

LEATHER & HIDES INDUSTRY IN SOUTH AFRICA

**AN OVERVIEW OF WHAT IS CURRENTLY HAPPENING
IN SOUTH AFRICA**

SOUTH AFRICA IN 20 SECONDS

THE BEAUTY AND MYSTIQUE OF OUR COUNTRY



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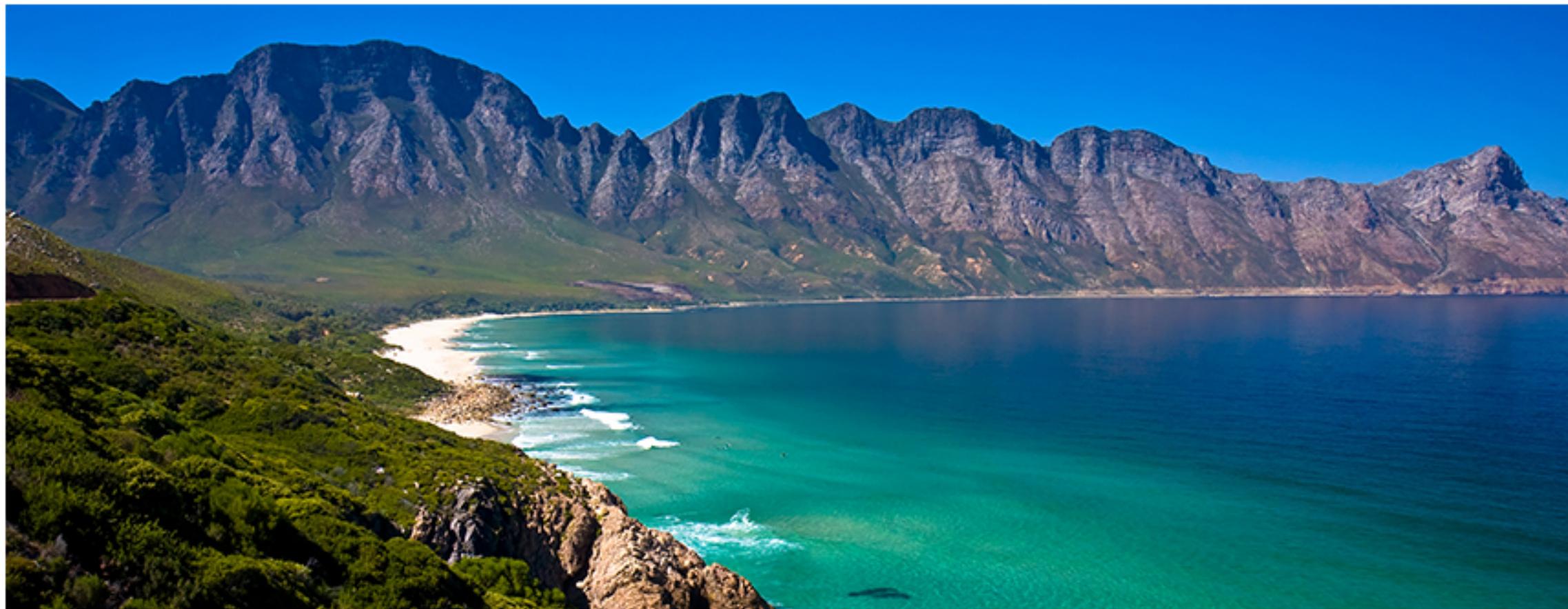
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BEEF FARMING IN SOUTH AFRICA

SECTORIAL INFORMATION



SHEEP FARMING IN SOUTH AFRICA

SECTORIAL INFORMATION



GAME FARMING IN SOUTH AFRICA

SECTORIAL INFORMATION



AGRONOMY FARMING IN SOUTH AFRICA

SECTORIAL INFORMATION



FORMAL FARMING IN SOUTH AFRICA

SECTORIAL INFORMATION - COMMERCIAL



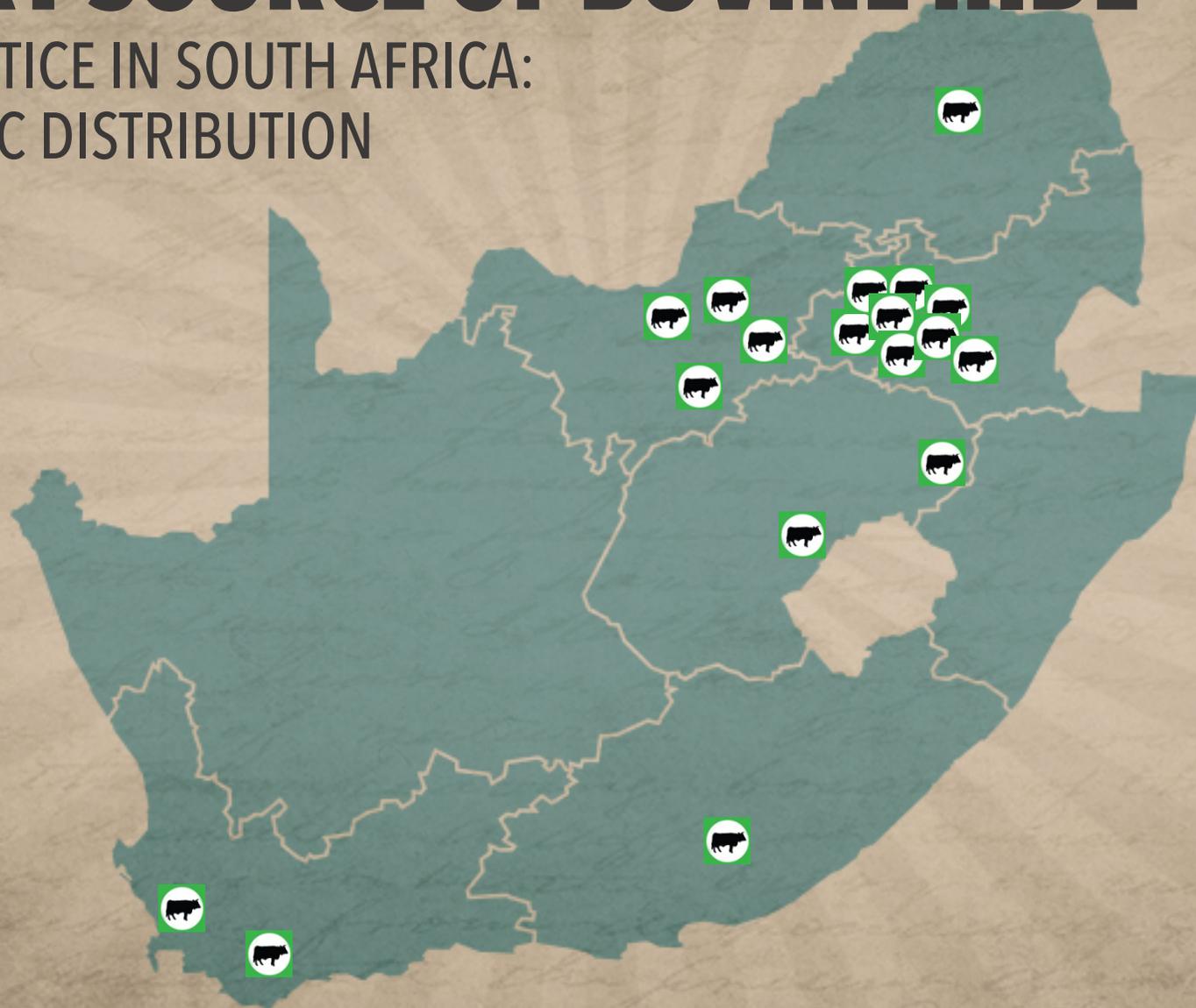
INFORMAL FARMING IN SOUTH AFRICA

SECTORIAL INFORMATION – SMALL SCALE



PRIMARY SOURCE OF BOVINE HIDE

FEEDLOT PRACTICE IN SOUTH AFRICA:
DEMOGRAPHIC DISTRIBUTION



PRIMARY SOURCE OF BOVINE HIDE

FEEDLOT PRACTICE IN SOUTH AFRICA - NUMBER OF CATTLE

230,000 PER MONTH

2,760,000 PER

YEAR

HIDE PROCESSING vs RAW EXPORT

WET SALT EXPORT

25%

WET BLUE EXPORT

75%

LOCAL VALUE ADDING

65%

FINISHING PLANTS IN SOUTH AFRICA

AUTOMOTIVE:

Number of Automotive finishing plants decreased from:

5 major plants to

2 plants in the last 9 years,

but are still the biggest consumer of leather in the local manufacturing sector.



FINISHING PLANTS IN SOUTH AFRICA

SHOES:

The availability of cheaper alternatives in the shoe industry has made the use of leather in the production of shoes uncompetitive .



FINISHING PLANTS IN SOUTH AFRICA

FURNITURE

The production of good quality leather furniture are probably still the second biggest consumer of leather in the local South African market. Unfortunately the upholstery market has moved away from expensive leather furniture to more affordable textile and synthetic options.



QUALITY INFLUENCING FACTORS

FEEDLOT vs VELD CATTLE

CATTLE / HIDES SLAUGHTERED PRODUCTION FIGURES

FEEDLOTS

75%

SMALL SCALE &
INFORMAL FARMERS

25%

QUALITY INFLUENCING FACTORS

FLAY

FORMAL ABATTOIR SECTORS

SLAUGHTER PROCESS WELL MONITORED

HIDES RANGE BETWEEN

32 kg. to

42 kg.

SMALLER & INFORMAL SECTORS

HIDES RANGE SLAUGHTER
WEIGHT NOT CONSISTENT:

**SALTED AS A RESULT
OF LOW VOLUMES**

QUALITY INFLUENCING FACTORS

CURING

PROCESSING OF HIDES

RAW HIDES

75%

SALTED - AS A RESULT OF
TRAVELLING DISTANCE

25%



QUALITY INFLUENCING FACTORS

TANNING

**ALL WET BLUE TANNERIES IN SOUTH AFRICA ARE
WELL EQUIPPED AND THE TANNERS HAS THE SKILL
TO PRODUCE GOOD QUALITY HIDES.**

QUALITY INFLUENCING FACTORS

LABOUR CONDITIONS

- STABILISATION IN THE LAST 2 YEARS OF THE LEATHER AND TEXTILE INDUSTRIES
- THE JOB-LOSS RESULT IS A SMALLER INDUSTRY SECTOR IN
 - FINISHING
 - CUTTING
 - SEWING

GOVERNMENT INVOLVEMENT

- THE SOUTH AFRICAN GOVERNMENT IS IN THE PROCESS OF IMPLEMENTING REGULATORY MEASURES TO PROTECT THE LOCAL VALUE CHAIN IN THE LEATHER INDUSTRY.
- THESE MEASURES WOULD INSURE THAT RAW MATERIALS GET PROCESSED UP TO AT LEAST A WET BLUE OR CRUST STAGE.
- IN TERMS OF VETERINARY SERVICES AND REGULATIONS, ALL EFFORTS ARE BEEN MADE TO COMPLY WITH THE INTERNATIONAL STANDARDS AND REGULATIONS.
- SLOWLY BUT SURELY THE LEVEL OF EDUCATION ARE IMPROVING WHICH ALSO INCREASES THE EFFECTIVENESS AND EFFICIENCY IN THE WORK PLACE.





THANK YOU