



A bird's eye view of the factory. Below, one of the staff works in the company's laboratory.

Leather Industries of Uganda: Environment is their concern

Award winning. Leather Industries Uganda has attained a number of certificates, and has this year become the only leather tannery in Africa to be short-listed for the prestigious Tannery of the Year Award writes **Edgar R. Batte**

Leather Industries of Uganda Limited (LIU) is setting the benchmark for tanneries in the region to improve environmental performance. The company, which is part of the Industrial Promotion Services (IPS) group, is located in Jinja, on the shores of Lake Victoria near the source of the Nile. IPS is the infrastructure and industrial development arm of AKFED (Aga Khan Fund for Economic Development).

IPS's interest in LIU is long-running, dating back to 1995. At the time, the government rolled out a privatisation programme and listed a tannery in Jinja known as Uganda Leather and Tanning Industry (ULATI) in this programme.

In response, IPS formed a small consortium of partners, but retained majority shareholding in order to ensure its role as a long-term player in the sector, and established a company known as Leather of Industries of Uganda (LIU). LIU purchased the assets of Government owned ULATI.

Since establishment, the LIU has grown to be a leader in the leather industry across East Africa, setting a benchmark for tanneries in the region to improve environmental performance. LIU produces high quality wet blue leather for export. The most common material used in tanning is chromium, which leaves the tanned leather a pale blue colour. This product is commonly called wet blue.

LIU has capacity to tan 200,000 cow hides per year, translating to six million square feet of wet blue. According to a LIU's Head of Operations, Nelson Agaba, the company supplies local, regional and international markets including South Africa, China, Italy and India.

Maintaining the environment

From inception, environmental sustainability was one of LIU's key pillars. This was a natural consideration since the process of

converting raw hides and skins to finished leather can potentially have a negative environmental impact considering the fact that mismanagement of organic material and inorganic chemicals used in the tanning process can put the fragile natural ecosystem at risk of pollution.

LIU's journey to becoming a leader started over six years ago, when management made a concerted effort to overhaul the facility and invest in increasing resource efficiency and productivity through substitution of old technologies with new, clean and efficient technologies. This commitment to environmental sustainability bore fruit.

LIU boasts of reducing its water consumption and waste water generation footprint by over 50 per cent. These efforts have been recognised. In 2013, LIU received two honours at the Resource Efficient and Cleaner Production Awards, a programme focused on multiple industries that is run by the United Nations Industrial Organisation and the World Bank-backed Uganda Clean Production Centre

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THE NUMBER OF UGANDANS LIU EMPLOYS IN KEEPING WITH THE GOAL TO BUILD LOCAL CAPACITY

under a project called the Lake Victoria Environmental Management Project (LVEMP) whose main focus is to facilitate better management practices in industries that lie within the Lake Victoria basin of East Africa.

Awarded for efforts

The awards were recognition for the leather company's work in reducing water consumption and for excellence in wastewater management. The following year, Kenya's National Cleaner Production Centre bestowed on them an East African Regional Award for wastewater management. Leather Industries of Uganda Ltd. has planted over 30,000 trees onsite and in the local community, under its staff-led

'Giving Back to Nature' programme, which has seen a return of diverse flora and fauna. The company also has a growing bursary programme for high-performing pupils from low-income families in the area around the tannery.

In March 2016, LIU underwent a comprehensive Leather Working Group (LWG) audit, passing on its first attempt, therefore, making it the only tannery in sub-Saharan Africa, outside of South Africa, to attain LWG certification and remains so to date. LWG is an international multi-stakeholder group comprising buyers, manufacturers, suppliers, NGOs and end users of leather products worldwide.

It assesses the environmental compliance and performance capabilities of tanners and promotes sustainable and appropriate environmental business practices within the leather industry. LIU attained the International Environmental Stewardship Certification of LWG which was a big milestone for the company and its employees.

Attaining LWG certification has allowed LIU to expand its business and become part of a global value chain of only 300 other LWG certified companies worldwide.

LIU has this year become the only leather tannery in Africa to be short-listed for the prestigious Tannery of the Year Award which seeks to reward tanneries across the globe that are exemplary and leading in best environmental management practices.

In line with the Ugandan Government's policy to Build Uganda, Buy Uganda, LIU has plans to invest further down the value chain. In the next phase LIU is intending to expand into production of finished leathers and leather goods particularly shoes to achieve the government role of sourcing the products from the domestic industry.

The company employs about 100 Ugandans which is actualisation of its goal to continue building local capacity and knowledge and skills level to keep up with industry changes and new technology developments.

