

Leather and Leather Goods Development Policy 2019



Ministry of Industries

Government of the People's Republic of Bangladesh

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Abbreviations

BIDA	Bangladesh Investment Development Authority
BGMEA	Bangladesh Garments Manufacturers and Exporters Association
BSCIC	Bangladesh Small and Cottage Industries Corporation
BSTI	Bangladesh Standards and Testing Institution
CSR	Corporate Social Responsibility
CETP	Central Effluent Treatment Plant
EPZ	Export Processing Zone
EZ	Export Processing Zone
EDF	Export Development Fund
FDI	Foreign Direct Investment
GTF	Green Transformation Fund
ILET	Institute of Leather Engineering and Technology
ILO	International Labour Organization
LRI	Leather Research Institute
NBR	National Board of Revenue
NPO	National Productivity Organization
RMG	Ready-made Garments
OSH	Occupational Safety and Health
TIED	Tannery Industry Estate, Dhaka

Chapter 1

1. Introduction

The Leather and Leather Goods industry is an important sector as it is the country's second largest foreign exchange earner. The sector employs around 600,000 people directly and another 300,000 people indirectly. The sector contributes 4% of Bangladesh's total exports which is 0.5% of the country's total GDP. In 2017, the Government declared the leather and leather goods as the "product of the year". A target has been set to increase the export earnings from the sector to US\$5bn by 2024 which will contribute 1% to the total GDP. There is an urgent need to formulate a be-fitting 'Leather and Leather Goods Development Policy' to increase the capability of this industry with a view to achieve expected growth through expanding export and fulfill the target.

The leather, leather goods and footwear industry are growing rapidly worldwide. The global production of finished footwear of all types increased from US\$17.9bn in 2010 to US\$21bn in 2016; furthermore, the total global market for the entire leather sector was US\$139.76bn in 2017 (source: ITC 2018). Nevertheless, in 2016 Bangladesh ranked 8th in the world's footwear production. More than 76% of the total processed leather produced in 220s tanneries in Bangladesh was exported. However, there are huge opportunities to improve the situation. For that, Bangladesh has to integrate (Value Chain Integration) with the regional and global market gradually in a greater scale.

Meanwhile, some measures have been taken for developing the sector. The tanneries/factories relocated from Hazaribagh to Savar have started their production. Initiatives have been taken to establish export promotion zones and economic zones to attract local and foreign direct investors. Especially, initiatives have been taken to set up leather industrial estates in Chittagong and Rajshahi. Around 250mn sq. ft. of raw hides and skins are processed annually which consists of 63.98% cowhides, 32.74% goat hides, 2.23% buffalo hides and 1.05% sheep hides.

For the growth of leather sector, the role of major brands and retailers is of great importance. In order to meet the increasing demand for finished leather, the tanning industry of Bangladesh must increase its capacity and maintain international standards to achieve confidence of renowned brands and retailers. The entrepreneurs of this country should obtain proper knowledge about the products of major brands and retailers of the global market. The productivity of local producers needs to be globally competitive. Their capacity to cater trendy fashion goods and future demand of the market needs to be increased. Side by side, at every stage of leather industry, all parties who are involved in production need to act proactively for environmental protection and cleaner production. To do this, a suitable business model has to be adopted. A business and eco-friendly climate need to be created in the leather industries to provide quality processed leather, skilled manpower and diverse support services to attract both local and foreign investment.

This industry is facing problems at every stage, starting from the collection of raw material to processing, for example- the quality of hides and skins is not maintained at the slaughtering stage; the reasons include burn marks on skin for identification, improper way off laying, as well as inappropriate storage and transport of hides and skins. In order to establish a strong position in the international markets and expand local job market in the leather industry, the existing problems of the supply-chain need to be eliminated in a coordinated way. Government is keen to bring this sector under a coordinated development plan. For this reason, the Leather and Leather Goods Industry has been selected as a high priority sector in the National Industrial Policy 2016.

The leather and leather goods industry in Bangladesh are classified into three categories: 1) processed leather 2) footwear and 3) leather goods such as handbags, belts and wallets etc. Most of the tanneries in Bangladesh located at Leather Industrial Estate are small or medium-sized. These tanneries are engaged in production of 'wet-blue' and 'wet-white' leather. They work as backward linkage factories to the relatively large tanneries engaged in producing 'crust and finished' leather. Large industries are usually set up when they become capable of attracting big manufacturing industries of the global value chain. Through implementing a set of proper policy measures, the larger footwear or leather processing companies become capable of developing their own supply chain effectively in Bangladesh also.

There are some positive aspects in Bangladesh for developing the leather industry such as availability of raw hides and skins as well as the globally recognised high quality of its fine grain pattern, uniform fibre structure and smoothness. Most of the livestock are domestic and covering almost 1.8% of the world's cattle. There are opportunities of employing skilled labourers at a competitive wage. Furthermore, footwear and leather goods sub-sectors have potential for increased value addition. If the overall industry becomes environment and business-friendly, there are opportunities of increasing local and foreign investment. As the second largest export sector, if required facilities are provided, then the sector will be able to significantly contribute to the export.

1.2 Priority of the policy

This policy shall remain effective for the next five years. However, until the new policy is developed, the 'Leather and Leather Goods Development Policy 2019' shall remain in force. The 'Time-bound Action Plan' included in this policy may be amended and refined, if necessary.

Chapter 2

2. Vision, Mission, Goals and Objectives

2.1 Vision

Transform the leather and leather goods industry into a sustainable, environment-friendly and competitive sector.

2.2 Mission

Obtaining the capacity to enter into the local and international market as a strong contender through the increase in productivity of leather and leather goods, maximizing the value addition and best practices by using the improved and environment-friendly technology.

2.3 Goals

In order to establish the leather and leather goods industry as a sustainable, environment-friendly and competitive sector, we need to expand the local market and enhance the total export earnings to US\$5 billion and increase the contribution of this sector to the GDP from existing 0.5 percent to 1 percent by 2024.

2.4 Objectives

- 2.4.1 Enabling the leather and leather goods sector to be competitive by increasing the production capacity through the use of improved and environment-friendly technology;
- 2.4.2 Ensure sustainable business-friendly environment to produce internationally accepted quality and standards as well as more competitive products;
- 2.4.3 Ensure improved infrastructure for efficient and effective industrialization;
- 2.4.4 Encourage and foster innovation, entrepreneurship and adoption of best management practices;
- 2.4.5 Create framework supporting joint participation of public and private sectors in development of scientific and technological competencies for the production of more and higher value-added goods for export;
- 2.4.6 Create a better position in the international market through establishing strong backward and forward linkage industries and to facilitate the production being market responsive and effective coordination in the total supply chain of the leather sector.

- 2.4.7 Promote and encourage local and foreign direct investment in the industry-related services of this sector;
- 2.4.8 Support establishment of vocational training centers and research institutes to develop skilled workforce in leather, leather goods and footwear sector; and
- 2.4.9 Take necessary initiative to increase the participation of female in the overall supply-chain of this sector.

Chapter 3

3. Sustainable Environment-friendly Compliant Industry

3.1 Sustainable Environment-Friendly Compliant Leather industry

The indispensable strategy of this policy is to make comply this industry with the existing acts/regulations/policies for environmental protection.

- 3.1.1 Amend and addition necessary matters of environmental protection law(s), resolve the urgent issues related to environmental protection and issue directives to implement the rules/regulations.
- 3.1.2 Include issues on environmental protection in relevant socio-economic strategies and policies. Set up standards to monitor and evaluate sector's efficiency in related to compliance activities.
- 3.1.3 Strengthen the concerned government agencies responsible for the implementation of the laws related to environmental protection.
- 3.1.4 Emphasise on the introduction of latest technologies and its practical application for environmental protection.
- 3.1.5 Exploit and use of resources in a sustainable manner as well as adopt effective actions in order to prevent and control pollution; encourage use of energy saving products and produce renewable energy; adopt innovative, new and advanced technology.
- 3.1.6 Extend education on environment and climate change at all segments of the educational programs of the universities. Prioritise course/training programs on environment and other issues will be introduced as required by the industry.

- 3.1.7 Take assistance from the Leather Working Group/independent audit teams in order to monitor regularly on sustainable environmental-friendly compliance system in this sector.

3.2 Ensure Cleaner Production

Introduction of cleaner production is a necessity in all leather industries in order to ensure best use of natural resources, materials and fuels. A successful model has to be developed for the cleaner production in the industries, which will fulfill the target of cleaner production and help to achieve the accreditation of ISO 14001 (2015) for environmental management process.

- 3.2.1 Take measures to ensure sustainable development through cleaner production, emission reduction and pollution control; adopt systems to protect and improve the quality of environment and human health.
- 3.2.2 Accelerate design and application of technical instructions on more cleaner industrial production to increase awareness in all industries.
- 3.2.3 Encourage local and foreign organizations to research on environment-friendly technology for transferring and application of these technologies in order to ensure world-class cleaner industrial production in leather industries.
- 3.2.4 Build an effective network among the consulting firms, research organizations and industries to provide technical support and training on human resource to the workers and managers in order to develop and implement effective strategies for suitable cleaner production.
- 3.2.5 Include the subjects on cleaner production in all strategies and plans related to development of leather industry.
- 3.2.6 Apply the rules/regulations regarding the mandatory set up of Local/Central Effluent Treatment Plant in tanneries/industries.
- 3.2.7 Ensure the specific site selection for solid-waste preservation and their proper management, i.e. taking effective initiative to produce value added products through eco-friendly recycling plants.
- 3.2.8 Necessary steps will be taken to encourage businessman to ensure the economic use of animal waste such as tail, ears, fat, blood, bones and other residues during the slaughtering period.
- 3.2.9 Establish modern cold storage to preserve the raw hide/skins in the Tannery Industry Estate.
- 3.2.10 Increase the capacity of the Central Effluent Treatment Plant (CEPT) established in the Tannery Industry Estate and proper management of solid-waste of leather industry.

- 3.2.11 Adopt measures to use modern slaughtering techniques to collect best quality leather with the help of concerned authorities of the major areas/cities in the country.
- 3.2.12 Increase the capacity of the Wastage Management Plants of the Leather Industry/Estate and encourage establishing clean technology.

3.3 Compliance of Occupational Health and Safety

It is very important to comply with the acts/laws related to leather and leather goods industry and maintain healthy and safe environment within the factory. Leather and leather goods industries will be encouraged to adopt suitable strategies in order to improve production processes, quality of products and competitiveness at the national level as well as in the global market.

- 3.3.1 Consult with internationally authorised auditors regarding the proper implementation of a traceability system in the total value chain, i.e. starting from the collection of hides/skins of cattle in a proper way, preservation and processing of leather to the health and safety of the workers; use of chemicals for processing of leather and sustainability of the quality of leather.
- 3.3.2 Enforce labour laws and safety standards in the tanneries/factories to enhance the image of the sector in domestic and international markets.
- 3.3.3 Ensure the occupational health and safety of the workers employed in the leather industries and promote corporate insurance plan for their social safety.
- 3.3.4 Encourage investment in new and eco-friendly technologies and adoption of efficient and safe working practices.
- 3.3.5 Increase own capacity to participate in setting up international rules-regulations/codes and standards in the sector, and disseminate information on the introduction of any new rules-regulations and standards to the private sector.
- 3.3.6 Encourage the sector to obtain internationally recognised certifications such as ISO14001 (2015) accreditation for environmental management systems, ISO 45001:2018 accreditation to ensure occupational health and safe operation management and ISO 17025 (2017) accreditation for testing and calibration laboratories.
- 3.3.7 Adopt necessary initiatives to include the leather, leather goods and footwear industry under 'green' category subject to comply of existing Environmental Act of Bangladesh.

3.4 Development of Sector and Infrastructure

In order to be competitive, necessary investment will be encouraged to modernize the infrastructure of the leather industry. Laws regarding the care and welfare of farm animals must be complied, publicised and enforced. Steps to be taken for capacity building on traceability systems of each leather product in a sustainable way throughout the total value chain and it would be set as a requirement for most of the major brands and retailers.

- 3.4.1 Enact law regarding the establishment of modern slaughter houses identifying specific places instead of approving present practice of slaughtering hither and thither. Necessary Training will be ensured to the worker's of abettors. Necessary infrastructure will be developed to ensure environment-friendly waste management of the slaughter houses. Concerned authorities and city corporation will work together to ensure eco-friendly waste management system as well as easier transportation for cleaner operation.
- 3.4.2 Aware the owners of tanneries to upgrade existing production technologies and machinery and to modernize operations and strategies to respond to the quality, codes and environmental demands prevailing in the overseas markets.
- 3.4.3 Establish autonomous power generation and recovery systems for leather industries. Encourage tanners to implement solar power systems to reduce electricity consumption through conservation and efficiency measures.
- 3.4.4 Build Economic Zones (EZs) for leather industry ensuring all infrastructure and environmental conservation requisites and improved road infrastructure to attract more domestic and foreign direct investment.
- 3.4.5 Increase efficiency of regulatory authorities to ensure that leather, leather goods and footwear exporters based in the Export Processing Zones (EPZs) and Economic Zones (EZs) have single-point customs clearance facilities.
- 3.4.6 In order to promote active participation of women into the leather industry, the inconsistencies in this sector to be eliminated by reviewing, evaluating and coordinating the gender related existing policies and practices.
- 3.4.7 Arrange special training to attract women as supervisor and managerial role and quality control testing. To comply with such directions, encourage the factories to issue such positive policies;
- 3.4.8 To reduce the lead time and cost and to ensure the procurement of raw skins and hides quickly, initiative to be taken to establish a central bonded warehouse for leather sector;
- 3.4.9 To reduce the lead time, initiative to be taken to release the raw materials of leather industry and to export the leather goods on a preferential/quicker basis at all ports of the country including Chattogram port;

3.4.10 Necessary measures to be taken to establish storage to preserve the hides and skins on temporary basis by leather traders.

3.5 Market Expansion Activities

3.5.1 To increase the export volume of leather, leather goods and footwear, several plans to be formulated by coordinating between private and public sectors and take initiatives to implement that. To create new markets, regular exhibitions of leather goods to be arranged for domestic-foreign investors and help the entrepreneurs to take part into the international trade fairs and exhibitions;

3.5.2 Through effective marketing activities, emphasis should be given on branding for the leather and leather goods of Bangladesh;

3.5.3 To get preferential treatment while exporting leather and leather goods, initiatives to be taken to sign bi-lateral agreement with the developed countries;

3.5.4 For leather, leather goods and footwear exporters funds to be disbursed from Export Credit Guarantee Scheme, Export Development Fund and Export Development Fund;

3.5.5 Arrange training programs to aware the entrepreneurs regarding the public health, environment and other Compliance and Conformity Regulations of the countries where the goods will be exported;

3.5.6 While exporting leather and leather goods, in compliance to the regulation of the markets of the respective countries, the capacity of the certification organization to be enhanced including their manpower in a continuous basis;

3.5.7 To ensure maximum value addition for skins and hides collected from internal sources, export of Crust and Finished leather should be discouraged and export of more value added goods like leather goods and footwear to be encouraged and measure should be taken to provide policy support and incentives in light to this policy.

3.6 Creation of Strong Backward and Forward Linkages

The creation of strong backward and forward linkages along the complete leather industry supply chain is imperative to become a major global player. In addition to linkages, particular attention must be paid to the availability of raw hides and overall research and development.

3.6.1 Encourage the formation of clusters to enhance coordination in the value-chain of leather industry;

3.6.2 For skill development at every level of the value chain of leather industry (abattoir, tannery, leather goods), assistance to be given for installation of Capital Intensive Mechanized Finishing Machinery;

- 3.6.3 Link the existing Leather Research Institute (LRI) with the tanneries for sampling and testing;
- 3.6.4 Strengthen diversified initiatives for industrial and technology development including creating strategic alliances, acquiring appropriate technologies, transferring technology to acquire improved technology and building effective linkages within and outside Bangladesh;
- 3.6.5 Promote linkages between large and medium-scale industrial firms and encourage them to comply the rules and regulations with the view to increase production capacity. Encourage the medium and large industries to form long-term sub-contracting agreement with the small industries;
- 3.6.6 Encourage the Leather Industry Development Research and Training Organizations to be proactive in development and design of finished leather as per the global trends so that export can be increased through diversification of leather goods and new products can be promoted to the respective markets;
- 3.6.7 To determine the demand of chemicals conduct a study and then set up warehouse in the Leather Industry Estates/Parks for most commonly used solid chemicals and facilitate access to easy credit facilities to the local companies who want to manage solid chemical wastes;
- 3.6.8 Establish Forward Linkage through new cluster model and based on the expertise of the companies, creation of link with the major footwear and leather goods companies;
- 3.6.9 Organize trade fairs in home and abroad for the leather goods sourcing countries to find new partners in leather industry;
- 3.6.10 Establish a special unit in every embassy or foreign mission of Bangladesh to provide local business information, to promote the restructuring and prospects of the sector as an eco-friendly, creative industry, organise and facilitate international fairs and exhibitions;
- 3.6.11 For 100% export oriented leather industries, Increase bonded facilities and other facilities including export subsidy, capital machinery, fire safety equipment purchase etc.;
- 3.6.12 Make the existing duty and tax return mechanism easier.

3.7 Skills and Human Resources Development

To transform and develop this sector into international standard, it is necessary for the human resource to have necessary skills and capacity.

- 3.7.1 In order to form skilled manpower including the participation of women, vocational technical training centers to be established to expand the skill development programs for leather, leather goods and footwear industry;
- 3.7.2 Establish a Product Development and Design Institute so that local footwear manufacturers can promote their own designs to all and reduce dependence on middlemen. The establishment can be made through partnership with a reputable international design institute;
- 3.7.3 Establish network with management training institutions or upgrade the current Institute of Leather Engineering and Technology (ILET) as per industry demands in order to support skill manpower development in leather industry. Strengthen competencies in order to create a sufficiently trained workforce for the tannery, footwear and leather goods sub-sectors at all levels, including senior and middle management, quality, merchandisers and supervisors;
- 3.7.4 Adoption and implementation of specific plan to expand the skill development program for leather, footwear and leather goods;
- 3.7.5 Develop an orientation curriculum about the demand of the leather sector and include production engineering programs at local universities so that leather-manufacturing sector can remain competitive through innovation and application of best processes and practices;
- 3.7.6 Provide importance to create equal opportunity for man and woman for the development of technology and skill at every sector of the industry;
- 3.7.7 To increase environment management capacity, create short-, mid- and long-term programs by employing local and foreign advisors with the direct assistance of the Department of Environment and coordination of the respective association;
- 3.7.8 Necessary initiative to be taken to develop trained personnel for removing skins and hides of animals at village/area level. Especially, before the Eid-ul-Adha, different campaigns to be arranged and awareness to be raised regarding method of skin and hide removal from the animals, their preservation, transportation and necessary training courses and workshops to be organized for butchers and hides and skins traders.

3.8 Facilitate Local and Foreign Direct Investment

If Bangladesh wants to reach the level of other leading footwear and leather goods exporters, necessary steps to be taken to encourage local and Foreign Direct Investment and facilitated.

- 3.8.1 Designate a specialised cell within the Bangladesh Investment Development Authority (BIDA) to promote the development of leather industry effectively and create an efficient system for feasibility study and implementation of suitable projects in this sector. For this purpose, a specialized one-stop service to be established;
- 3.8.2 Stabilise import duty policies for raw materials, machinery and equipment for a definite period of time;
- 3.8.3 Create special opportunities to encourage investment in the leather processing industries having modern and advanced technology as well as to modernise the existing tanneries working for quality improvement of processed leather for footwear;
- 3.8.4 In order to increase export, local business organizations to be facilitated for investment to establish Forward Linkage with the major brands and retailers of leather industry;
- 3.8.5 As the second largest export sector, the facilities given to the leather sector (for example, size of EDF, Inter Bond Transfer Facilities for existing bond mechanism, Fire and Building Safety and equipment related to compliance) should make equal to the facilities given to Readymade Garments sector;
- 3.8.6 Encourage the establishment of chemical industry for import alternative leather processing, manufacturing of various components of footwear and various accessories of leather industry locally. In this case, promote foreign investment or joint-venture;
- 3.8.7 Promote foreign investment and joint investment in leather, leather goods and footwear industry.

3.9 Emphasise on Public-Private Partnership

- 3.9.1 To overhaul and modernize the value chain of leather industry, consultative institutional structure will be established to facilitate complete support from public and private sectors for infrastructure development, leather processing and environmental management.
- 3.9.2 Creation of a joint forum with existing associations and business associations in order to ensure the role of private sector for leather sector-based economic development.

3.10 Financing and Incentivising for the Development of Leather Industry

For the development of leather industry, it would be wise to accept projects primarily for research, training, machinery, environmental protection, cleaner production and infrastructure. To increase export, the process of increasing investment through public and private partnership should be improved.

- 3.10.1 Attract and fruitfully use preferential loans for green technology from Bangladesh Bank [BB] and play active role in environmental protection through sectoral programs.
- 3.10.2 Create a capital market for environmental protection and take special measure for mobilising domestic and foreign capital. Provide support to meet financial demands of leather industries/tanneries to create skilled manpower and technical initiatives for environmental protection;
- 3.10.3 To promote environmental compliance, provide incentive funds on a priority basis to leather industries/tanneries who takes compliance programs;
- 3.10.4 The industries involved in production and who are eager for cleaner production, should receive financial incentives in their investment projects;
- 3.10.5 Find funding from state budget and aid organizations for implementing a cleaner production strategy;
- 3.10.6 Establish laboratory in the respective industrial area for implementing traceability system;
- 3.10.7 Take initiative to develop the road infrastructure and to establish fuel saving power generation and recovery systems in the leather, leather goods and footwear industrial area;
- 3.10.8 Linking the tanneries with Leather Research Institute and assisting them for better sample making and testing;
- 3.10.9 Arrange special fund for capacity building to export leather and leather goods in international markets through productivity increase and product development activities;
- 3.10.10 Facilitate credit facilities to reputable local companies who want to establish partnerships with international chemical manufacturers;
- 3.10.11 Provide collateral free loans to potential women entrepreneurs who are interested in investing in the sector or to expand existing businesses;
- 3.10.12 Extend Existing fiscal benefits in the form of cash incentives on leather, leather goods and footwear export sector at least for the next five years.
- 3.10.13 Arranging 'Green Financing' from Green Transformation Fund (GFT) for the tanneries and leather goods producing factories and disbursing through commercial banks;
- 3.10.14 Expand the scope of Export Development Funds (EDF) for leather and leather goods sector;
- 3.10.15 Special facilities to be given to import modern machinery to be used for local and export-oriented leather industry;

- 3.10.16 Facilities to be given to import raw materials of leather industry;
- 3.10.17 To prevent the scarcity of raw materials of leather industry/raw leather in future, encourage commercial cattle farming and incentivising this sector.

Chapter 4

4. Policy Implementation, Monitoring and Evaluation

The Ministry of Industries will take appropriate measures to ensure stakeholder's participation to implement, monitor and evaluation of the 'Leather and Leather Goods Development Policy'.

4.1 The Leather and Leather Goods Development Coordination Council

To coordinate the implementation of this policy, 'Leather and Leather Goods Development Coordination Council' will be formed as mentioned below. This council will be the top council for policy implementation and monitoring of leather and leather goods development of the country.

1	Minister, Ministry of Industries	Chairman
2	State Minister, Ministry of Industries	Co- Chairman
3	Governor, Bangladesh Bank	Member
4	Chairman, National Board of Revenue	Member
5	Secretary, Ministry of Industries	Member
6	Secretary, Ministry of Commerce	Member
7	Secretary, Ministry of Foreign Affairs	Member
8	Secretary, Finance Division, Ministry of Finance	Member
9	Secretary, Ministry of Environment, Forest and Climate Change	Member
10	Secretary, Power Division, Ministry of Power, Energy and Mineral Resources Division	Member
11	Secretary, Energy and Mineral Resources Division, Ministry of Power, Energy and Mineral Resources Division	Member
12	Secretary, Ministry of Agriculture	Member
13	Secretary, Ministry of Land	Member
14	Secretary, Ministry of Labour and Employment	Member
15	Secretary, Ministry of Water Resources	Member
16	Secretary, Rural Development and Co-operative Division, Ministry of Local Government, Rural Development and Co-Operatives	Member

17	Secretary, Local Government Division, Ministry of Local Government, Rural Development and Co-Operatives	Member
18	Secretary, Fisheries and Livestock Ministry	Member
19	Secretary, Secondary and Higher Secondary Division, Ministry of Education	Member
20	Secretary, Technical and Madrasah Education Division, Ministry of Education	Member
21	Secretary, Ministry of Science and Technology	Member
22	Secretary, Road Transport and Bridges Division, Ministry of Communication	Member
23	Chairman, Bangladesh Tariff Commission	Member
24	Executive Chairman, Bangladesh Investment Development Authority	Member
25	Chairman, BSCIC	Member
26	Vice Chairman, Export Promotion Bureau	Member
27	Director General, BSTI	Member
28	Director General, Bangladesh Bureau of Statistics	Member
29	Chief Executive Officer, Dhaka South City Corporation	Member
30	Chief Executive Officer, Dhaka North City Corporation	Member
31	Chairman, Bangladesh Council of Scientific and Industrial Research (BCSIR)	Member
32	Director, Institute of Leather Engineering and Technology	Member
33	President, Federation of Bangladesh Chambers of Commerce and Industries	Member
34	President, Dhaka Chambers of Commerce and Industries	Member
35	President, International Chambers of Commerce and Industries, Bangladesh	Member
36	Chairman, Bangladesh Finished Leather, Leather Goods and Footwear Exporters Association	Member
37	Chairman, Bangladesh Tanners Association	Member
38	President, Leather Goods, Footwear Manufacturers and Exporters Association	Member
39	President, National Association of Small and Cottage Industries of Bangladesh (NASCIB)	Member
40	Managing Director, SME Foundation	Member
41	Relevant Additional Secretary/Joint Secretary, Ministry of Industries, Bangladesh	Member-Secretary

4.2 Scope of Work of the Co-ordination Council

1. The council will sit at least once in a six month months. However, if necessary, meeting can be called at any time;

2. The 'Coordination Council' will coordinate the activities described in this policy with the development policy of the Government;
3. The council will take appropriate measures for the development of leather industry and will measure the impact of this policy on the economic development of the country;
4. The council will strengthen and assist the public-private partnership;
5. The council will evaluate the 'Leather and Leather Goods Development Policy' after a certain interval and for national development they will advise to update this on a priority basis;
6. If necessary, the council can co-opt or invite new member(s).

4.3 The Leather and Leather Goods Development Implementation Council

Based on the recommendation of the 'Leather and Leather Goods Development Coordination Council; the 'Leather and Leather Goods Development Implementation Council' will be formed with the following members:

01	Secretary, Ministry of Industries	President
02	Additional Secretary (Auto body and IC), Ministry of Industries	Member
03	Additional Secretary, Ministry of Commerce	Member
04	Chairman, Bangladesh Small and Cottage Industries Corporation (BSCIC)	Member
05	Executive Director, Bangladesh Bank	Member
06	Director, Bangladesh Parjatan Corporation	Member
07	Member, Bangladesh Tariff Commission	Member
08	Joint Secretary (Policy)	Member
09	Director, Department of Environment	Member
10	Director, Bangladesh Bureau of Statistics	Member
11	Director, Leather Research Institute	Member
12	Deputy Managing Director, SME Foundation	Member
13	Director, Institute of Leather Engineering and Technology	Member
14	Director, Federation of Bangladesh Chambers of Commerce and Industries (FBCCI)	Member
15	Two experts on Leather and Leather Goods Industry, (Government nominated)	Member
16	Chairman, Bangladesh Finished Leather, Leather Goods and Footwear Exporters Association	Member
17	President, Leather Goods, Footwear Manufacturers and Exporters Association	Member

18	Chairman, Bangladesh Tanners Association	Member
19	President, National Association of Small and Cottage Industries of Bangladesh (NASCIB)	Member
20	Relevant Deputy Secretary/Senior Assistant Secretary (Policy Section)	Member-Secretary

4.4 Scope of Work of the Implementation Council

4.4.1. The council will sit at least once in a 03 (three) months. However, if necessary meeting can be called at any time;

4.4.2 Based on the recommendations of the co-ordination council, the Implementation Council will take decision to conduct census/survey jointly with the Ministry of Industries and the Associations and request BBS to collect information on present labour market situation of this sector, working environment in the industries, compliance of health and safety issues, investment on infrastructure financing, incentives, fund collection and above all information on the implementation of the policy as well as its monitoring and evaluation;

4.4.3 Based on the advice of Co-ordination Council, the implementation council will take necessary action and will inform the progress to the co-ordinating council;

4.4.4 For the steady development of the leather and leather goods sector, implementation council will provide recommendations and present them to the co-ordinating council;

4.4.5 The council will present necessary recommendations on National Import and Export Policy, National Industrial Policy and National Budget;

4.4.6 The implementation council will present recommendations for different financial incentives to the co-ordinating council;

4.4.7 The Policy Section of the Ministry of Industries will provide secretarial role of this council;

4.4.8 The council will be able to co-opt any person as per necessity and invite new member(s).

5 Strategic Implementation Task Force (SITF)

5.1 A number of strategies and initiatives are mentioned in the time-bound Action Plan may take more than 05 (five) years to implement all the actions. The strategies and initiatives are much interdependent and hence, a strong co-ordination and monitoring process are required to ascertain that the results are achieved timely in accordance with the plan. A Strategic Implementation Task Force (SITF) will be formed along with the important representatives from different ministries/organizations., the implementation council will arrange the necessary resources for the smooth formation of SITF

5.2 SITF will work full-time as an integral part of the implementation council.

5.3 SITF will inform the implementation council about the progress and result of policy execution at a regular basis and provide suggestion to overcome problems or emergency steps need to be taken.

6 Policy Observation

The implementation and execution of different activities of the policy will be regularly monitored using appropriate indicators and a total participation of all the important stakeholders of private leather and leather goods sector will be ensured in this regard.

The responsibility of municipality level committees as formed by the ministries or divisions or any government organization will be to help implementation of this policy goals, subject matters and to solve problems.

All activities regarding environmental protection, compliance of health and safety issues and their monitoring and infrastructure, forward and backward linkages, capacity building and create awareness will be expedited .

1. 'Leather & Leather Goods Development Policy 2019' Time-bound Action Plan

Important factor for the implementation of 'Leather and Leather Goods Policy' is active participation of all stakeholders. To accomplish this initiation of a time-bound plan is necessary. To flourish this sector, participation of public sector is as important as ensuring the construction of adequate and effective infrastructure, financing and other legal and regulatory processes, helping exchange of expertise and initiative of government sector to step into the global market are also as important.

Steps for implementation of this policy include rules and regulations regarding the environment; control system for environment-friendly cleaner production; effective utilization of CETP; electricity and transport system; procedure for waste storage and recycling, bonded warehouse system, modernization of animal husbandry; safe working environment for the workers, compliance audit; sector-wise incentivizing for transformation and motivation. To attract more local and foreign investments these initiatives will play as the base in building a new image of leather sector of the country as a regulated and business-friendly industry. These will also motivate the private sector in creating stronger backward and forward linkages in regulating the total supply chain.

1.1 Time-bound Action Plan

Objectives	Initiatives	Short term (0-1)	Mid term (1-3)	Long term (3-5)	Implementing ministry/division /organisation	Supporting ministry/division /organisation/ institution
Compliance of sustainable eco-friendly matters (Policy Para 3.1)						
1. Amendment and addition of existing environment conservation Act	1.1 Review and coordination of existing environment related policies to make it consistent with the local and international standards		√		Department of Environment/ Ministry of Environment, Forest and Climate Change	Private Sector, BSCIC

Supporting ministry/division/organisation/institution	Implementing ministry/division/organisation	Long term (3-5)	Mid term (1-3)	Short term (0-1)	Initiatives	Objectives
Private sector	Ministry of Commerce, BSCIC, Ministry of Environment, Forest and Climate Change		√		1.2 Coordination among the Government and environment-centric various organisations, private sector and important brand and retailers in order to fulfill the international standard to measure the needs for Leather and Leather Goods	
Private sector, BSCIC, LRI	Department of Environment/Ministry of Forest and Climate Change		√		2.1 Initiation & strengthening of effective system for protection of industrial pollution, e.g. related audit for the matters included or to be included with tannery and tannery-related activities	and unification of various government bodies concerned with the protection of environment
Private sector and BSCIC	Department of Environment/Ministry of Forest and Climate Change		√		2.2 Formation of a special audit unit in coordination with BSCIC to ensure environment related standards, who will basically run their audit activities on random basis	
Private sector and BSCIC	Department of Environment/Ministry of Forest and Climate Change			√	2.3 Determine the process of conflict resolution and procedures for collecting for compensations for environmental damage	

Objectives	Initiatives	Short term (0-1)	Mid term (1-3)	Long term (3-5)	Implementing ministry/division /organisation	Supporting ministry/division /organisation/institution
	2.4 Evaluation and insurance of eligibility of Bangladeshi technicians and workers, working for the protection of industrial pollution and environment related audits. If necessary, training of units nominated for the process for control of pollution and other tannery related activities		√		Department of Environment/ Ministry of Environment, Forest and Climate Change	Private sector, BSCIC
3. Strengthen and implement scientific and technological research & development for the protection of environment	3.1 Involve Leather Research Institute (LRI) or competent international expert to determine matters necessary for feasibility study for the Establishment of Saline Waste-Water Treatment Plant, centralized waste removal place and establishment of solid wastes recycling plant, water treatment plant and sewerage plants.			√	LRI or International Experts	Private sector, BSCIC
	3.2 Conduct specific research to determine impact and efficiency and formulate suggestions for solid waste treatment		√		LRI or International Experts	Private sector, BSCIC
	3.3 Determination of place for the solid waste removal and formulate recommendations for their recycling and assessment of necessary investment to complete this		√		LRI or International Experts	Private sector, BSCIC

Objectives	Initiatives	Short term (0-1)	Mid term (1-3)	Long term (3-5)	Implementing ministry/division /organisation	Supporting ministry/division /organisation/institution
4. Review the present situation of tanneries and formulate an action plan	4.1 Review the compliance of tanneries according to international rules and regulations and identification of factors influencing the compliance and formulation of recommendations		√		BSCIC	Private sector
	4.2 Based on research outcomes, prepare an action plan and implement it for tannery subsectors on important issues related to international standards			√	Private sector	Business Associations/Trade Bodies
5. Transfer of new and modern technologies for the protection and control of pollution	5.1 Increase local capacity to train on environmental protection and research on utilization of economic resources and best practices	√			BSCIC	Business Associations/Trade Bodies
	5.2 Prepare national database for providing timely, accurate and complete information on the provisions of environmental protection, audit activities and their breaches			√	Department of Environment/ Ministry of Environment, Forest and Climate Change	Business Associations/Trade Bodies
	5.3 Initiate investigation on violation of law and environmental crimes	√			Department of Environment/ Ministry of Environment,	Business Associations/Trade Bodies

					Forest and Climate Change	
	5.4 Initiate action plan for solid waste products storage and their recycling			√	Department of Environment/ Ministry of Environment, Forest and Climate Change	Business Associations
6. Emphasis on environment and climate changes education	6.1 Prioritise education related programs to meet the highest demands in the industrial sector			√	Technical and Madrasah Education Board	Business Associations/Trade Bodies
	6.2 Put importance on training to enhance knowledge on management and increase efficiency so that human resource can fulfil the demand of environmental protection			√	Technical and Madrasah Education Board	Business Associations/Trade Bodies
Promote Cleaner Production (Policy Para 3.2)						
7. CERP Certification according to international standard	7.1 Evaluate and ensure the required knowledge and technical skill of the local technicians and workers available to run the CERP effectively in the leather sector			√	BSCIC	Department of Environment
	7.2 Ensure proper machinery and equipment in the CERP testing laboratory so that it can function properly			√	BSCIC	BSTI
	7.3 Audit and certify CERP according to international standards to ensure long-term facilities for tanneries and their buyers			√	BSCIC	Business Associations/Trade Bodies

Objectives	Initiatives	Short term (0-1)	Mid term (1-3)	Long term (3-5)	Implementing ministry/division /organisation	Supporting ministry/division /organisation/ins titution
8. In CETP, determine and publish standard rules and regulations regarding wastages of tanneries and technical guidelines thereabout for cleaner production	8.1 Enhance communication between research institutes, universities and factories involved in production for cleaner production in case of research, technology transfer and implementation		√		BSCIC, Department of Environment	Business Associations/Trade Bodies
	8.2 Formulate rules and regulations, directives and determine standards for cleaner production and tannery wastages in the CETP and publish them				BSCIC	Business Associations/Trade Bodies
9. Set standards regarding environment and create cluster models to implement cleaner production	9.1 Emphasise on cluster models at every levels of supply chain to comply with issues regarding the environment and in achieving the target of cleaner production			√	BSCIC, Business Associations	
	9.2 Formation of a certified independent body to receive nomination/certification from BSCIC or environment related any other selected organisation to evaluate the effectiveness of CETP after a certain period and regarding the quality of wastes produced from CETP and compliance with rules and regulations related with environment and cleaner production				√	BSCIC, Business Associations

Objectives	Initiatives	Short term (0-1)	Mid term (1-3)	Long term (3-5)	Implementing ministry/division /organisation	Supporting ministry/division /organisation/institution
10. Create a successful model and certify it on cleaner production in the industries and environmental protection	10.1 Encourage organizing seminars on cleaner production process, policies and rules and regulations for the managers of industries and giving emphasize on education for improving awareness on cleaner production at every process of leather and leather producing industries			√	BSCIC, Ministry of Industries	Business Associations/Trade Bodies
	10.2 Encourage cluster organisations to get ISO 14000 (2015) accreditations for their environmental management systems.		√		BSCIC, BSTI, Ministry of Industries	Business Associations
11. Create a network among the certified agencies to assist in the application of cleaner production throughout the leather value chain	11.1 Develop network among the organisations supporting cleaner sectoral production within the Ministry of Industries and in the Savar area.	√			BSCIC, Ministry of Industries	Business Associations/Trade Bodies
	11.2 Assist the organisations to create joint ventures with recognised international auditors.			√	BSCIC, Ministry of Industries	Business Associations/Trade Bodies
	11.3 Promote training of trainers in industries through certified agencies in order to update the skills of management and workers and to help ensure the sector becomes compliant with pollution control measures.		√		BSCIC, Ministry of Industries	Finance Division

Objectives	Initiatives	Short term (0-1)	Mid term (1-3)	Long term (3-5)	Implementing ministry/division /organisation	Supporting ministry/division /organisation/institution
Compliance and Occupational Health and Safety (Policy Para 3.3)						
12. Enforce labour law and improve labour conditions	12.1 To improve the labour conditions, take steps according to international standards			√	Ministry of Labour and Employment	ILO, Private Sector and Major Brands
	12.2 Create sub-committee to engage in CSR and OHS initiatives.		√		Ministry of Labour and Employment	BSCIC
	12.3 Establish and publicise an audit system to ensure labour laws and safety standards are adopted at tanneries, footwear and leather goods factories		√		Nominated CSR and OHS Sub-committee	Private Sector, ILO and International Agencies
	12.4 Review, assess and harmonise existing gender policies and practices in industrial establishments		√		Ministry of Labour and Employment, Nominated CSR and OHS Sub-committee	Private Sector, ILO and International Agencies
	12.5 Provide technical assistance in this sector to add health and safety standards in the factory		√		Ministry of Labour and Employment	Private Sector, ILO and International Agencies
13 Adopt Corporate Social Responsibility (CSR) and Occupational Health and Safety (OHS) guidelines	13.1 Develop an action plan to effectively implement and ensure labour law		√		Nominated CSR and OHS Sub-committee	Private Sector, ILO and International Agencies
	13.2 Building awareness in this sector and sensitise producers about attributes of quality products and compliance with international codes and standards	√			Nominated CSR and OHS Sub-committee	Private Sector, ILO and International Agencies

Objectives	Initiatives	Short term (0-1)	Mid term (1-3)	Long term (3-5)	Implementing ministry/division /organisation	Supporting ministry/division /organisation/institution
	13.3 Develop a self-assessment tool for companies to identify areas for improvement before achieving compliance and full certification from bodies such as the LWG		√		Nominated CSR and OHS Sub-committee	Private Sector, ILO and International Agencies
	13.4 Develop a self-assessment tool for the footwear and leather goods manufacturing factories so that they can identify areas for improvement in order to pass CSR audits with major brands and retailers		√		Nominated CSR and OHS Sub-committee	Private Sector, ILO and International Agencies
14. Auditing and certification for CSR and OHS compliance	14.1 Strengthen the role of CSR certified agencies, which will be recognised by major brands and retailers and carry out periodic audits throughout the industry during the transformation period		√		Business Associations	Private Sector
	14.2 Encourage the leather sector to undergo regular auditing and certification procedures to help enhance the sector's competitiveness in global marketplace		√		Business Associations	Private Sector
Infrastructure Development (Policy Para 3.4)						
15. Organise and modernize existing slaughtering procedures	15.1 Engage municipalities to take initiatives in the slaughtering processes	√			Local Government Division, Municipal authority	Business Associations/ Trade Bodies

Objectives	Initiatives	Short term (0-1)	Mid term (1-3)	Long term (3-5)	Implementing ministry/division /organisation	Supporting ministry/division /organisation/institution
	15.2 Formulate recommendation to evaluate existing procedures and techniques and to capacitate, operate and manage the slaughterhouses according to international best practices		√		Local Government Division, Municipal authority	Business Associations/ Trade Bodies
	15.3 Identify individual slaughterhouses and advise their participation in cluster model and existing slaughterhouses	√			Local Government Division, Municipal authority	Business Associations/ Trade Bodies
	15.4 Work with responsible authorities and municipalities to ensure safer and hygienic slaughtering procedure and simplify transportation system			√	Local Government Division, Municipal authority	Business Associations/ Trade Bodies
16. Develop infrastructure of EZS and bonded warehouse facilities	16.1 Establish autonomous power generation and recovery systems for TIED.			√	Power Division, TIED	
	16.2 Emphasise on effective management and conservation of power to ensure its continuous supply without disruption and with affordable price			√	Power Division, TIED	

	16.3 Improve bonded warehouse facilities for SME's and simplify management and duty drawback systems			√	National Board of Revenue	Business Associations/Trade Bodies
	16.4 Materialize reform process of regulatory body to ensure facilities so that leather, leather goods and footwear exporters can receive customs clearance letter from a single point		√		National Board of Revenue	Trade Organisations
	16.5 Provide budgets to improve road network in TIED.			√	Local Government Division, BEZA, BEPZA, BSCIC	Business Associations/Trade Bodies
	16.6 Put emphasis on establishment of commercial infrastructure facilities such as industrial, science and technology parks/estates with common facilities			√	Local Government Division, BEZA, BEPZA, BSCIC	Business Associations/Trade Bodies
17. Organise and modernise the tanneries to comply with CSR, OHS and labour law	17.1 Use the latest management techniques, equipment, and modern working practices and engage overseas specialists from leading international engineering firms to assist for establishing best infrastructure so that the overall flow up to the finished leather within the facility is improved. The upgraded tanneries must be compliant with all CSR and health and safety standards.			√	Ministry of industries	Business Associations/Trade Bodies

Objectives	Initiatives	Short term (0-1)	Mid term (1-3)	Long term (3-5)	Implementing ministry/division /organisation	Supporting ministry/division /organisation/institution
18. Upgrade existing production technologies and machineries of the tanneries	18.1 Construct cold storage to store hides and skins (where these can be stockpiled for at least 2-3 months during the peak season)			√	BSCIC, Business Organisation	Business Associations/ Trade Bodies
	18.2 Encourage tanners to procure essential process control equipment in order to reduce huge stocks of poor-quality leather to a more acceptable level.			√	Business Organisations	Business Associations/ Trade Bodies
19. Evaluate manufacturing performance and improve	19.1 Engage a manufacturing consultancy firm, if necessary, to work with the tanneries, footwear and leather goods manufacturing factories to improve their processes and practices that would reduce the cost and manufacturing time.		√		BSCIC, Ministry of Industries	Business Associations/ Trade Bodies
	19.2 Conduct research of the cluster companies to evaluate their current state against a set of key performance indicators			√	LRI, BSCIC	Business Associations/ Trade Bodies
	19.3 Provide recommendations to make plans to reduce cost and lead-time through productivity improvement using lean manufacturing techniques		√		BSCIC, NPO	Business Associations

	19.4 Strengthen existing Leather Research Institute (LRI) to increase the scope of their production capacities and to support the tannery clusters with a common facility employing best technologies as per demand		√		BSCIC, Ministry of Industries	Business Associations/ Trade Bodies
20. Traceability and Sustainability	20.1 Encourage tanneries to create a sustainability team responsible for monitoring the effectiveness of systems related to regulations and their enforcement regarding environmental protection, cleaner production, and traceability along with the entire supply chain			√	BSCIC, Ministry of Industries, Chambers	Business Associations/ Trade Bodies
	20.2 Introduce ERP (Enterprise Resource Planning) software into the leather value chain to manage inventories, forecast demands and to plan more accurately for materials and resource requirements		√		Ministry of Commerce, BSCIC	Business Associations /Trade Bodies
Market Expansion Activities (Policy Para 3.5)						
21. Access to market	21.1 Initiate market study to analyse the key success factors that influence and attract major brands and retailers and analyse production cost and selling price		√		Ministry of Commerce, Ministry of Industries	Business Associations /Trade Bodies

	21.2 Take expert opinion to assist the selected companies to prepare suitable marketing portfolios and sample collection in order to increase exports	√			Ministry of Commerce, Ministry of Industries, Business Associations	
	21.3 Create awareness through different media to promote restructuring and labelling of the sector as an eco-friendly, creative and high-quality industry.	√			BSCIC, Ministry of Industries, Ministry of Commerce	Business Associations /Trade Bodies
	21.4 Activate overseas Bangladesh High Commissions to help get access of this industry in the target markets.		√		Ministry of Foreign Affairs, Ministry of Commerce, Ministry of Industries	Business Associations
	21.5 Organise specialised trade fairs and exhibitions to match export offerings with suitable major brands and retailers in the prospective countries, including northern Europe.	√			Ministry of Foreign Affairs, Ministry of Commerce, Ministry of Industries	Business /Trade Bodies Associations
	21.6 leather, leather goods and footwear exporters funds can be disbursed from Export Credit Guarantee Scheme and Export Development Fund.			√	Ministry of Finance, Ministry of Commerce, Bangladesh Bank	Trade Bodies

Objectives	Initiatives	Short term (0-1)	Mid term (1-3)	Long term (3-5)	Implementing ministry/division /organisation	Supporting ministry/division /organisation/institution	
Create Strong Backward and Forward Linkages (Policy Para 3.6)							
22. Value chain cluster of leather	22.1 Open discussion with the trade organisations to nominate/select companies, those are interested to participate voluntarily in the leather value chain cluster			√	Ministry of Commerce, Business Associations		
23. Create cluster of companies within the sector to enhance value-chain coordination	23.1 Formulate a backward linkage policy to support the growth of the leather sector with tax holidays for the backward linkage industries		√		National Board of Revenue, Tariff Commission	Business Associations/ Trade Bodies	
	23.2 Engage international experts in cluster development to assist in sectoral backward and forward linkage initiatives		√		BSCIC, Ministry of Industries	Business Associations /Trade Bodies	
	23.3 Conduct research on existing backward linkages in the Leather and Leather Goods industry, their prospect as well as any possible negative impact in the future			√		LRI, Tariff Commission	Business Associations /Trade Bodies
	23.4 Work with leather agents who sell processed leathers on behalf of the tanners and who are knowledgeable about technical issues as well as overseas market demand			√		Ministry of Commerce, Tariff Commission, Business Associations	

	23.5 Take initiatives to link tanneries with finished leather development and design procedures		√		BSCIC, Business Associations	
	23.6 Encourage LRI to be proactive in development and designing of finished leather	√			BSCIC, LRI	Business Associations/ Trade Bodies
24. Increase production capacity against demand	24.1 Promote linkages between large and medium-scale industries which are participating in the cluster and encourage them to establish long-term sub-contracting arrangements.			√	Ministry of Commerce	Business Associations /Trade Bodies
25. Linking to supply chain	25.1 To assist in determining whether the tanneries are operating as per the international environmental and quality standards, the large footwear and leather goods companies within the cluster should do better	√			Ministry of Commerce	Business Associations /Trade Bodies
Skill and Human Resource Development (Policy Para 3.7)						
26. Establish Product Development and Design Institute	26.1 Encouraging BGMEA University of Fashion and Technology Institute (BUFT) to develop or advance programs for product development, design and sale of footwear and leather products.		√		BSCIC, SME Foundation, National Skill Development Council, BGMEA University	Finance Division
	26.2 Establishing product development and design institute to develop specific programs for leather and leather products			√	Finance Division, BSCIC	Technical Education and Madrasa Division, Business

						Associations, LRI
	26.3 Allocating necessary investment for such projects			√	Finance Division, Ministry of Planning	BSCIC, Ministry of Industries
	26.4 Emphasising on investment opportunities of public and private sectors			√	PPP	Finance Division
27. Establish Vocational Technical Training Centre	27.1 As part of NTVQF, create technical training programs like that of ready-made garments sector		√		Technical and Madrasa Education Division	
	27.2 Coordinate with training providing institutes, so that their human resource development program and skill training reflects the demand of that sector		√		BSCIC, National Skill Development Council	Business Associations/ Trade Bodies, LRI
28. Establish contact with management training institutes	28.1 Develop training curricula for managers, work-study (education alongside employment) and quality experts, supervisors, trainers and evaluator according to the demands of the industry			√	BSCIC, National Skill Development Council	Business Associations /Trade Bodies
	28.2 Create a Productivity Improvement Cell (PIC), similar to that of BKME's successful unit to provide consulting services in the relevant sector and training at all levels from factory to line management.		√		BSCIC, NPO	Business Institutes

29. Attract local and foreign investors as training service provider	29.1 Create business opportunities in training services for the existing training centres.		√		BSCIC, SME Foundation	Business Institutes
	29.2 Encourage women entrepreneurs to invest or to create joint ventures with foreign training service providers.		√		BSCIC, SME Foundation, Women Chambers	Business Institutes
	29.3 Develop a business-friendly investment package to attract international training centres, who will be able to create new businesses or take joint ventures with existing local training centres.		√		BSCIC, SME Foundation	Business Institutes
30. Update knowledge of production engineer graduates to cater to needs of leather sector	30.1 Collaborate with the local universities to introduce the leather sector to the engineers, who will be able to help the tanneries, footwear and leather goods manufacturing companies in future in accordance to the best policies for their production process and operation.		√		Technical Education and Madrasa Division, Ministry of Industries, Ministry of Commerce	Business Institutes
	30.2 Encourage leather and leather goods manufacturing companies to seek out students from local vocational institutions for industrial training programs in their organisations			√	Technical and Madrasa Education Division	

Facilitate Local and Foreign Direct Investment (Policy Para 3.8)						
31. Emphasise on the development of Bangladesh Investment Development Authority (BIDA)	31.1 Create a specialized unit at Bangladesh Investment Development Authority (BIDA) to take this sector forward effectively		√		BIDA	
	31.2 Reducethe required time to implement strategic, procedural and routine operations; provideone-stop service with transparency		√		BIDA	
	31.3 Stabilize import duty policies on raw materials, machinery and equipment and avoid frequent changes in the policies		√		National Board of Revenue	Business Associations /Trade Bodies
32. Emphasise on invest in leather sector	32.1 Encourage investment on the modern and technologically advanced leather processing industries and on modernization of existing tanneries to improve the processed leather for footwear		√		BSCIC, SME Foundation	BIDA, Business Associations /Trade Bodies
	32.2 Initiate joint ventures for manufacturing of artificial leather and trim located there, so that demand for imports is reduced		√		Ministry of Commerce, PPP, BIDA	Business Associations /Trade Bodies
	32.3 Encourage local organisations, especially the RMG sector, to invest in production of footwear and leather products for export	√			Ministry of Commerce, BIDA	Business Associations /Trade Bodies
	32.4 Activate Bangladesh Embassies located abroad to help attract foreign direct investors	√			Ministry of Foreign Affairs, BIDA	Business Associations /Trade Bodies
	32.5 Attract foreign investment about the excellent scope of this sector	√			Ministry of Foreign Affairs, BIDA	

	32.6 Encourage women entrepreneurs to capitalize the business opportunities of leather industry	√			BSCIC, SME Foundation	Women Chamber
33. Call for investment in manufacturing of chemicals and other supplies	33.1 Conduct research on chemicals which have huge demands and can be manufactured in Bangladesh at acceptable levels and prices			√	Leather Research Centre, BIDA	Business Associations /Trade Bodies
	33.2 Take opportunity to conduct business activities jointly with renowned international chemical companies		√		BIDA, Ministry of Commerce	Business Associations /Trade Bodies
Emphasise on Public-Private Partnership (Policy Para 3.9)						
34. Strengthening the role of trade associations	34.1 Identify the roles and responsibilities of the trade associations in the efforts of supporting sector-wise transformation			√	Ministry of Commerce, Business Associations	Business Associations/Trade Bodies
	34.2 Plan and implement activities for the key sub-sectors related to the development of industries			√	Ministry of Commerce, BSCIC, Business Associations	Business Associations/Trade Bodies
	34.3 Arrange incentives for relevant sectors on discussion			√	Ministry of Industries, National Board of Revenue	Business Associations/Trade Bodies
Access to Finance and Incentives (Policy Para 3.10)						
35. Planning & Budget	35.1 Identification of financing sources for each activity described in the policy		√		Ministry of Commerce, Finance Division	Business Associations/Trade Bodies, LRI