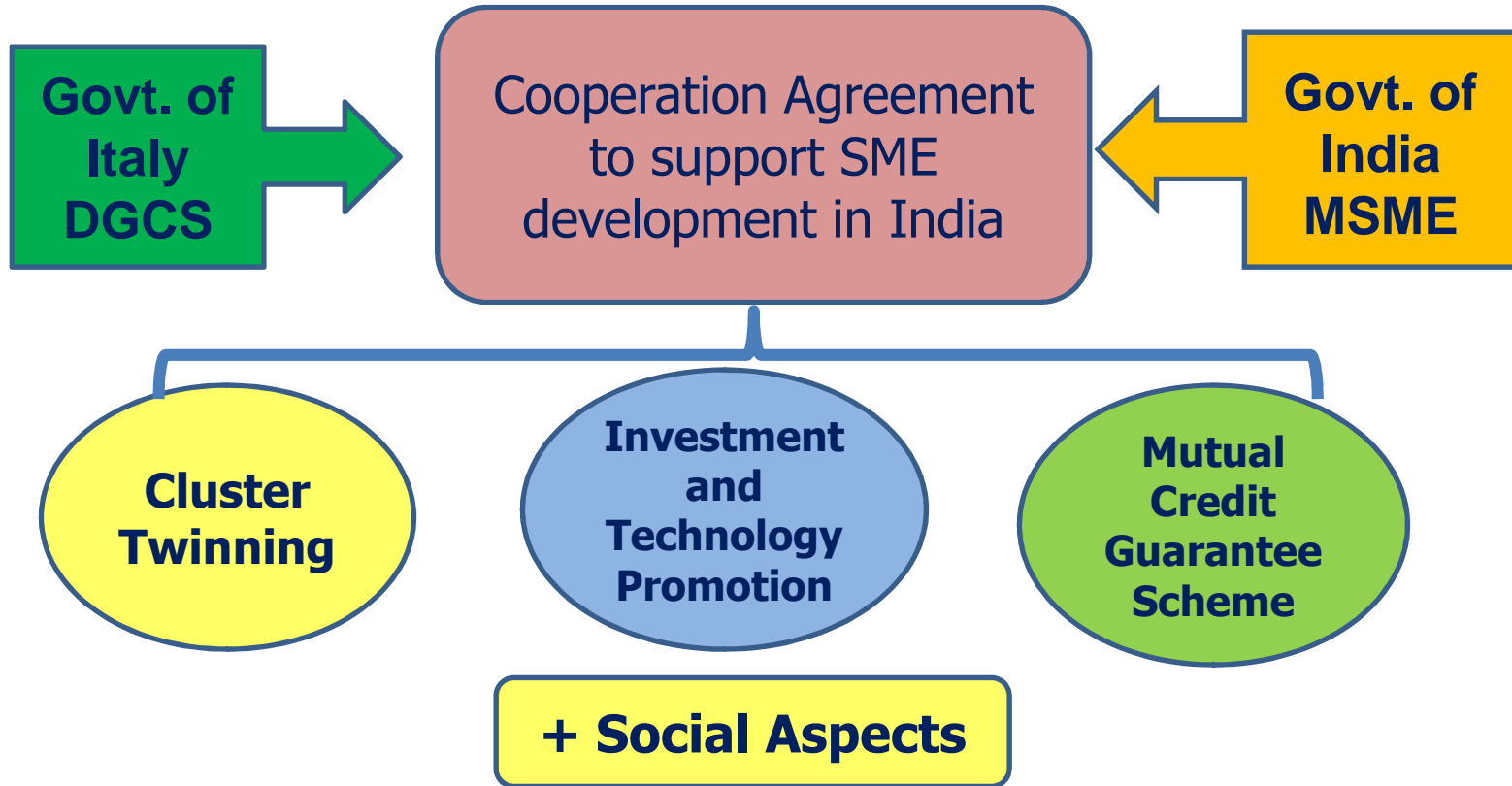
**Target Clusters**

**Chennai**

**Pune**



Scope: Support the development of Indian MSMEs to enable them become Globally Competitive



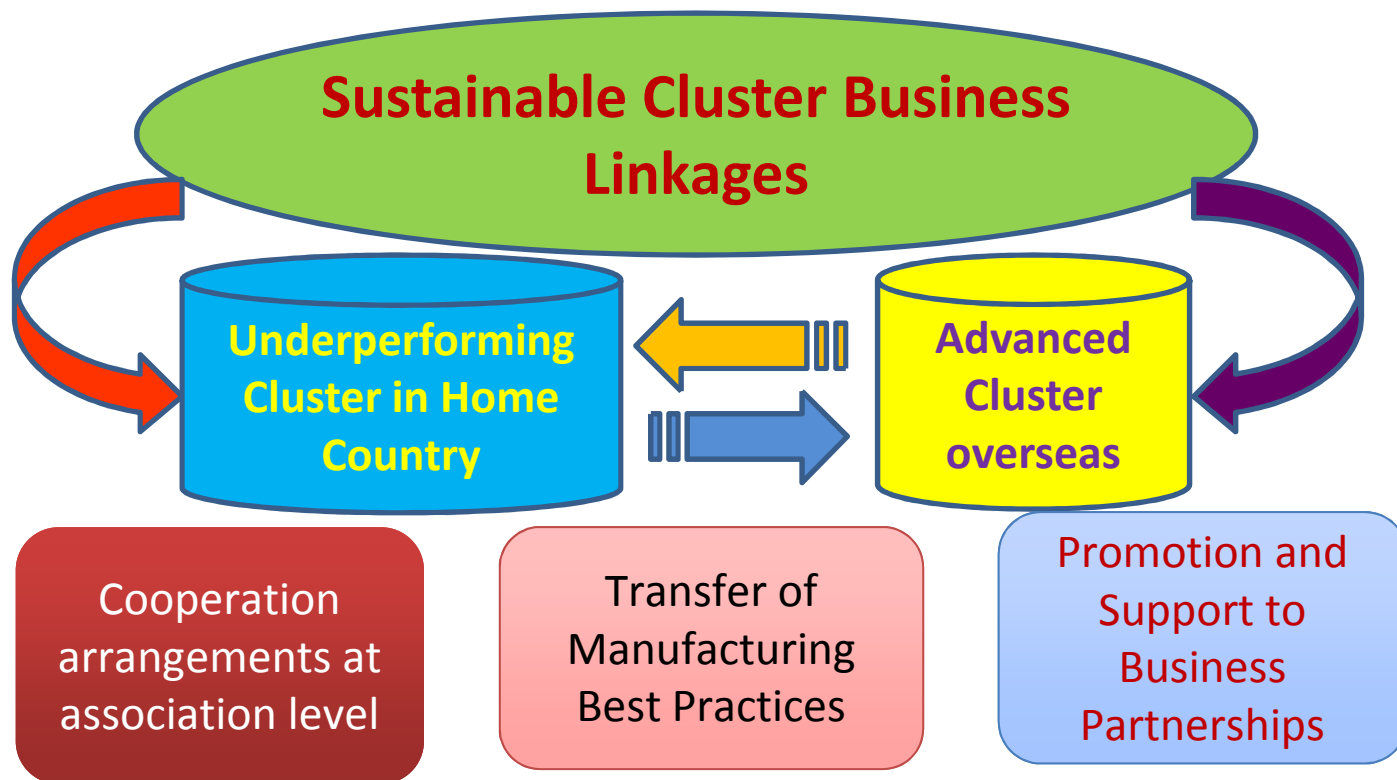
## UNIDO and Cluster Development

- Key cluster stakeholders
  - Enterprises / cluster firms (SMEs, Large firms)
  - Associations (ISF, IFLMEA, SISMA)
  - Institutions (CLRI, CFTI, CLE)
  - Suppliers and BDS providers (Consultants, CETPs, ILIFO, etc.)
  - Financial setups (Banks)
  - Governmental agencies (DC-MSME, CLE, MSME-DI)



# Cluster Twinning

*An innovative approach integrating developmental activities beyond cluster development*



# Cluster Twinning

Achieve synergistic growth through collaborative linkages and co-development opportunities established on the basis of traditional business linkages and/or analysing trade patterns between the two or more countries by strengthening capacities of manufacturing SMEs along with the active cluster stakeholders, viz. Associations, Institutions, governmental agencies, service providers etc.

Leverages upon the establishment of international co-operation agreement/ institutional linkages between cluster associations & key stakeholders in the home country and corresponding associations & stakeholders overseas.

The two cluster then interact to transfer the best practices and develop alignment with the manufacturing the supply chain requirements. In parallel the promotion and support to business partnerships is facilitated to ensure sustainability and incorporate not only market centric but also buyer centric business prerequisites.



# Cluster Twinning – India Pilot

- *Coverage: Footwear & Tannery Clusters in and around Chennai*
- *Local Partners: Indian Shoe Federation (ISF), Indian Finished Leather Manufacturers Association (IFLMEA), Central leather Research Institute (CLRI), Central Footwear Training Institute (CFTI), Council of Leather Exports (CLE), MSME Development Institute.*
- *Beneficiaries: MSMEs, Associations & Institutions*



# **Best Practices in Leather and Footwear**



# Activities

**Leather Cluster** - Chennai, Ranipet, Ambur, Vaniyambadi

- Technology Audit
- Training Needs assessment
- Training – Capacity building
  - Technology, Process, Equipment, Management
  - Productivity and QMS
  - Benchmarking
  - Social and Environmental, CSR
- Institutional support and capacity building



# Activities

**Footwear Cluster:** Chennai, Ranipet, Ambur

Technology and Training Needs assessment

- Training – Capacity building
  - Design and Trend forecasting
  - Best practices in footwear manufacturing
  - Newer Manufacturing Technologies
  - QMS, Benchmarking
  - Social and Environmental, CSR
- CAD/CAM systems
- Institutional support and capacity building



# Technological assessment by Italian Expert in Footwear companies



# Training program on Best Practices in Footwear Manufacturing



# Best Practices Training in Italy on Footwear Manufacturing



# Design and Trend forecasting



# Technical (managerial) training for tanneries



# On-site Training for tanneries



*International Leather Finishing Expert Mr. Armano Cametti, in a tannery*



# Learning advanced Tanning technologies & methodologies



# Addressing Social & Environmental aspects in Leather & Footwear manufacturing



**Intertek** SISMA

IFLMEA BLC UK



20 Footwear and Leather SMEs supported to raise the Social & Environmental aspects to the level of international certifications

# **Synergy amongst Institutions, Industry and Trade Bodies**



# Linkages between Associations and Trade Bodies

ISF – Unioncamere / Confindustria  
Marche Cooperation Agreement



IFLMEA – Assoconciatori Cooperation  
Agreement



IFLMEA – Assoconciatori interactive session -  
2012



# Linkages between Associations and Trade Bodies

IFLMEA – Assomac  
Interactive session 2012



IFLMEA – Assoconciatori  
Interactive session 2012



Fostering Indo-Italian Institutional tie-ups to support Tanning industry and B2B



# Linkages between Industry and Institutions

## UNIDO - CLRI Centre for Salt free tanning



# Linkages between Institutions and Associations / Trade Bodies

## Replication of training



# Cleaner Technology in Tanneries



# Key Achievements

- Social Capital
- Capacity Building
- Sustainability



# Key Beneficiaries - Direct

	Enterprises	Associations	Institutions
Footwear	55	ISF, SISMA	CLRI, CFTI
Leather	45	IFLMEA	CLRI



## Cluster Twinning: Main achievements so far –

- Greater trust and co-operative dynamism amongst the cluster stake holders – viz Firms, Associations, Institutions and Service providers
- Significant enhancement in the capacity of the 30-40% of the cluster firms with the adoption of a variety of best practices by the direct intervention from Italian experts, Technical Training in Italian Cluster and institutional linkages.
- Capacity enhancement of key stakeholders viz. Central Leather Research Institute (CLRI), Central Footwear Training Institute (CFTI), Indian Shoe Federation ( ISF), Indian Finished Leather Manufacturers and Exporter Association ( IFLMEA ), resulting into their greater role & participation in the developmental initiatives and competitiveness building of the cluster firms.
- Strengthened industry associations, viz. ISF and IFLMEA with their capability up-gradation for serving their members' prime needs across multiple domains.
- Setting in a sustainability mechanism to perpetuate collaborative dynamism and ensuring wider coverage of cluster mass with the best practices.



- ✓ Impact on Employment – More effective and responsive employees
- ✓ Impact on Environment – Greater Awareness and compliance with environment.
- ✓ Socio Economic Context – Higher Socio-Economic achievements by the clusters in terms of their ability to understand and address a variety of challenges.





# Thank You

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