

## Early Signs of Success in Hides, Skins and Leather Sector

The USAID-funded Agribusiness and Trade Expansion Activity, a three year project in Ethiopia focuses, in part, on increased competitiveness and trade expansion in the hides, skins and leather (HSL) sector. International and local technical experts are already engaged in field training and other efforts. In the three months since this project was initiated there have been eight training events in this sector for 198 Ethiopian technicians. The project targets to train 930 trainers and technicians by the end of the year as part of its plans to revamp the country's hides and skins value chain.



*Partial view of trainees on ectoparasite and other hide and skins diseases control  
(Gonder – Ethiopia)*

One strategic effort in particular focuses on developing a globally competitive HSL Cluster. This work is led by San Francisco-based Economic Competitiveness Group (ECG). Senior Principal Ted Lyman recently completed the first step in this cluster's development. On August 16, 2006 Lyman, with Project counterparts, held a half-day workshop with more than 40 industry leaders. The honored guest was Tadesse Haile, State Minister in the Ministry of Trade and Industry.



*The Meeting on the Cluster Sensitization*

The photo shows these industry leaders at the end of the workshop, with Minister Haile in the lower right, enthusiastically showing by their hands that “they’re in” with plans to reform the sector. But this is only the first step toward creating a more profound and

lasting change to the sector. These and other leaders will soon take the next step in a year-long, comprehensive effort aimed at strengthening HSL production and manufacturing in Ethiopia. Working sessions of leaders across the industry's value chain will begin in November. Facilitated by the Project, these sessions will first focus on consensus identification of critical issues impeding trade expansion, in priority order. Subsequent sessions will develop action initiatives designed to break through the impediments with new policies, new private sector initiatives and perhaps new private/public partnerships.

Lyman expects to see several concrete cluster initiatives implemented within the year. While some will no doubt be public sector efforts, many of these, he feels, will be led by one or more private sector "champions." In the kick-off session, Lyman used several examples to illustrate the results ECG expects from this effort, including of the wood products sector in Nicaragua. As a result of this effort, wood product exports are increasing, new jobs are being created, and firms are learning to collaborate even while competing.