

Leather Sector of Pakistan

Leather industry, including leather products, is the second largest export earning sector after textiles¹ in Pakistan. Currently, this sector is contributing around \$ 874 million a year but has the potential to multiply volume of exports with the improvement of quality and diversification in different range of products, specially garments and footwear. Leather garments and footwear is a job oriented sector providing employment to a very large segment of the society besides earning foreign exchange for the country.

The leather industry consists of six sub-sectors namely, Tanning, Leather, Footwear, Leather, Garments, Leather Gloves, Leather Shoe Uppers, and Leather Goods. The Tanning industry plays a vital role in the progress of these sub-sectors by providing the basic material i.e. leather. Today, Pakistan is among the leading countries in the production of Leather Garments and Gloves. The leather and leather made-ups industry plays a significant role in the economy of Pakistan and its share in GDP is 4%.

In Pakistan there are more than 2500 tanneries (registered & Un registered) and footwear manufacturing units running in Pakistan. Over the years, the number of registered tanneries in the country has increased from 529 in 1999 to 600 in 2003 and to 725 at present. These are located in Karachi, Hyderabad, Lahore, Multan, Kasur, Faisalabad, Gujranwala, Sialkot, Sahiwal, Sheikhpura and Peshawar¹⁰. The increase in the number of tanneries and increased export can be attributed to increase in demand of tanned leather in the foreign market

Export of Leather and Leather Products from Pakistan

VALUE = (U.S. Dollars in Thousand)

23.07.2016

COMMODITIES	UNIT	JULY-JUNE 2014-15		JULY-JUNE 2015-16		% CHANGE	
		QTY	VALUE	QTY	VALUE	QTY	VALUE
LEATHER	'000' SQM	22,272	489,412	16,116	362,547	-27.84%	-25.92%
	AUP/Sq.M		21.97		22.50		2.37%
LEATHER APPAREL & CLOTHING	'000' DOZ	963	365,738	858	320,551	-10.90%	-12.36%
	AUP/Pcs		31.65		31.13		-1.63%
LEATHER GLOVES	'000' DOZ	7,094	216,914	5,119	192,090	-27.84%	-11.44%
	AUP/Pair		5.10		6.25		22.72%
LEATHER FOOTWEAR	'000' Pairs	6,919	109,761	6,384	89,085	-7.73%	-18.84%
	AUP/Pair		15.86		13.95		-12.04%
OTHER LEATHER MANUFACTURES	'000' KGS	1,068	13,988		13,114		-6.25%
	AUP/Kg		13.10				
TOTAL :			1,195,813		977,387		-18.27%

Source: Pakistan Bureau of Statistics.

NOTE : Export figures for the months from April to June'2016 are Provisional.