A PROFILE OF THE SOUTH AFRICAN HIDES, SKINS AND LEATHER MARKET VALUE CHAIN

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1. DESCRIPTION OF THE INDUSTRY.

Hides, skins and leather are by-products of farming stock and wild animals bred primarily for meat consumption. Thus, hides and skins are mainly recovered from slaughterhouses and farms. Because the leather industry depends on the recovery of hides and skins of the farming stock and wild animals, availability of raw material directly depends on the size of the animal population, the take off ratio and the weight/size of the hide/skin recovered.

The quality of South African hides has been positively influenced by the rise in the number of feedlots operating in the meat industry, with animals thus spending less time in the open veldt. These hides are rated to be superior to other sub-Saharan African and most Asian hides, but inferior to most hides from Australia, Argentina, the US and Europe. Their relatively small size compared with the last two origins (3.5 to 4m^2) and the use of non-hump breeds that produce large panels renders them just marginally suited for upholstery and automotive leather. Over 60% of South African hides are regarded as suitable for automotive leather.

In South Africa skins and hides are given the following status types when they leave the abattoir:

a. Gold status.
This is the skin or hide that had been sourced from an approved registered abattoir where ante– and post–mortem examinations are routinely performed. These skins and hides must not originate from OIE recognized foot and mouth disease controlled areas of the Limpopo, Mpumalanga, Kwazulu – Natal or the Kruger National Park

b. Silver status.
This is the skin or hide that had been sourced from an approved registered abattoir anywhere in South Africa where ante– and post–mortem examinations are routinely performed.

c. Bronze status.
This is the skin or hide that had been sourced from an unapproved or unregistered abattoir without veterinary health certificate and/or original status has been compromised and/or exposed to contagion.

Skins and hides are derived mainly from livestock and to a lesser extent from wild animals and reptiles. The following are the main categories of skins or hides according to species.

- **Bovine (cattle) hide.**
Bovine hides dominate the supply of leather in South Africa. They are mainly by-product of meat production supplied by feedlots.

- **Sheep skin.**
It is produced with or without wool mainly for export market.

- **Pig skin.**
South Africa does not have significant supply of pig skin as this tends to be part of the meat.

- **Goat and kid skin leather.**
The supply of goat and kid skins is low as the majority of goats are slaughtered outside the abattoirs.

- **Ostrich skins.**
Unlike bovine, ostrich is bred primarily for its skin; and ostrich meat becomes a by-product. Ostrich leather is unique with its feather quill pattern. This gives it extra strength and durability which is 7 times stronger than bovine (cattle) hide. Ostrich leather is used to produce handbags, wallets, shoes, clothing etc.

- **Skins of wild animals.**

Many wild animals including elephants and buffalo are main sources of leather.

- **Skin of reptiles.**

Crocodiles and snakes are bred for their skins.

2. PRODUCTION, PRICES AND CHANGES IN EMPLOYMENT IN HIDES, SKINS AND LEATHER INDUSTRY

Hides and skins are inputs to the leather industry. The bulk of hides and skins are recovered from abattoirs. South Africa slaughters over 2 million cattle and over 4 million sheep every year. The availability of these products depends on the size of the slaughter facility and the species involved. Ostrich skins are mainly produced in Western Cape.

Prices of hides are higher in South Africa than in other countries. This is because of the increase in demand of local hides caused by the Motor Industry Development Program (MIDP) which was introduced in 1995 and is scheduled to come to an end in 2012. The key component of the MIDP with regards to automotive upholstery is that it contained an import-export complementation scheme that gave credits to component manufacturers and assemblers for any exported goods. These credits, which are transferable, could then be used by assemblers to offset the duty on parts or vehicles that they wanted to import. Export of stitched leather seat covers responded positively to this incentive and increased the demand for local hides and skins.

2.1 Production bovine (cattle) hides

Hides are by-products of the livestock (cattle) industry. The availability of hides and skins depends on the number of cattle slaughtered. Both in beef and dairy businesses, hides and skins are recovered and taken to firms for further processing. Interestingly Eastern Cape is the biggest producer of livestock but the bulk of the hides come from Mpumalanga, Gauteng, Free State and Kwazulu – Natal as they have big abattoirs.

2.2 Prices of skins, hides and leather (2011)

Table 1 indicates different types of skins, hides and leather and prices of different products as indicates in the first column. The prices reflect the 2011 marketing year but are subject to change due to the fluctuations in terms of the rand, demand and supply forces.

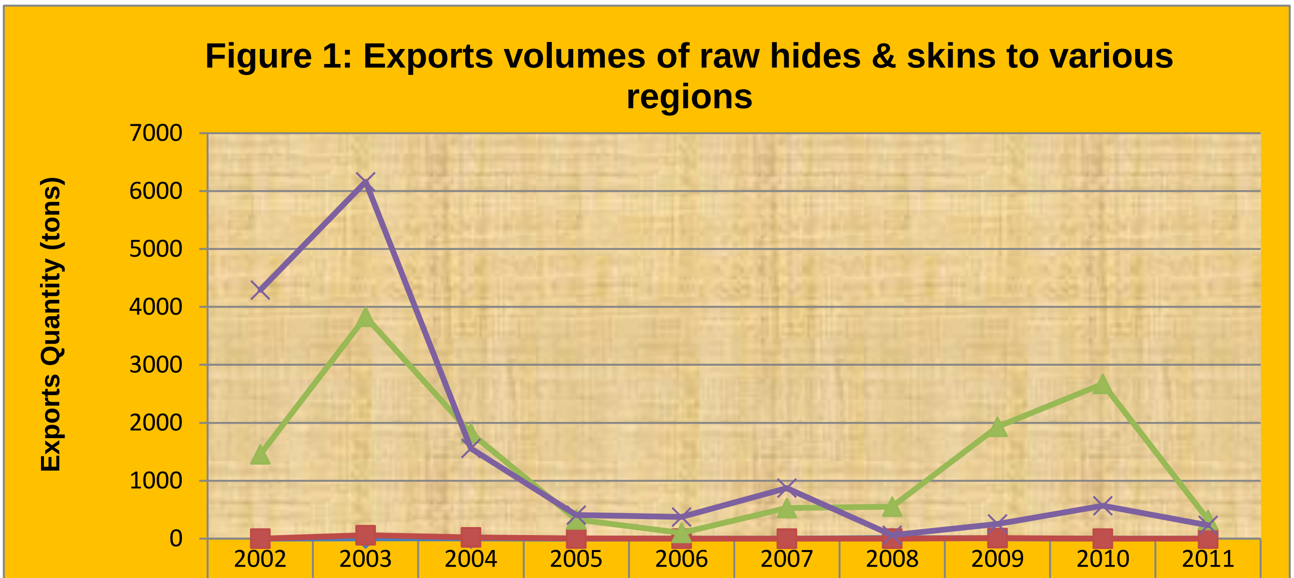
Table 1: Prices of skins, hides and leader

Type of Skins, Hides & Leather	Prices per skin
Merino sheep skin	R70.00/skin
Merino medium skin	R60.00/skin
Short wool skin	R50.00/skin
Sheared wool skin	R55.00/skin
Cattle skin	R8.50 per kilogram
Ostrich feathers(Wings)	R800 – R1000/ kilogram
Ostrich-body long feathers	R700/kilogram
Ostrich- body short feathers	R40 – R100/ kilogram
Ostrich- body flaws	R700/kilogram
Goat dry skin	R5.00/ skin
Goat skin after tanning	R40.00 / skin
Impala (grade 1)	R5.00/skin
Bless Bok (grade 1)	R5.00/skin

Sources: Skin, Hides & Leather Council, Klein Karoo International Ltd, IMPEC (Integrated Meat Processors of the Eastern Cape)

3. EXPORTS VOLUMES

The raw skins, hides and leather industry are also an important earner of foreign exchange through the export of raw leather and tanned leather. The industry exports mainly to Europe (Italy, Turkey and Germany) and to Asia (Japan, Republic of Korea, Hong Kong and China. Leather articles are classified as a luxury goods and thus by definition it follows that consumers' demand for leather products is related to their disposable income. This implies that the absolute demand for leather products is greater, but also, the market for leather products is broader based in developed compared to developing countries. The developing nations mainly produce under license from developed countries' retailers/ buyers in accordance to their specifications. Figure 5 below shows some trends in leather exports to the world per annum.

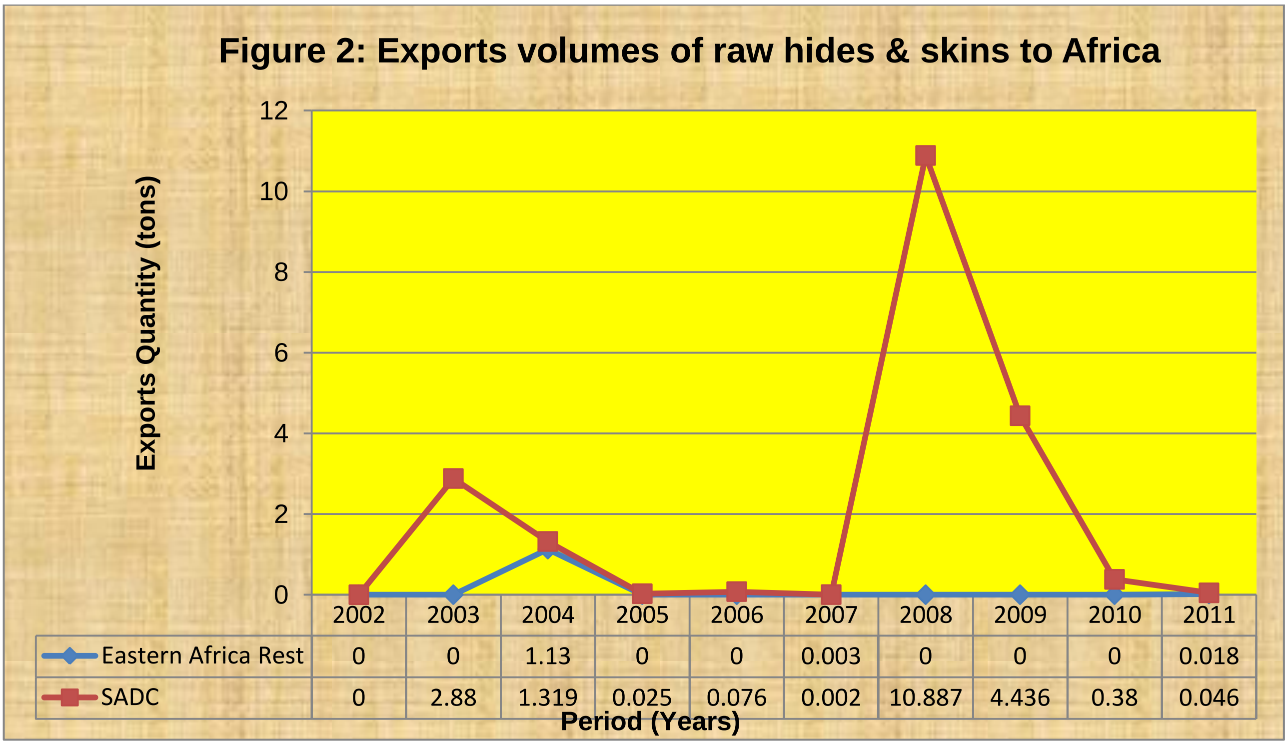


	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Africa	0	2.88	2.449	0.03	0.076	0.005	10.887	4.436	0.38	0.064
Americas	0.855	59.325	21.846	2.214	0.162	0.049	0.211	10.003	0.062	1.328
Asia	1456.245	3831.336	1818.902	331.578	99.595	527.891	552.926	1932.082	2671.579	322.585
Europe	4291.62	6160.695	1558.222	405.562	372.697	872.642	58.917	253.31	567.358	229.503

Source: Quantec Easy Data

Figure 1 indicates exports volumes of raw hides and skins from South Africa to various regions of the world between 2002 and 2011 period. The graph further indicates that during the period under scrutiny, major export market for raw hides and skins from South Africa to the world went to Europe, followed by Asia. During the same period under scrutiny, Africa and Americas experienced very low levels of exports of raw hides and skins from South Africa at low levels of about 0.03 tons. The figure further indicates that exports volumes of raw hides and skins from South Africa to Europe started to increase 2002 and in 2003 attained a peak at an export quantity of 6160.70 tons. The figure also indicates that exports volumes of raw hides and skins from South Africa to Asia started to increase in 2002, and in 2003 attained a peak at an export quantity of approximately 3831.34 tons. Between 2004 and 2008, exports volumes of raw hides and skins from South Africa to Europe and Asia were below 2000 tons per annum. It is evident that exports volumes of raw hides and skins from South Africa to Europe experienced a slight increase between 2009 and 2010 at export quantities of 253 and 576 tons respectively, while a slight decline of about 229 tons occurred in 2011. Exports volumes of raw hides and skins from South Africa to Asia also experienced a slight increase between 2009 and 2010 at export quantities of 1932 and 2671 tons, while a slight decline of about 322 tons occurred in 2011.

The graph further indicates that there was 59.6% decline in exports volumes of raw hides and skins from South Africa to Europe in 2011 as compared to 2010, while there was 87.9% decline in exports volumes of raw hides and skins from South Africa to Asia in 2011 as compared to 2010.



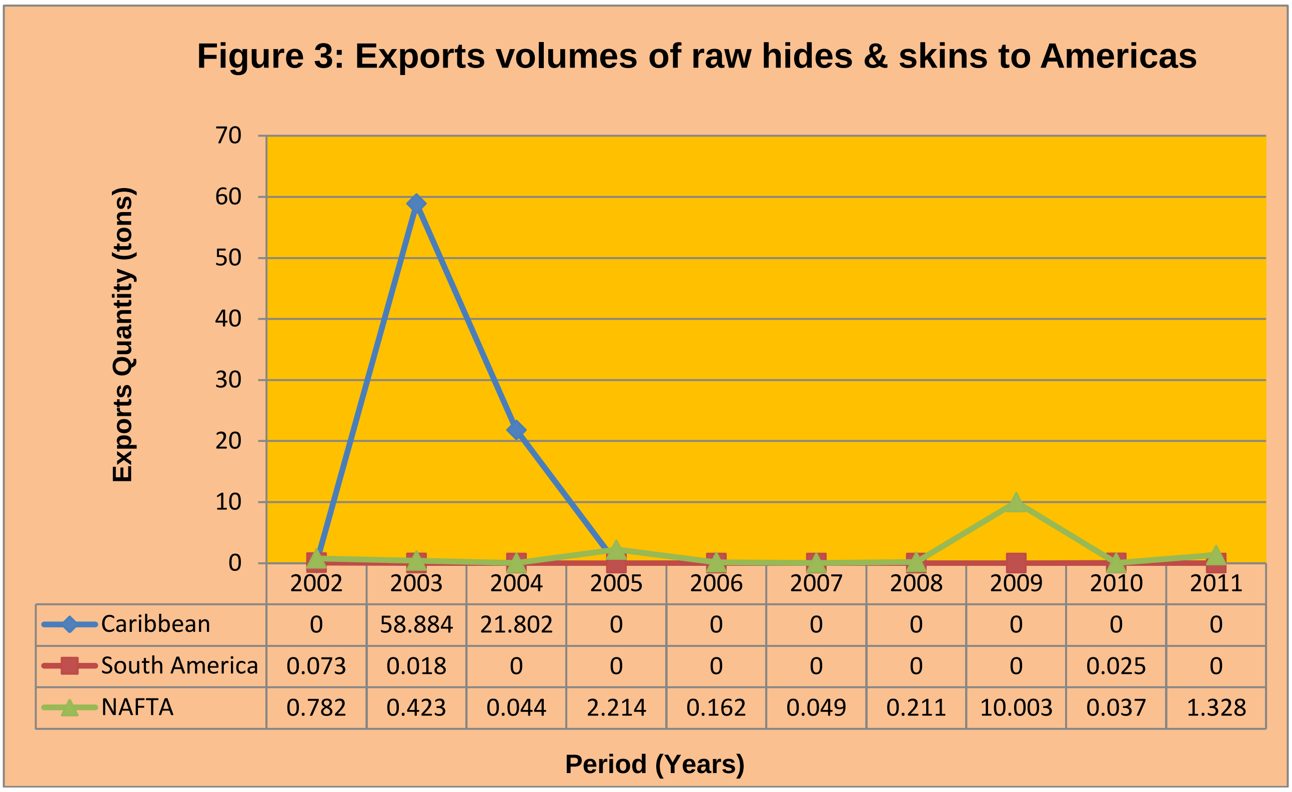
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Eastern Africa Rest	0	0	1.13	0	0	0.003	0	0	0	0.018
SADC	0	2.88	1.319	0.025	0.076	0.002	10.887	4.436	0.38	0.046

Source: Quantec Easy Data

Figure 2 depicts exports volumes of raw hides and skins from South Africa to Africa between 2002 and 2011 period. The graph further depicts that during the same period under examination, most of raw hides and skins from South Africa to Africa went to the SADC region. The graph also depicts that exports volumes of raw hides and skins from South Africa to SADC started to increase in 2003 and then a decline occurred between 2004 and 2007 until a peak was attained in 2008 at an export quantity of 10.9 tons. It is further evident that in 2002, there were no exports of raw hides and skins from South Africa to SADC, while there were no exports volumes of raw hides and skins from South Africa to Eastern Africa between 2002 and 2003, and again between 2005 and 2006 and again between 2008 and 2010. During the period under scrutiny, exports volumes of raw hides and skins from South Africa to Eastern Africa were not more than 1.5 tons per annum. The graph further depicts that there was 87.5% decline in exports volumes of raw hides and skins from South Africa to SADC in 2011 as compared to 2010.

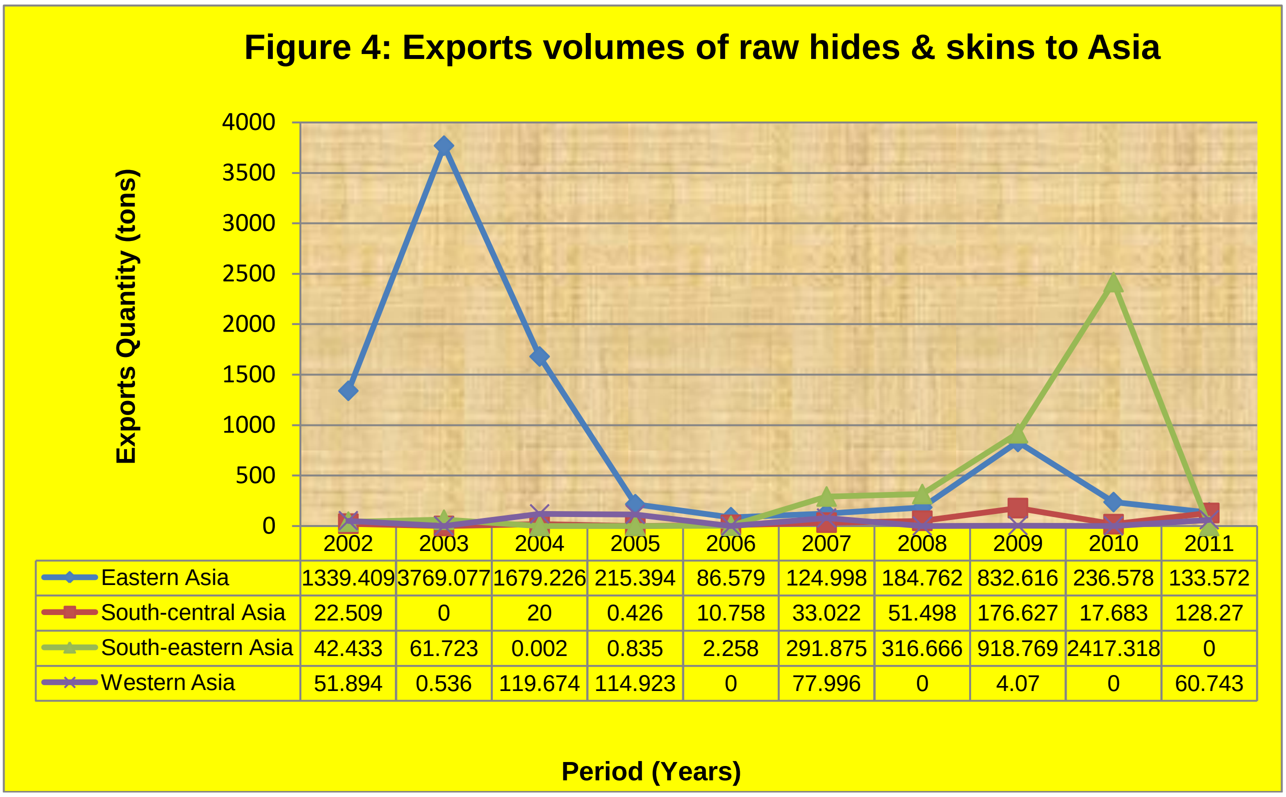
Figure 3 below illustrates exports volumes of raw hides and skins from South Africa to the Americas between 2002 and 2011 period. The graph further illustrates that during the same period under review, most of raw hides and skins from South Africa to Americas went to the Caribbean. The figure also illustrates that exports volumes of raw hides and skins from South Africa to the Caribbean started to increase in 2003 and at the same time attained a peak at an export volume of about 58.9 tons. It is also evident that in 2002 and between 2005 and 2011 period, there were no exports volumes of raw hides and skins from South Africa to the Caribbean. The graph further illustrates that NAFTA experienced very low or minimal exports volumes of raw hides and skins from South Africa during the period under examination of not more than 11 tons per annum.

The graph also illustrates that there was 100% decline in exports volumes of raw hides and skins from South Africa to the Caribbean in 2011 as compared to 2003 and 2004.



	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Caribbean	0	58.884	21.802	0	0	0	0	0	0	0
South America	0.073	0.018	0	0	0	0	0	0	0.025	0
NAFTA	0.782	0.423	0.044	2.214	0.162	0.049	0.211	10.003	0.037	1.328

Source: Quantec Easy Data

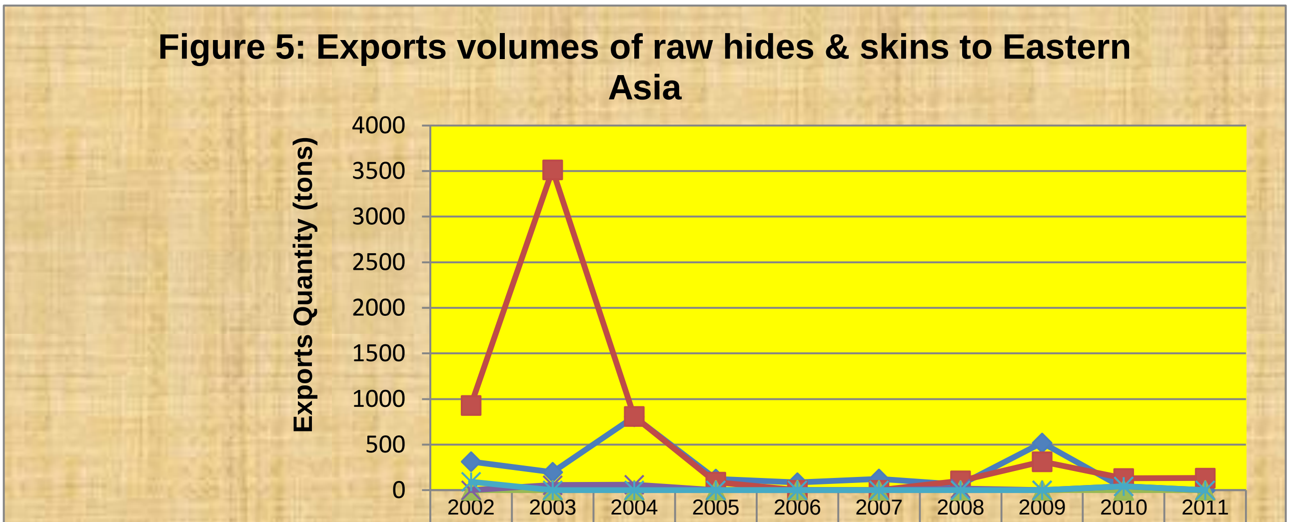


	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Eastern Asia	1339.409	3769.077	1679.226	215.394	86.579	124.998	184.762	832.616	236.578	133.572
South-central Asia	22.509	0	20	0.426	10.758	33.022	51.498	176.627	17.683	128.27
South-eastern Asia	42.433	61.723	0.002	0.835	2.258	291.875	316.666	918.769	2417.318	0
Western Asia	51.894	0.536	119.674	114.923	0	77.996	0	4.07	0	60.743

Source: Quantec Easy Data

Figure 4 shows exports volumes of raw hides and skins from South Africa to Asia between 2002 and 2011 period. The figure further shows that over past decade, the major export market for raw hides and skins from South Africa to Asia was Eastern Asia, followed by South-eastern Asia. The figure also shows that exports volumes of raw hides and skins experienced an increase in 2002 until a peak was attained in 2003 at approximately 3769 tons. The figure further shows that exports volumes of raw hides and skins from South Africa to South-eastern Asia started to increase in 2007 with a consistent increase in 2008 and 2009 until a peak was attained in 2010 at an export quantity of 2417 tons. It is also important to note that there were very low or minimal exports volumes of raw hides and skins from South Africa to South-central Asia and Western Asia during the period under scrutiny.

The figure further shows that there was 43.6% decline in exports volumes of raw hides and skins from South Africa to Eastern Asia in 2011 as compared to 2010.



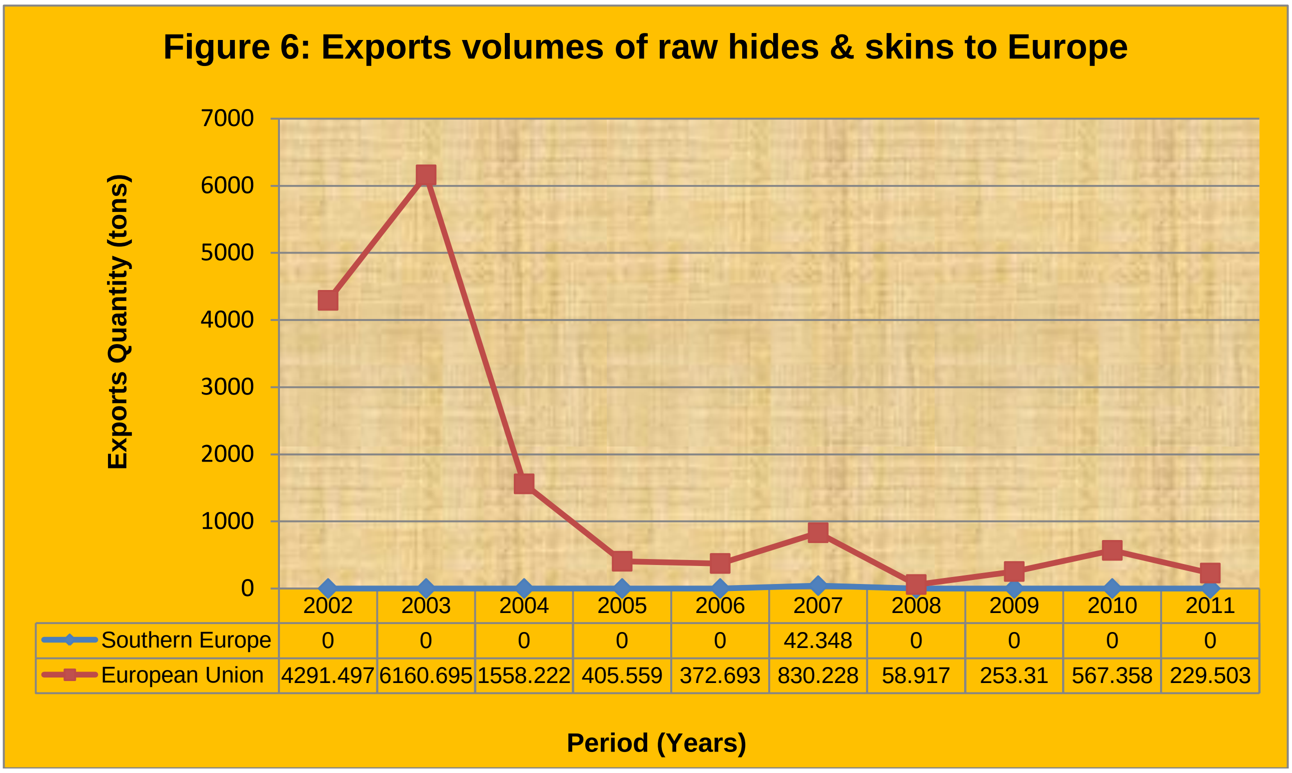
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
China	314.466	198.686	806.883	124.224	84.006	124.998	60.536	519.33	20.743	0
Hong Kong Special Administrative Region of China	930.916	3514.425	810.533	90.004	0.008	0	104.2	313.231	129.711	133.572
Japan	0.219	0.276	0.49	1.166	2.565	0	0	0	0	0
Republic of Korea	0.012	55.69	61.32	0	0	0	20.026	0.055	43.5	0
Taiwan Province of China	93.796	0	0	0	0	0	0	0	42.624	0

Source: Quantec Easy Data

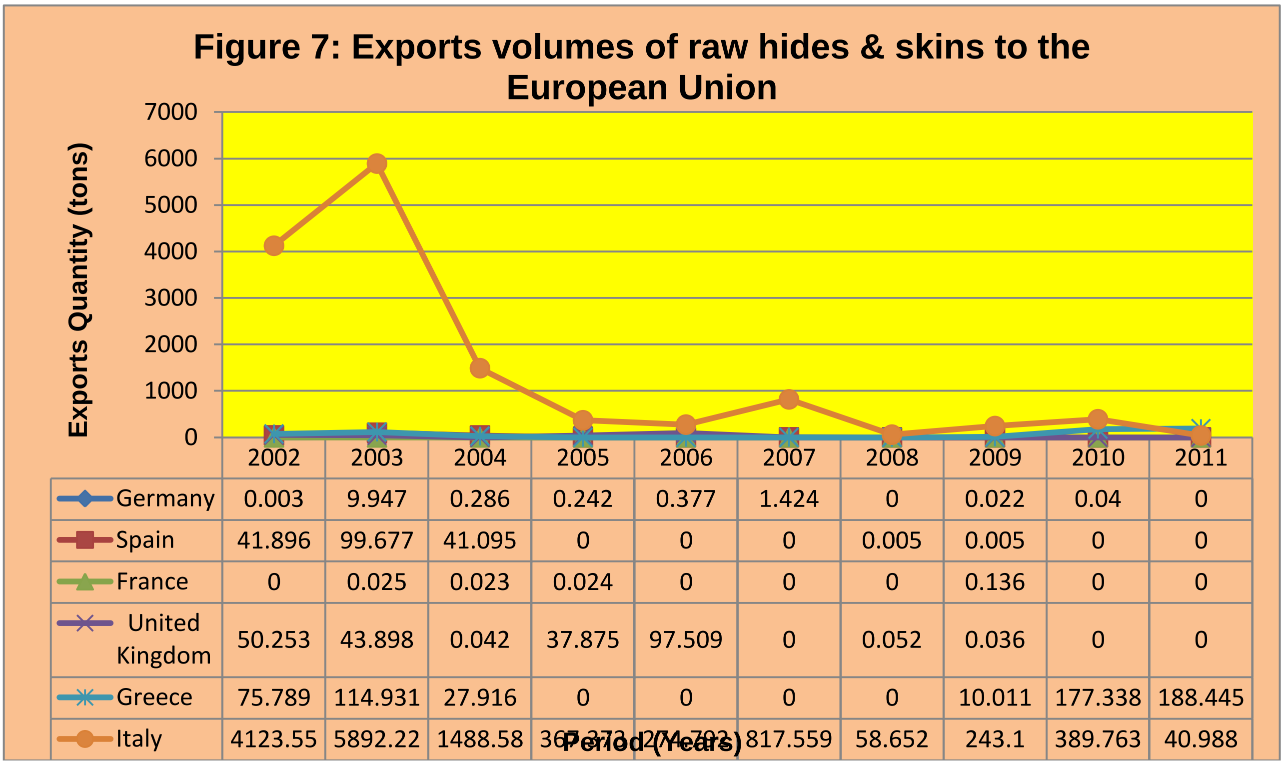
Figure 5 depicts exports volumes of raw hides and skins from South Africa to Eastern Asia between 2002 and 2011 period. The graph further depicts that over the past ten years, most of raw hides and skins from South Africa to Eastern Asia went to Hong Kong Special Administrative Region of China, followed by very low or minimal levels of exports of raw hides and skins from South Africa to China, Japan and Taiwan Province of China. The figure also depicts that between 2002 and 2011, China, Republic of Korea, Japan and Taiwan had very low or minimal exports volumes of raw hides and skins from South Africa to lower levels of about 806 tons per annum. The graph further depicts that there was 3.1% increase in exports volumes of raw hides and skins from South Africa to Hong Kong Special Administrative Region of China in 2011 as compared to 2010.

Figure 6 below indicates exports volumes of raw hides and skins from South Africa to Europe between 2002 and 2011 period. The graph further indicates that during the period under observation, most of raw hides and skins from South Africa to Europe went to the European Union with very intermittent exports volumes to Southern Europe. The graph also indicates that exports of raw hides and skins from South Africa to the European Union started to increase in 2002, until a peak was attained in 2003 at an export quantity of 6160 tons. The graph further indicates that exports volumes of raw hides and skins from South Africa to Southern Europe were very intermittent and were below 45 tons per annum during the period under review.

The graph also indicates that there was 59.6% decline in exports volumes of raw hides and skins from South Africa to the European Union in 2011 as compared to 2010.



Source: Quantec Easy Data



Source: Quantec Easy Data

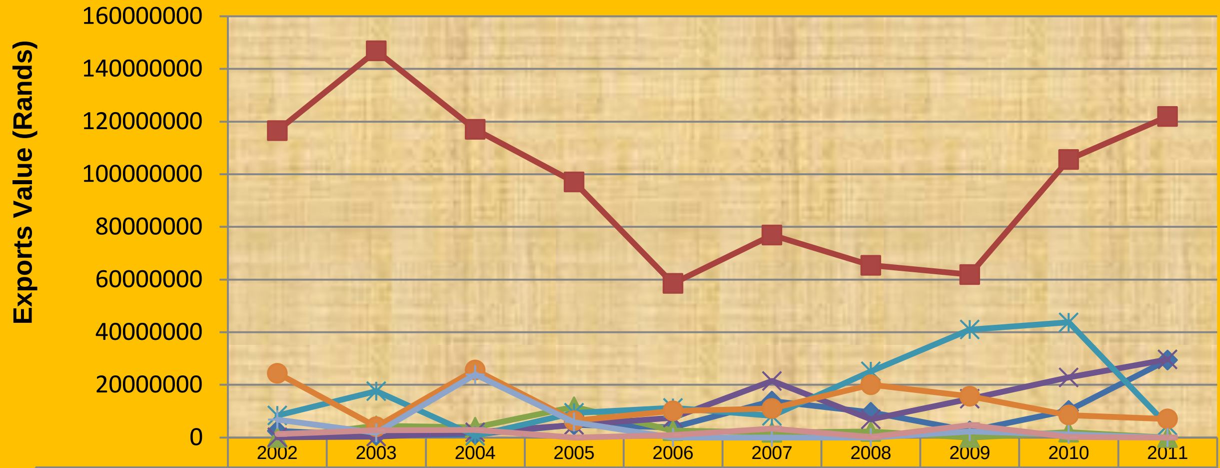
Figure 7 depicts exports volumes of raw hides and skins from South Africa to the European Union between 2002 and 2011 period. The figure further depicts that over the past decade, the major export destinations for raw hides and skins from South Africa to the European Union was Italy, followed by very low or minimal exports of raw hides and skins to Germany, Spain, France, United Kingdom and Greece. It is clear and evident in the figure that between 2002 and 2011 period, exports of raw hides and skins from South Africa to Italy experienced an increase in 2002 until a peak was attained in 2003 at approximately 5892 tons. The figure also depicts that between 2004 and 2011, exports of raw hides and skins from South Africa to Italy dropped to below 2000 tons as compared to 5892 tons in 2003.

The figure further depicts that there was 89.7% decline in exports volumes of raw hides and skins from South Africa to Italy in 2011 as compared to 2010.

Source: Quantec Easy Data

Figure 8 clearly indicates exports volumes of raw hides and skins from South Africa to Oceania between 2002 and 2011 period. The figure further indicates that most of raw hides and skins from South Africa to Oceania went to Australia and New Zealand with no competition from other Oceania regions. The graph also indicates that exports volumes of raw hides and skins from South Africa to Australia and New Zealand started to increase in 2004 and at the same time attained a peak at an export quantity of about 42.5 tons. The graph further indicates that between 2002 and 2003 and again between 2005 and 2011, exports volumes of raw hides and skins from South Africa to Australia and New Zealand were below 1 ton. The figure also indicates that there was 100% decline in exports volumes of raw hides and skins from South Africa to Australia and New Zealand in 2011 as compared to 2004.

Figure 9: Value of raw hides & skins exports by Provinces



	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Western Cape	2502866	799978	1209596	4835915	3930603	13837173	9570838	2480129	10278163	29418880
Eastern Cape	116564243	146883403	117058700	97070613	58544463	76903571	65401913	61891080	105594590	121950991
Free State	0	4432199	3912994	11685269	2602249	1972578	2291132	0	2021227	0
Kwazulu-Natal	110000	353328	1984568	4769672	7539860	21459400	6896482	14729843	22809830	29674244
North West	8393437	17604905	653089	9396810	11235612	8207483	25162833	41035801	43730015	4544751
Gauteng	24382715	4077876	25642383	6380691	10121254	11018648	20045184	15682563	8554070	7067119
Mpumalanga	6795502	1773904	23905175	5868940	18088	0	12042	2250263	1176528	0
Limpopo	1346478	2761875	2837411	0	969149	3413346	207597	4724831	174122	0

Period (Years)

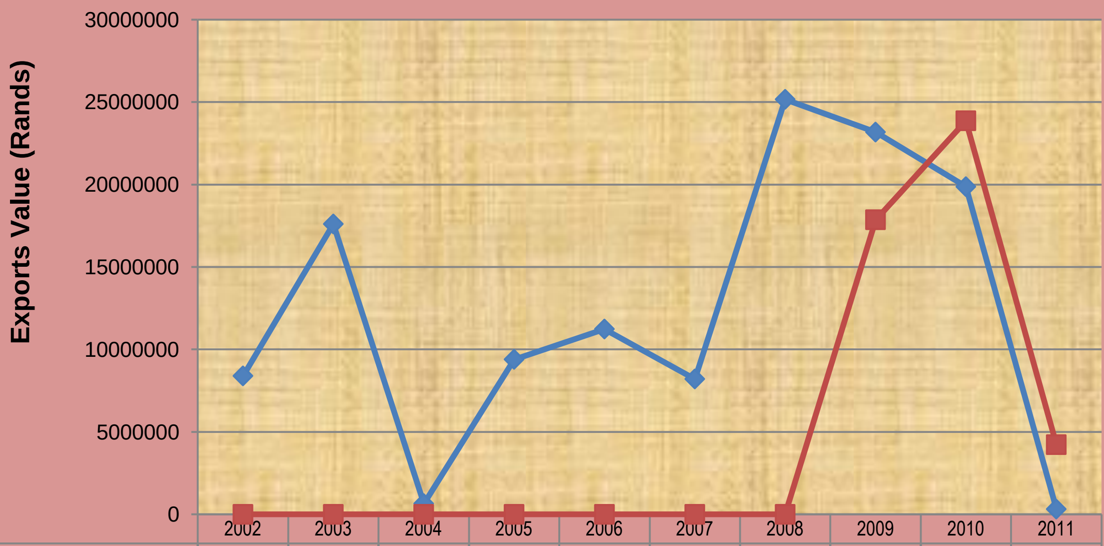
Source: Quantec Easy Data

Figure 9 clearly illustrates values of exports of raw hides and skins by Provinces of South Africa to the world between 2002 and 2011 period. The figure further illustrates that over the past decade, most of raw hides and skins exports from South Africa were from the Eastern Cape Province, followed by North West, KwaZulu-Natal and Gauteng Provinces. The figure also illustrates that exports value of raw hides and skins from the Eastern Cape to the world started to increase in 2002 until a peak was attained in 2003 and 2011 at approximately R146 million and R121 million respectively. The figure further illustrates that exports value of raw hides and skins from North West Province to the world attained a peak in 2010 at an export value of R43.7 million, while KwaZulu-Natal Province attained a peak in 2011 at an export value of approximately R29.6 million. All the other remaining provinces had very low or minimal levels of exports of raw hides and skins to the world of not more than R26 million per annum during the same period under scrutiny. The figure also illustrates that there was 15.2% increase in exports value of raw hides and skins from Eastern Cape Province to the world in 2011 as compared to 2010.

Figure 10 below clearly depicts exports values of raw hides and skins from North West Province to the world between 2002 and 2011 period. The figure further depicts that during the period under examination, Bojanala District Municipality was the main exporter of raw hides and skins from North West Province to the world, followed by Bophirima District Municipality. The figure also depicts that exports value of raw hides and skins from Bojanala District Municipality to the world started to increase in 2002 to 2003, until a decline occurred in 2004 at an export value of about R653 089. The figure further depicts that exports value of raw hides and skins from Bojanala District Municipality to the world saw a dramatic increase in exports of raw hides and skins from Bojanala District Municipality to the world between 2005 and 2006 of about R1.1 million in 2006. The figure also depicts that exports value of raw hides and skins from Bojanala District Municipality to the world experienced a slight decline in 2007 until a peak was attained in 2008 at an export value of approximately R25 million. The figure further depicts that exports values of raw hides and skins from Bophirima District attained a peak in 2010 at an export value of about R23.8 million. The figure also depicts that between 2002 and 2008, there were no exports values for raw hides and skins from Bophirima District to the world except in 2005 due to short supply in the province.

The figure further depicts that there was 98.4% decline in exports value of raw hides and skins from Bojanala District Municipality to the world in 2011 as compared to 2010.

Figure 10: Value of raw hides & skins exports by North West Province

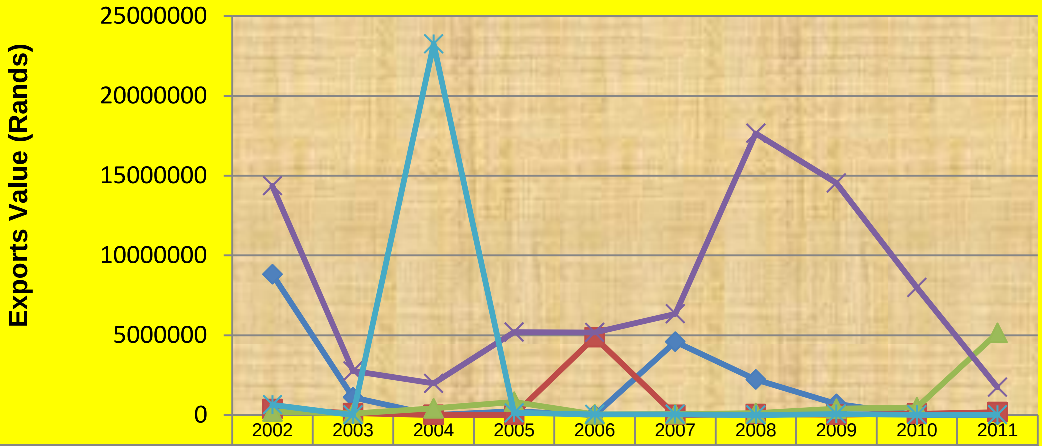


	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Bojanala District municipality	8393437	17604905	653089	9395760	11235612	8207483	25162009	23174471	19866758	318545
Bophirima District municipality	0	0	0	1050	0	0	824	17861330	23863256	4226206

Period (Years)

Source: Quantec Easy Data

Figure 11: Value of raw hides & skins exports by Gauteng Province



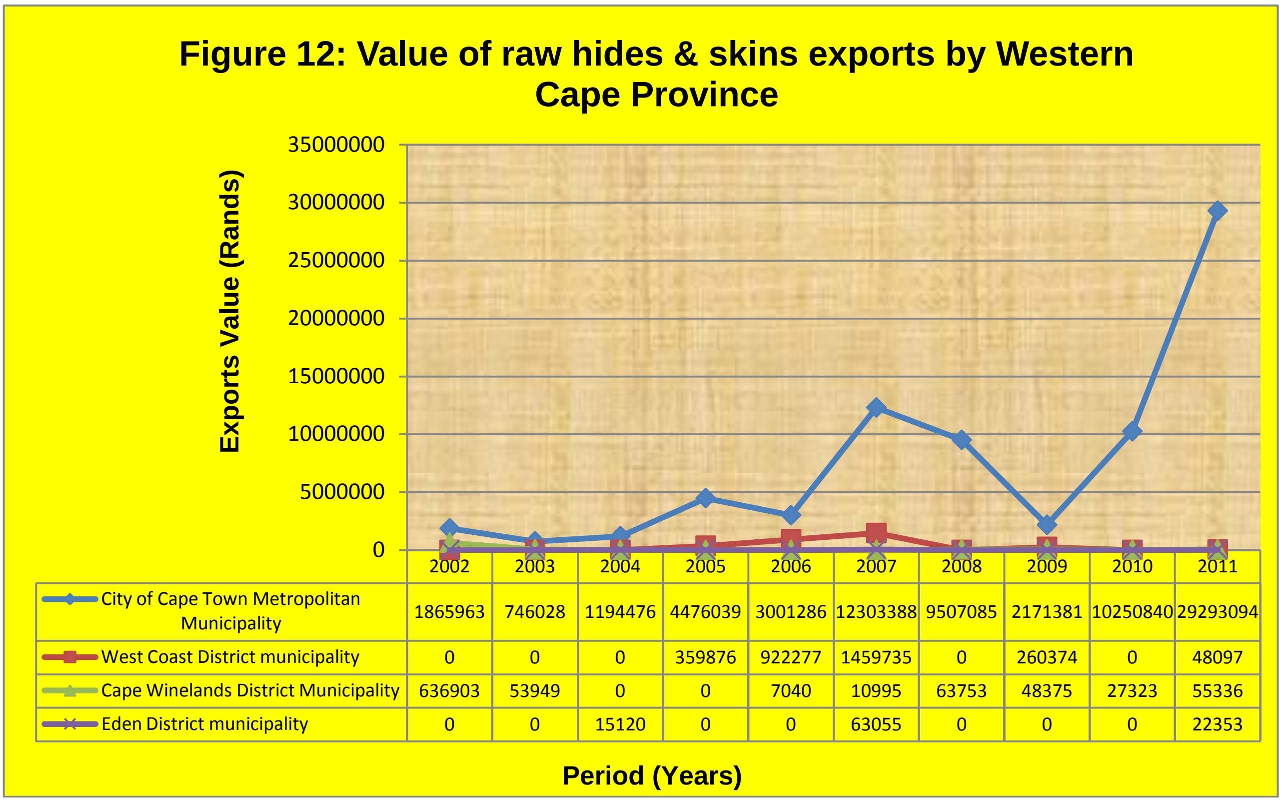
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Sedibeng District municipality	8812068	1101948	0	227720	0	4586745	2219583	688826	3514	0
West Rand District Municipality	365983	111958	5000	4838	4869427	838	52814	9990	81298	179749
Ekurhuleni Metropolitan Municipality	208989	102204	409382	825897	37685	46335	118927	388181	473212	5140243
City of Johannesburg Metropolitan Municipality	14359403	2757081	1977047	5195437	5171980	6339549	17653860	14532058	7984851	1740127
City of Tshwane Metropolitan Municipality	636273	4684	23250954	126800	36221	45182	0	63508	11195	7000

Period (Years)

Source: Quantec Easy Data

Figure 11 clearly reflects exports values of raw hides and skins from Gauteng Province to the world between 2002 and 2011 period. The graph further reflects that during the period under observation, most of raw hides and skins exports from Gauteng Province to the world were mainly from the City of Tshwane Metropolitan Municipality, followed by the City of Johannesburg Metro. The graph also reflects that over the past decade, exports values of raw hides and skins from the city of Tshwane Metro attained a peak in 2004 at an export value of approximately R23 million, while exports values of raw hides and skins from the City of Johannesburg Metro attained a peak in 2002 and 2008 at export values of about R14.3 and R17.6 million. The graph further reflects that exports values of raw hides and skins from other districts were very low at about R810 million per annum during the period under review.

The graph also reflects that there was 37.5% decline in exports value of raw hides and skins from the City of Tshwane Metro Municipality to the world in 2011 as compared to 2010.



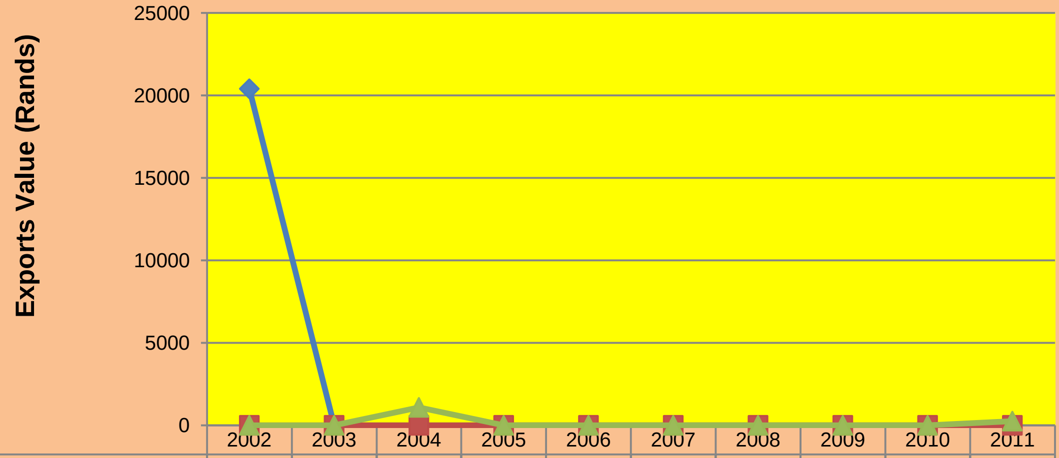
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
City of Cape Town Metropolitan Municipality	1865963	746028	1194476	4476039	3001286	12303388	9507085	2171381	10250840	29293094
West Coast District municipality	0	0	0	359876	922277	1459735	0	260374	0	48097
Cape Winelands District Municipality	636903	53949	0	0	7040	10995	63753	48375	27323	55336
Eden District municipality	0	0	15120	0	0	63055	0	0	0	22353

Source: Quantec Easy Data

Figure 12 clearly indicates exports values of raw hides and skins from Western Cape Province to the world between 2002 and 2011 period. The graph further indicates that during the period under examination, the main exporter of raw hides and skins from Western Cape Province to the world was the City of Cape Town Metropolitan Municipality, followed by very low or minimal levels of exports from the West Coast District. It is evident that during the period under observation, exports value of raw hides and skins from the City of Cape Town Metro started to increase in 2005 and in 2007 until a peak was attained in 2011at an export value of approximately R29 million. The figure also indicates that between 2002 and 2004, exports of raw hides and skins from the city of Cape Town Metropolitan Municipality experienced very low exports values of raw hides and skins of below R2 million. It is also clear in the graph that in 2006 and 2009, exports of raw hides and skins from the city of Cape Town Metropolitan Municipality experienced very low exports values of raw hides and skins of between R2 and R3 million.

The figure also indicates that there was 190% increase in exports value of raw hides and skins from the City of Cape Town Metropolitan Municipality to the world in 2011 as compared to 2010.

Figure 13: Value of raw hides & skins exports by Northern Cape Province



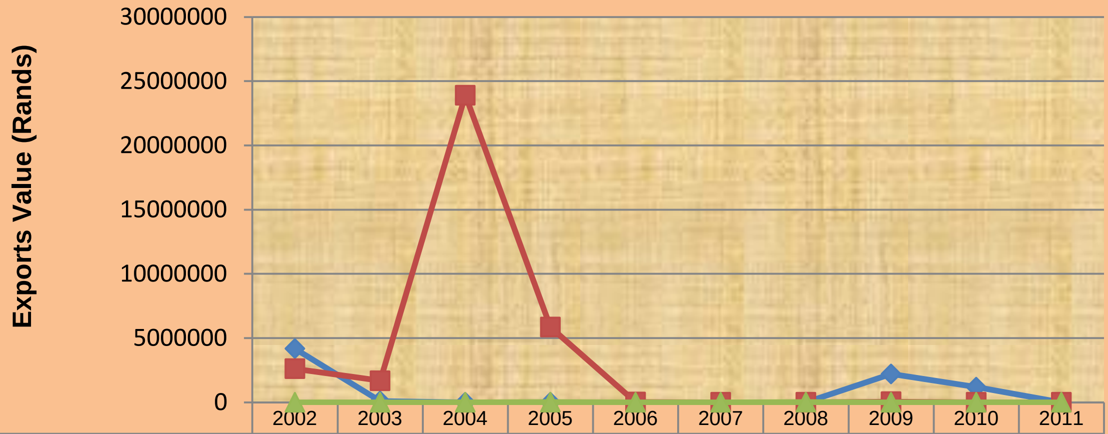
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Pixley ka Seme District municipality	20404	0	0	0	0	0	0	0	0	0
Siyanda District municipality	0	0	0	0	0	0	0	0	0	0
Frances Baard District municipality	0	0	1090	0	0	0	0	0	0	256

Period (Years)

Source: Quantec Easy Data

Figure 13 clearly shows exports values of raw hides and skins from the Northern Cape Province to the world between 2002 and 2011 period. The graph further shows that during the period under examination, most of raw hides and skins from Northern Cape Province to the world were mainly from Pixley ka Seme District Municipality, with very intermittent exports from other district municipalities. The graph also shows that exports values of raw hides and skins from Pixley ka Seme District Municipality started to increase in 2002 and at the same time attained a peak at an export value of approximately R20 404, with no exports between 2003 and 2011. The graph also shows that between 2002 and 2003 and again between 2005 and 2011, there were no exports values of raw hides and skins from Frances Baard District to the world. The figure also illustrates that there was 100% decline in exports value of raw hides and skins from Pixley ka Seme District Municipality to the world in 2011 as compared to 2002.

Figure 14: Value of raw hides & skins exports by Mpumalanga Province



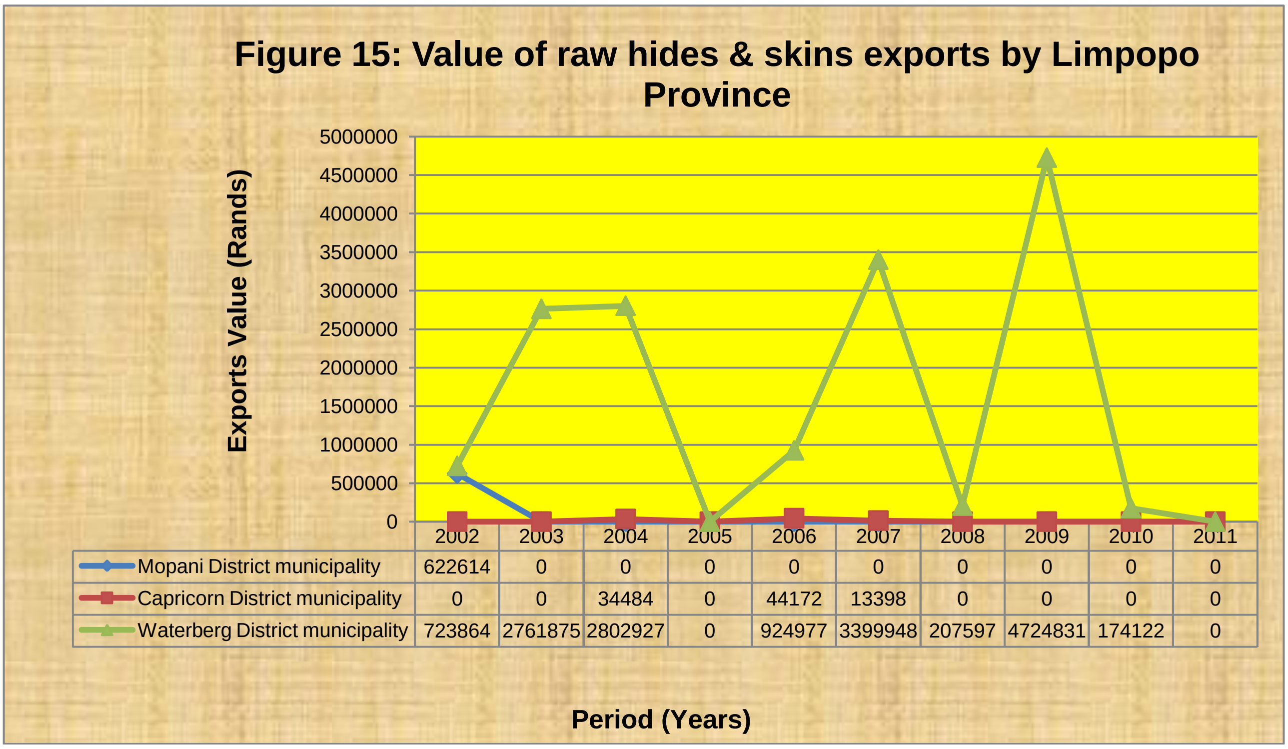
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Gert Sibande District municipality	4179376	99946	0	0	0	0	0	2203333	1176528	0
Nkangala District municipality	2616126	1673958	23905175	5857334	18088	0	0	46930	0	0
Ehlanzeni District municipality	0	0	0	11606	0	0	12042	0	0	0

Period (Years)

Source: Quantec Easy Data

Figure 14 illustrates exports values of raw hides and skins from Mpumalanga Province to the world between 2002 and 2011 period. The graph further illustrates that over the past decade, most of raw hides and skins exports from Mpumalanga province to the world were mainly from Nkangala District Municipality, followed by Gert Sibande and Ehlanzeni District Municipalities. The graph also illustrates that exports values of raw hides and skins from Nkangala District to the world started to increase in 2002, and then a slight decline was experienced in 2003 at about R1.7 million. The graph further illustrates that exports values of raw hides and skins from Nkangala District to the world experienced a surge in exports of raw hides and skins in 2004 and at the same time attained a peak at an export value of approximately R23.9 million. The graph also illustrates that between 2004 and 2008, there were no exports values of raw hides and skins from Gert Sibande District to the world, while between 2007 and 2008 and again in 2011, there were no exports values of raw hides and skins from Nkangala District to the world. The graph further illustrates that between 2002 and 2004, and between 2006 and 2007 and again between 2009 and 2011, there were no exports values of raw hides and skins from Ehlanzeni District to the world. It is also evident from the graph that exports values of raw hides and skins from Gert Sibande District started to increase in 2002 and at the same time attained a peak at approximately R4.1 million during the period under observation.

The figure also illustrates that there was 100% decline in exports value of raw hides and skins from Nkangala District Municipality to the world in 2011 as compared to 2009.



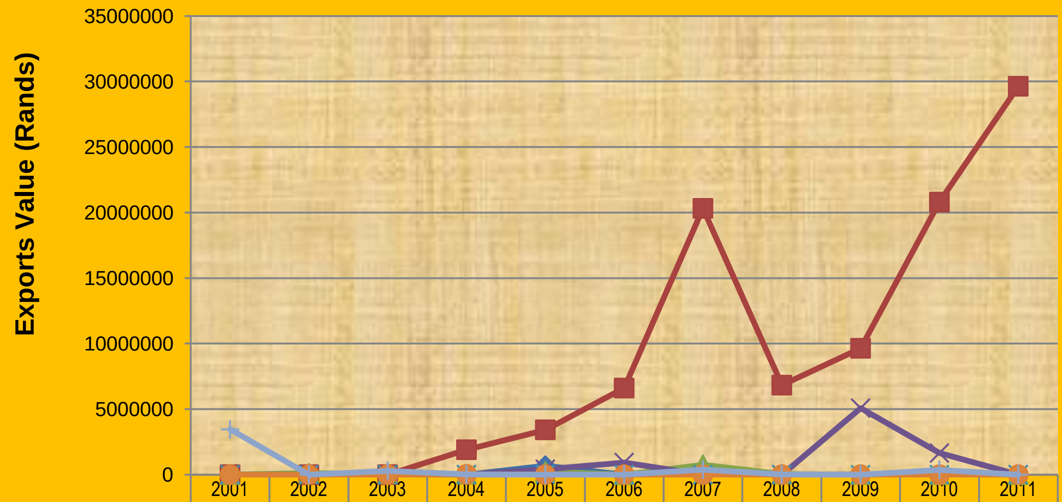
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Mopani District municipality	622614	0	0	0	0	0	0	0	0	0
Capricorn District municipality	0	0	34484	0	44172	13398	0	0	0	0
Waterberg District municipality	723864	2761875	2802927	0	924977	3399948	207597	4724831	174122	0

Source: Quantec Easy Data

Figure 15 depicts exports values of raw hides and skins from Limpopo province to the world between 2002 and 2011 period. The figure further depicts that over the past ten years, the major exporter of raw hides and skins from Limpopo province to the world was Waterberg District Municipality, followed by very low levels of exports values from Mopani and Capricorn District. It is evident that during the period under scrutiny, exports values of raw hides and skins from Waterberg to the world started to increase in 2002 and then a dramatic increase was experienced in 2003 and 2004 at approximately R2.7 million. The figure further depicts that exports values of raw hides and skins from Waterberg to the world attained a peak in 2007 and 2009 at export values of approximately R3.3 and R4.7 million respectively. The figure also depicts that between 2003 and 2011, there were no exports of raw hides and skins from Mopani District Municipality to the world, while there were no exports of raw hides and skins from Capricorn District Municipality to the world between 2002, 2003 and 2005 and again between 2008 and 2011.

The figure further illustrates that there was 100% decline in exports value of raw hides and skins from Waterberg District Municipality to the world in 2011 as compared to 2010.

Figure 16: Value of raw hides and skins exports by KwaZulu-Natal Province



	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Ugu District municipality	0	0	0	0	682372	0	0	0	0	0	0
UMgungundlovu District municipality	0	0	0	1902825	3422919	6610085	20316809	6831203	9643886	20793992	29634120
Uthukela District municipality	4091	110000	54432	38330	235253	0	761519	51966	9016	0	0
Zululand District municipality	0	0	0	0	415127	929503	0	0	5076941	1647743	0
Umkhanyakude District municipality	3180	0	0	0	14001	0	0	306	0	0	0
Uthungulu District municipality	0	0	0	24020	0	0	0	0	0	0	0
eThekwini Metropolitan Municipality	3453551	0	298896	19393	0	272	381072	13006	0	368095	0

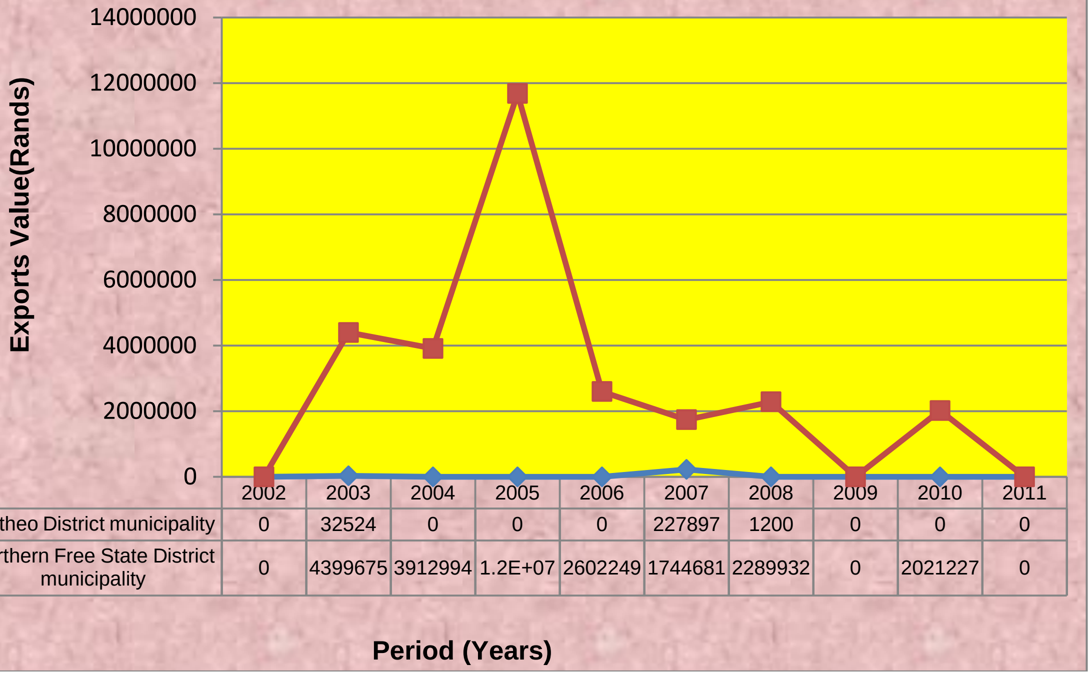
Period (Years)

Source: Quantec Easy Data

Figure 16 illustrates exports values of raw hides and skins from KwaZulu-Natal province to the world between 2002 and 2011 period. The graph further illustrates that most of raw hides and skins exports from KwaZulu-Natal province to the world were mainly from UMgungundlovu District Municipality, followed by intermittent exports values from Zululand District, Ugu, Uthukela, Uthungulu Districts and eThekwini Metro Municipalities. The graph also illustrates that exports values of raw hides and skins from UMgungundlovu District Municipality to the world started to increase in 2004, with a consistent increase and a surge of exports between 2005 and 2007 at about R20 million. The graph further illustrates that exports values of raw hides and skins from UMgungundlovu District Municipality to the world attained a peak in 2011 at approximately R29 million. The graph further illustrates that exports values of raw hides and skins from Zululand District to the world attained a peak in 2009 at approximately R5 million, as compared to eThekwini Metro that attained its peak in 2002 at approximately R3.4 million.

The figure also illustrates that there was 45% increase in exports value of raw hides and skins from UMgungundlovu District Municipality to the world in 2011 as compared to 2010.

Figure 17: Value of raw hides & skins exports by Free State Province



	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Motheo District municipality	0	32524	0	0	0	227897	1200	0	0	0
Northern Free State District municipality	0	4399675	3912994	1.2E+07	2602249	1744681	2289932	0	2021227	0

Source: Quantec Easy Data

Figure 17 clearly reflects exports values of raw hides and skins from the Free State Province to the world between 2002 and 2011 period. The graph further shows that during the period under examination, most of raw hides and skins from Free State Province to the world were mainly from Northern Free State District Municipality, with very intermittent exports values from Motheo District. The graph also reflects that exports values of raw hides and skins from Northern Free State District started to increase in 2003, and then experienced a slight decline in 2004 at about R3.9 million. The graph further reflects that in 2005, there was a surge in exports of raw hides and skins until a peak was attained at approximately R11.6 million. The graph also reflects that in 2006, exports values of raw hides and skins experienced a sharp decline until lower levels of exports were attained in 2007 at approximately R1.7 million. The graph further reflects that in 2010, exports values of raw hides and skins from Northern Free State District to the world experienced a slight increase of approximately R2 million as compared to R1.7 million in 2007. It is also evident in the graph that in 2002 and again in 2009 and 2011, there were no exports values of raw hides and skins from Northern Free State District Municipality to the world due to the shortfall from producers of livestock. The graph further reflects that Motheo District had very low or intermittent levels of exports values of raw hides and skins in 2003, 2007 and 2008 of between R1200 and R227 000 respectively.

The figure also reflects that there was 100% decline in exports value of raw hides and skins from Northern Free State District Municipality to the world in 2011 as compared to 2010.

Figure 18: Value of raw hides & skins exports by Eastern Cape Province

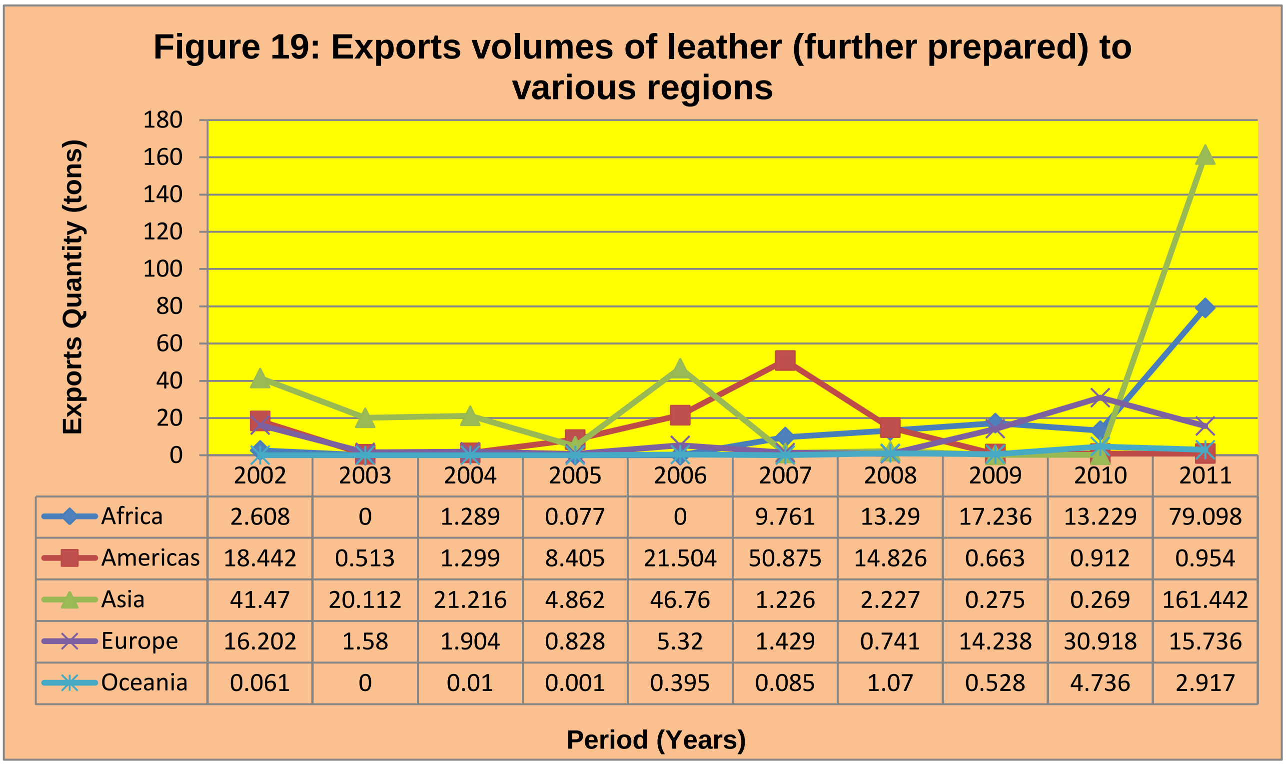
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Cacadu District municipality	1182323	0	0	3087449	2058200	7375	41787	0	0	0
Amatole District municipality	0	0	0	1210	227985	0	0	158231	3174349	7230659
Chris Hani District municipality	0	0	0	0	0	0	0	698176	0	0
Nelson Mandela Metropolitan Municipality	115381920	146883403	117058700	93981954	56258278	76896196	65360126	61034673	102420240	114720332

Period (Years)

Source: Quantec Easy Data

Figure 18 indicates exports values of raw hides and skins from Eastern Cape Province to the world between 2002 and 2011 period. The graph further indicates that during the period under examination, most of raw hides and skins from Eastern Cape Province to the world were mainly from Nelson Mandela Metropolitan Municipality, with no competition from the other regions of the province. It is evident that during the period under observation, exports of raw hides and skins from the Nelson Mandela Metro started to increase in 2002 until a peak was attained in 2003 at approximately R146 million. The figure also indicates that between 2004 and 2006, exports values of raw hides and skins from the Nelson Mandela Metropolitan Municipality experienced a down-turn in exports of approximately R5.6 million. It is also clear in the graph that in 2011, exports of raw hides and skins from the Nelson Mandela Metropolitan Municipality to the world experienced an increase of R114 million as compared to R102 million in 2010.

The figure further indicates that there was 11.8% increase in exports value of raw hides and skins from Nelson Mandela Metropolitan Municipality to the world in 2011 as compared to 2010.



	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Africa	2.608	0	1.289	0.077	0	9.761	13.29	17.236	13.229	79.098
Americas	18.442	0.513	1.299	8.405	21.504	50.875	14.826	0.663	0.912	0.954
Asia	41.47	20.112	21.216	4.862	46.76	1.226	2.227	0.275	0.269	161.442
Europe	16.202	1.58	1.904	0.828	5.32	1.429	0.741	14.238	30.918	15.736
Oceania	0.061	0	0.01	0.001	0.395	0.085	1.07	0.528	4.736	2.917

Source: Quantec Easy Data

Figure 19 shows exports volumes of leather (further prepared) from South Africa to various regions of the world between 2002 and 2011 period. The figure further shows that during the period under examination, most of leather (further prepared) from South Africa to the world went to Asia, followed by Africa and Americas. The figure also shows that exports of leather (further prepared) from South Africa to Asia started to increase in volume terms in 2002, then a slight decline occurred between 2003 and 2004. The figure further shows that in 2006, there was an increase in volumes of leather exports to 46 tons, and then a decline occurred in 2007. The figure also shows that exports of leather (further prepared) from South Africa to Asia attained a peak in 2010 at approximately 161 tons, while exports of leather (further prepared) from South Africa to Africa attained a peak also in 2011 at approximately 79 tons. The figure further shows that exports of leather (further prepared) from South Africa to Americas attained a peak in 2007 at approximately 58 tons. The figure also shows that there was 59.5% increase in exports volumes of leather (further prepared) from South Africa to Asia in 2011 as compared to 2010.

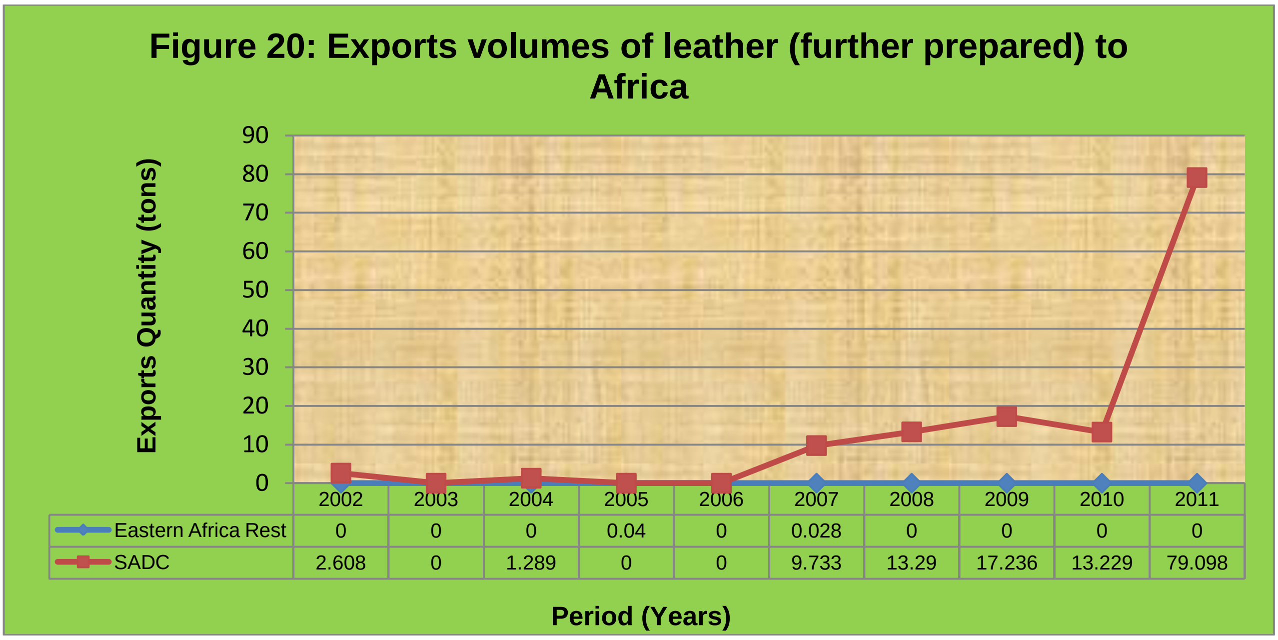


Figure 20: Exports volumes of leather (further prepared) to Africa

Source: Quantec Easydata

Figure 20 illustrates volumes of exports of leather (further prepared) from South Africa to Africa between 2002 and 2011 period. The graph further illustrates that during the period under observation, exports of leather (further prepared) from South Africa to Africa went to SADC, followed by very low or intermittent volumes from Eastern Africa. The graph also illustrates that over the past decade, exports volumes of leather (further prepared) from South Africa to SADC attained in 2011 at an export quantity of about 79 tons. Between 2007 and 2009, there was consistent increase in exports quantities of leather (further prepared) from South Africa to SADC to approximately 17.2 tons. The graph also illustrates that in 2003 and again between 2005 and 2006, there were no exports volumes of leather (further prepared) from South Africa to the SADC region. The graph further illustrates that exports volumes of leather (further prepared) from South Africa to Eastern Africa were very intermittent and below 1 ton per annum. The graph also illustrates that there was 507% increase in exports volumes of leather (further prepared) from South Africa to the SADC region in 2011 as compared to 2010.

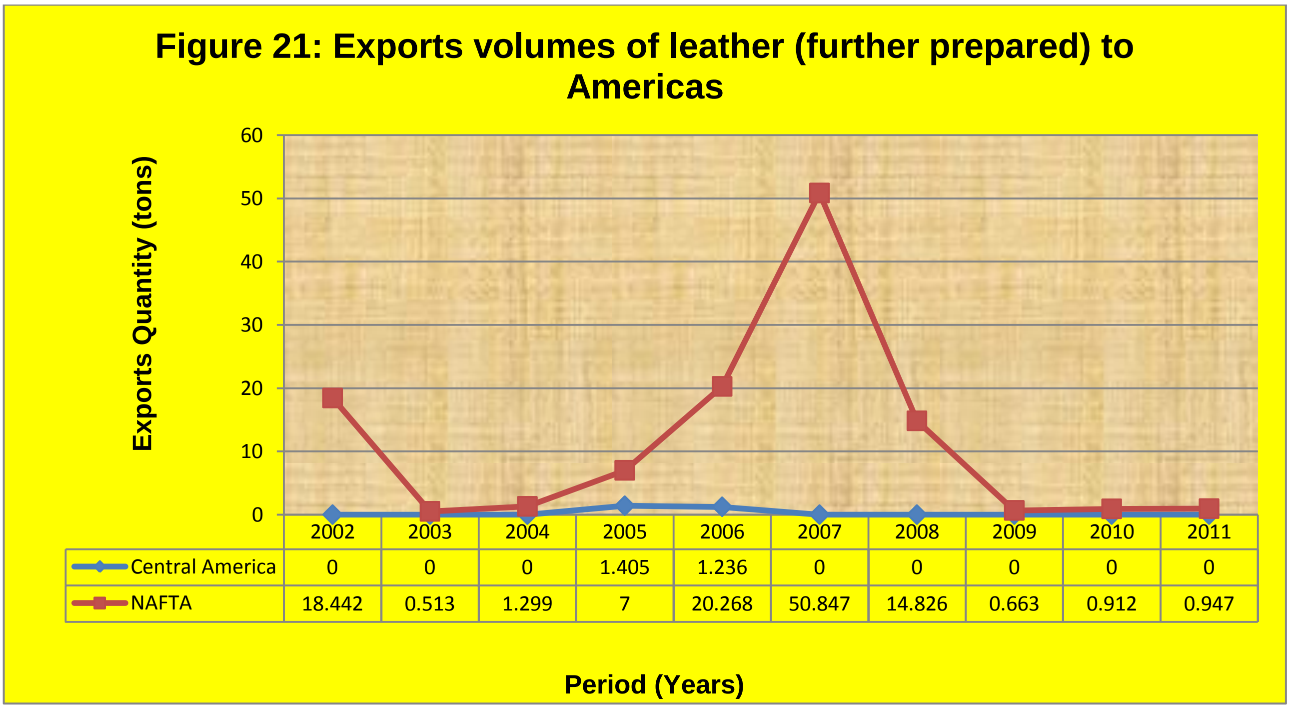
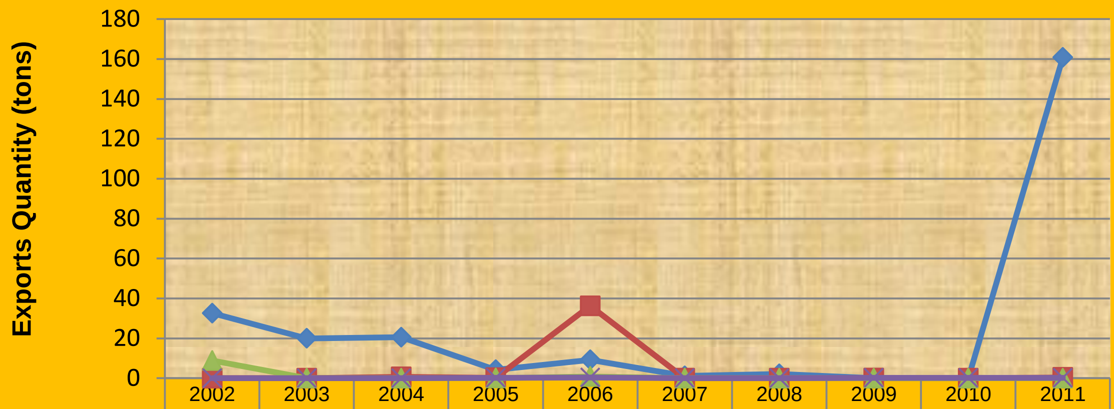


Figure 21: Exports volumes of leather (further prepared) to Americas

Source: Quantec Easydata

Figure 21 depicts volumes of exports of leather (further prepared) from South Africa to Americas between 2002 and 2011 period. The figure further depicts that during the period under scrutiny, exports of leather (further prepared) from South Africa to Americas went to NAFTA. The figure also depicts that exports volumes of leather (further prepared) from South Africa to NAFTA started to increase in 2002, and then a decline occurred in 2003 at about 0.51 tons. In 2004, a slight increase in exports of leather (further prepared) from South Africa to NAFTA and a surge of exports was experienced between 2005 and 2007 until a peak was attained in 2007 at approximately 50.8 tons. In 2008, exports of leather (further prepared) from South Africa to NAFTA saw a sharp decline to levels below a ton in 2009, 2010 and 2011. The figure also depicts that there were very intermittent exports of leather (further prepared) from South Africa to Central America during the period between 2002 and 2011. The figure further depicts that there was 98.0% decline in exports volumes of leather (further prepared) from South Africa to NAFTA in 2011 as compared to 2007.

Figure 22: Exports volumes of leather (further prepared) to Asia



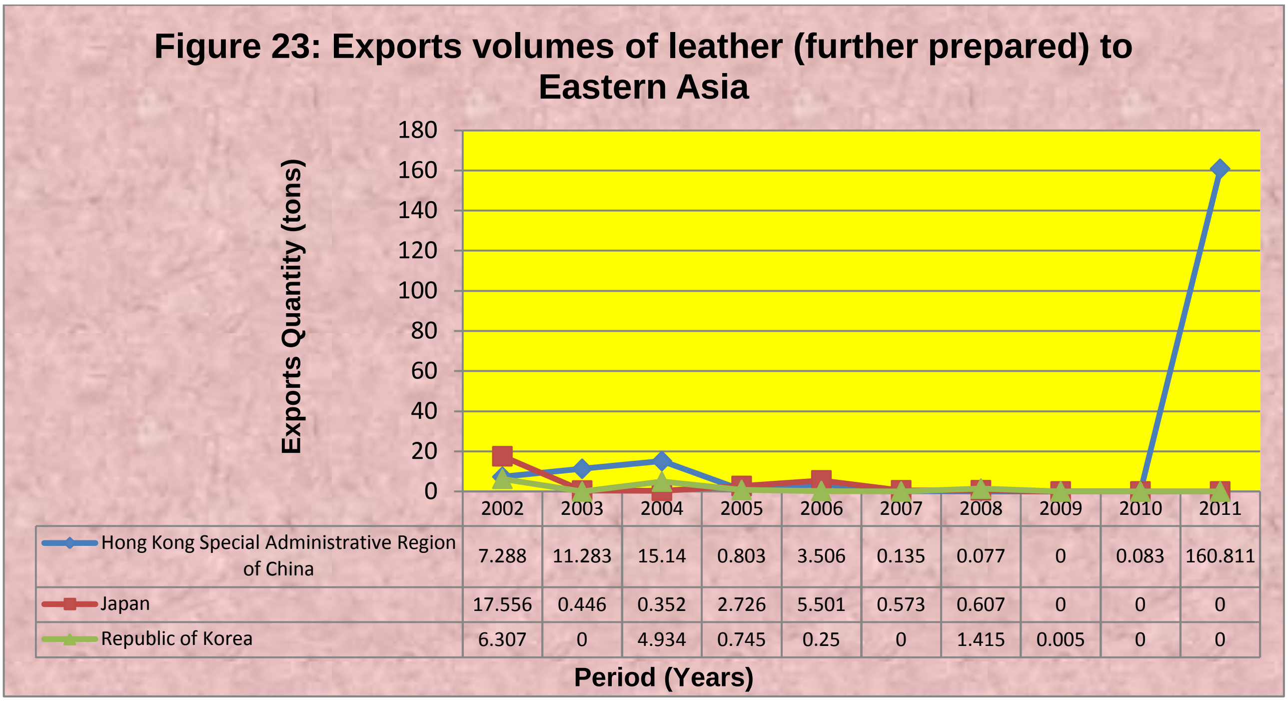
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Eastern Asia	32.604	20.039	20.546	4.275	9.257	1.169	2.192	0.005	0.083	160.811
South-central Asia	0	0.003	0.67	0.261	36.26	0	0	0.058	0	0.433
South-eastern Asia	8.866	0.07	0	0.121	0.872	0.004	0	0.013	0	0
Western Asia	0	0	0	0.205	0.371	0.053	0.035	0.199	0.186	0.198

Period (Years)

Source: Quantec Easydata

Figure 22 reflects exports volumes of leather (further prepared) from South Africa to Asia between 2002 and 2011 period. The graph further reflects that during the period under observation, most of leather (further prepared) exports from South Africa to Asia landed mainly in Eastern Asia, followed by South-central Asia with intermittent levels of exports of leather (further prepared). The figure also reflects that exports of leather (further prepared) from South Africa to Eastern Asia started to increase in 2002 until a serious decline occurred between2 005 and 2010 at approximately 0.005 tons in 2009. The figure further reflects that exports of leather (further prepared) from South Africa to Eastern Asia attained a peak in 2011 at an export quantity of about 160 tons. The graph further reflects that during the period under scrutiny, exports of leather (further prepared) from South Africa to South-central Asia attained peak in 2006 at approximately 36 tons. Western Asia and South-eastern Asia received minimal exports volumes of leather (further prepared) from South Africa during the same period under scrutiny. The figure also reflects that there was 199% increase in exports volumes of leather (further prepared) from South Africa to Eastern Asia in 2011 as compared to 2010.

Figure 23: Exports volumes of leather (further prepared) to Eastern Asia

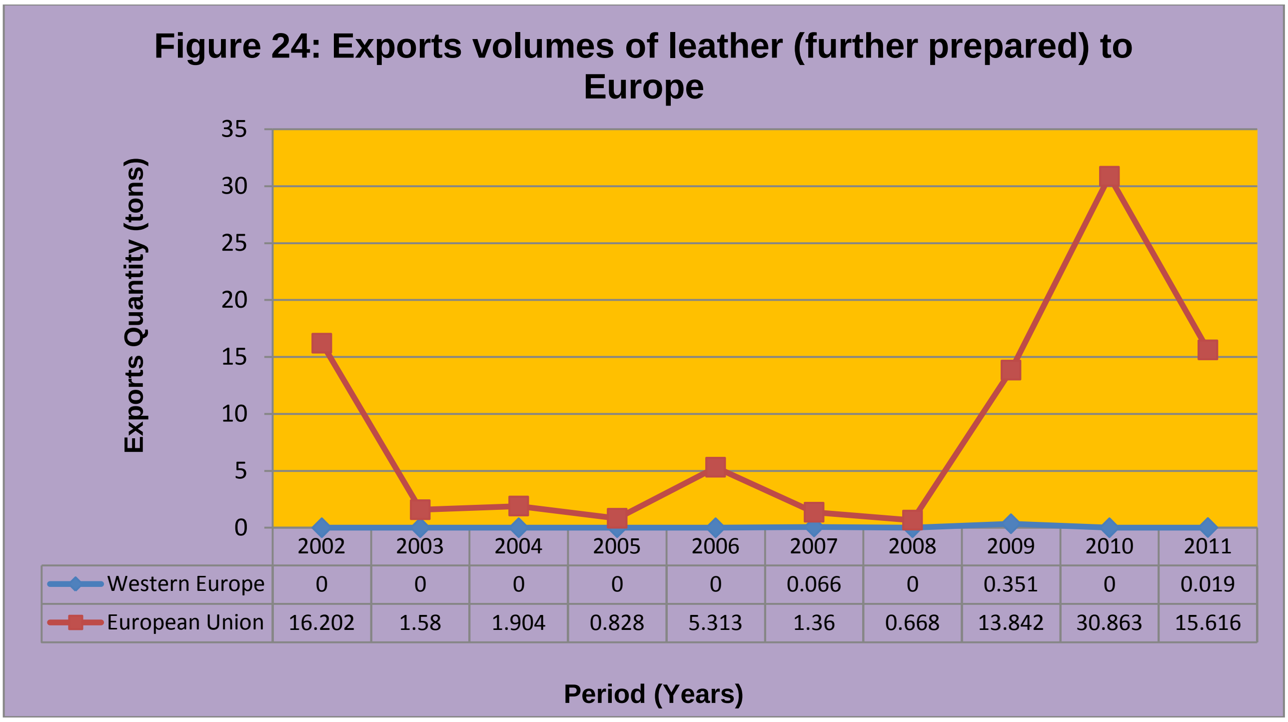


	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Hong Kong Special Administrative Region of China	7.288	11.283	15.14	0.803	3.506	0.135	0.077	0	0.083	160.811
Japan	17.556	0.446	0.352	2.726	5.501	0.573	0.607	0	0	0
Republic of Korea	6.307	0	4.934	0.745	0.25	0	1.415	0.005	0	0

Source: Quantec Easydata

Figure 23 indicates exports volumes of leather (further prepared) from South Africa to Eastern Asia between 2002 and 2011 period. The figure further indicates that during the period under examination, Hong Kong Special Administrative Region of China commanded the greatest share of leather (further prepared) from South Africa to Eastern Asia. The figure also indicates that exports of leather from South Africa to Hong Kong Special Administrative Region of China started to increase in 2011, and at the same time a peak was attained at approximately 160.81 tons. The figure further indicates that exports of leather (further prepared) from South Africa to Hong Kong experienced a slight increase in 2003 and 2004 until a minimum of 15 tons was achieved in 2004. Over the past decade, the figure also indicates that exports volumes of leather (further prepared) from South Africa to Japan and republic of Korea were not more than 18 tons per annum. The figure further indicates that there was 199% increase in exports volumes of leather (further prepared) from South Africa to Hong Kong Special Administrative Region of China in 2011 as compared to 2010.

Figure 24: Exports volumes of leather (further prepared) to Europe

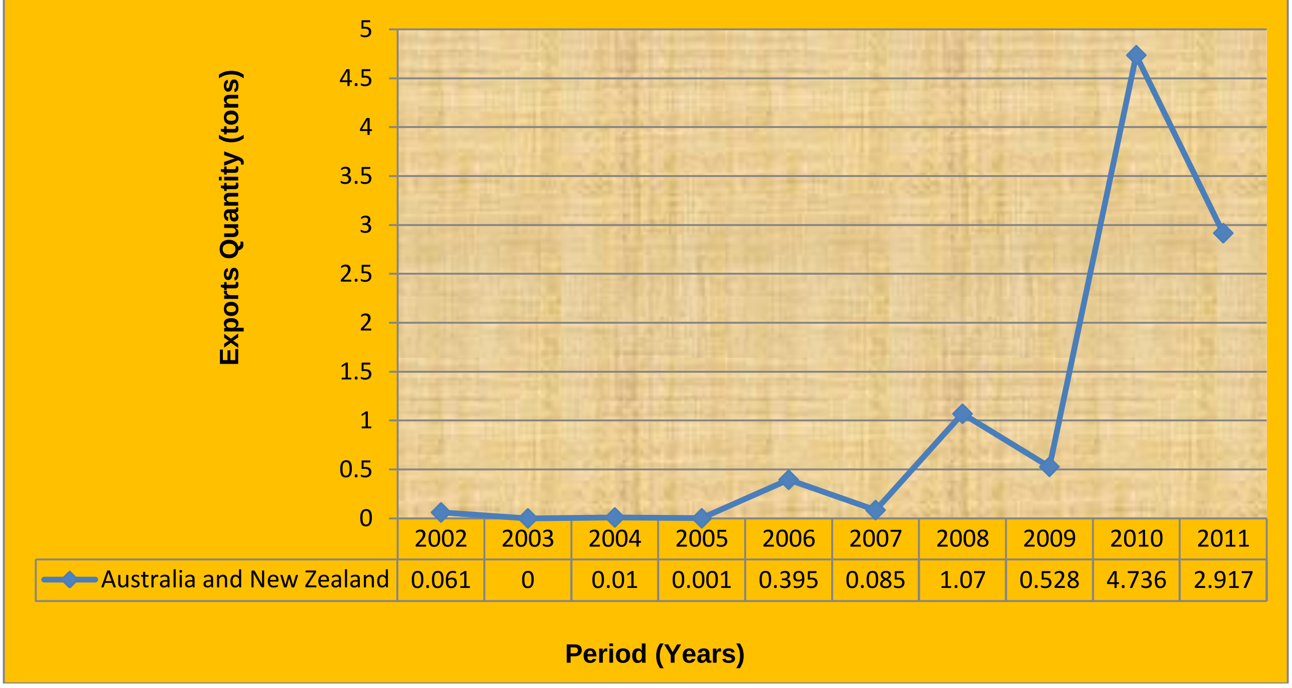


	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Western Europe	0	0	0	0	0	0.066	0	0.351	0	0.019
European Union	16.202	1.58	1.904	0.828	5.313	1.36	0.668	13.842	30.863	15.616

Source: Quantec Easydata

Figure 24 shows exports volumes of leather (further prepared) from South Africa to Europe between 2002 and 2011 period. The figure further shows that during the period under examination, European Union commanded the greatest share of leather (further prepared) from South Africa to Europe. The graph also shows that exports of leather from South Africa to the European Union started to increase in 2002, and a decline was experienced between 2003 and 2005 and again between 2007 and 2008. In 2002, exports volumes of leather (further prepared) from South Africa to the European Union started to increase and a small peak was attained at approximately 16.2 tons. In 2009, exports volumes of leather (further prepared) from South Africa to the European Union started to increase and saw a surge in exports volumes until a peak was attained in 2010 at approximately 30.8 tons. The figure further shows that in 2011, exports volumes of leather (further prepared) saw a decline of 15.6 tons as compared to 2010. It is also evident in the graph that during the period under review, there were very intermittent exports of leather (further prepared) from South Africa to Western Europe of not more than 1 ton per annum. The figure further shows that there was 49.4% decline in exports volumes of leather (further prepared) from South Africa to the European Union in 2011 as compared to 2010.

Figure 25: Exports volumes of leather (further prepared) to Oceania

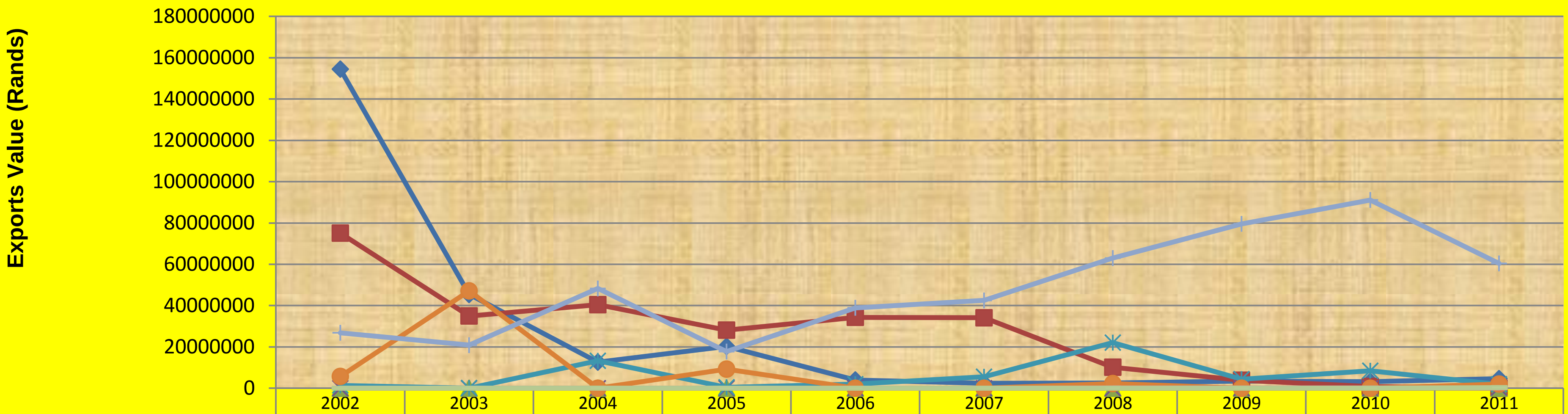


Source: Quantec Easydata

Figure 25 illustrates volumes of exports of leather (further prepared) from South Africa to Oceania between 2002 and 2011 period. The graph further illustrates that over the past decade, exports volumes of leather (further prepared) from South Africa to Oceania landed mainly in Australia and New Zealand. The graph further illustrates that between 2002 and 2005, exports volumes of leather (further prepared) from South Africa to Australia and New Zealand were very low and less than 1 ton. The graph also illustrates that exports of leather (further prepared) from South Africa to Australia and New Zealand started to increase in 2006, with further increases in 2008. The graph further illustrates that during the period under review, exports volumes of leather (further prepared) from South Africa to Australia and New Zealand declined in 2009 at about 0.53 tons until a peak was attained in 2010 at an export quantity of approximately 4.7 tons.

The graph also illustrates that there was 38.3% decline in exports volumes of leather (further prepared) from South Africa to Australia and New Zealand in 2011 as compared to 2010.

Figure 26: Value of leather exports (further prepared) by Provinces

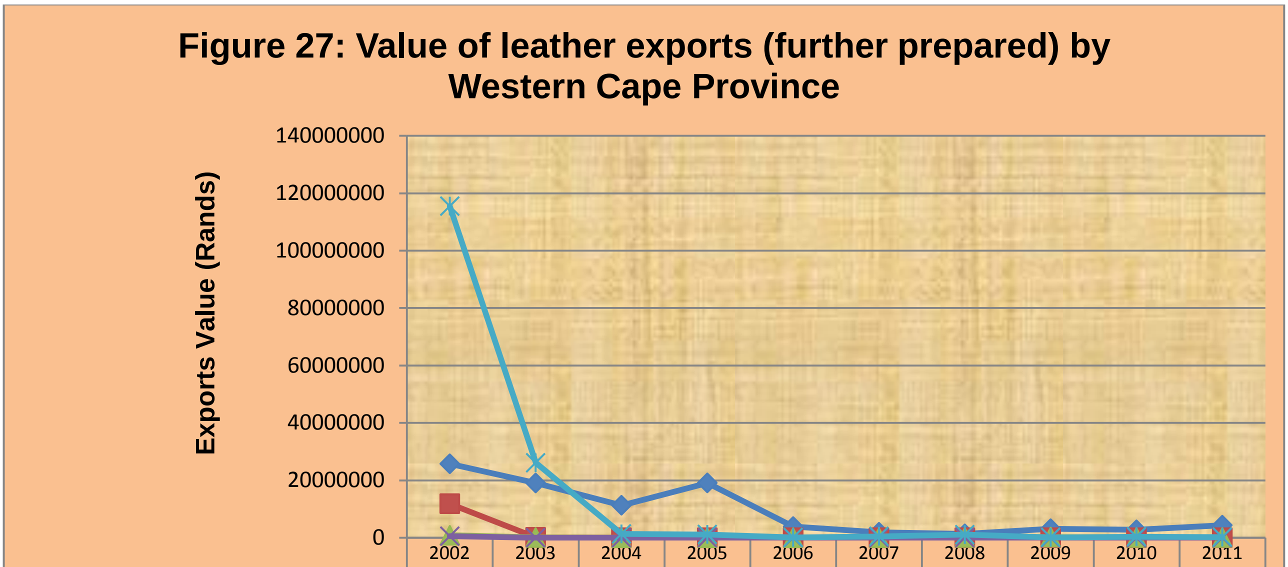


	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Western Cape	154474708	45377094	12639970	20260686	4005429	2434258	2492041	3495269	3226699	4645423
Eastern Cape	75094481	35003164	40462479	28138731	34337047	34103970	10181951	3879353	863711	39700
Northern Cape	0	0	0	0	12738	0	0	0	0	0
Free State	0	0	0	0	0	0	0	0	4770	282345
Kwazulu-Natal	1386191	99657	13289074	484255	1953089	5582915	22085116	4424882	8487647	1927642
North West	5736894	47140432	0	9256224	0	0	2276000	0	3144	2024352
Gauteng	26853359	20845098	48268638	17754443	38942949	42501606	62996219	79591996	91152863	60420165
Mpumalanga	0	0	13270	2793	0	77160	166640	136964	126550	100889
Limpopo	0	0	87170	0	0	35464	40796	42354	29876	354413

Period (Years)

Source: Quantec Easydata

Figure 26 depicts exports values of leather (further prepared) by Provinces of South Africa to the world between 2002 and 2011 period. The figure further depicts that over the past decade, leather exported by South Africa to the world during the period under review originated mainly from Western Cape Province, followed by Gauteng and Eastern Cape Provinces. North West and other province had very minimal / low levels of exports of leather to the world during the period under review. One of the reasons why Western Cape Province was the biggest exporter of leather (further prepared) is because most processing factories are located in Cape Town. The figure also depicts that exports of leather from Western Cape Province started to increase in 2002 and at the same time attained a peak at approximately R154 million. The figure further depicts that exports of leather (further prepared) from Gauteng and Eastern Cape Provinces attained their peak both in 2002 and 2010 at approximately R75 and R91 million, while exports volumes of leather (further prepared) from North West province attained a peak in 2003 at approximately R47 million. The figure also depicts that during the period under scrutiny, KwaZulu-Natal, Limpopo and Mpumalanga provinces had very intermittent exports to the world. The figure also depicts that there was 43.9% increase in exports value of leather (further prepared) from Western Cape Province to the world in 2011 as compared to 2010.



	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
City of Cape Town Metropolitan Municipality	25743204	19063643	11296879	19095652	3876981	1891098	1339759	3139934	2749077	4351114
West Coast District municipality	11861736	134132	0	0	0	0	0	0	0	0
Cape Winelands District Municipality	845175	75563	5052	15781	12679	45062	87622	209804	89542	77396
Overberg District municipality	534310	0	0	0	0	0	0	0	0	0
Eden District municipality	115490282	26103756	1338039	1149253	115769	498098	1064660	145531	388081	216913

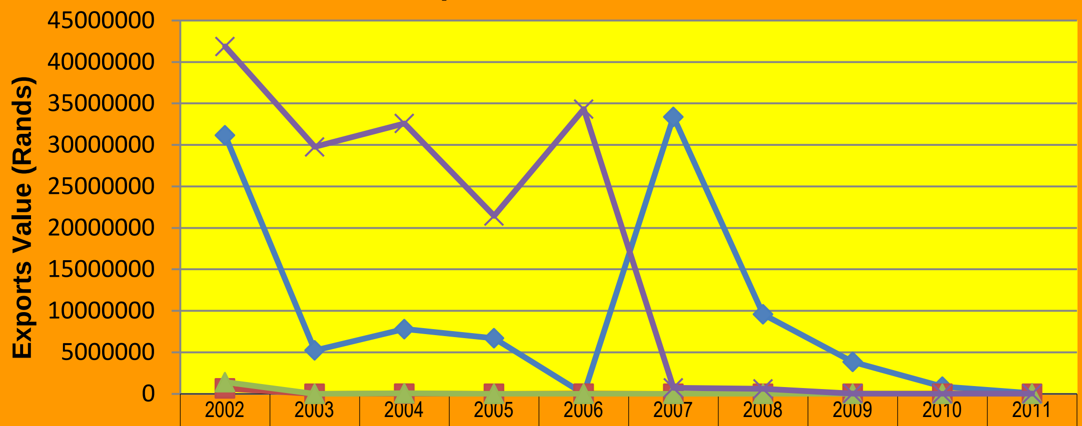
Period (Years)

Source: Quantec Easydata

Figure 27 indicates exports values of leather (further prepared) by Western Cape Province between 2002 and 2011 period. The figure clearly indicates that during the period under observation, exports of leather (further prepared) from Western Cape Province to the world were mainly from Eden District Municipality, with no competition from the other regions. The figure also indicates that exports of leather (further prepared) from Eden District Municipality to the world started to increase in 2002 and at the same time attained a peak at an export value of about R115 million. The figure further indicates that exports of leather (further prepared) from the City of Cape Town Metro Municipality to the world started to increase in 2002 and at the same time attained a peak at about R25 million. The figure also indicates that exports of leather (further prepared) from Eden District Municipality to the world experienced a sharp decline from 2003 until the lower levels were attained in 2007 and 2008 at approximately R1.3 and R1.8 million. The figure further indicates that during the same period under review, exports of leather (further prepared) from City of Cape Town Metro, Overberg District and West Coast District did not exceed an export value of about R26 million per annum.

The figure also indicates that there was 58.3% increase in exports volumes of leather (further prepared) from Eden District Municipality to the world in 2011 as compared to 2010.

Figure 28: Value of leather exports (further prepared) by Eastern Cape Province



	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Cacadu District municipality	31169146	5238801	7796285	6704921	0	33385154	9588589	3847709	858931	39100
Amatole District municipality	649668	0	9829	0	9302	0	0	0	4778	0
Chris Hani District municipality	1403707	0	55962	0	0	0	0	0	0	0
Nelson Mandela Metropolitan Municipality	41871960	29764363	32600403	21433810	34327745	718817	593362	31644	2	600

Period (Years)

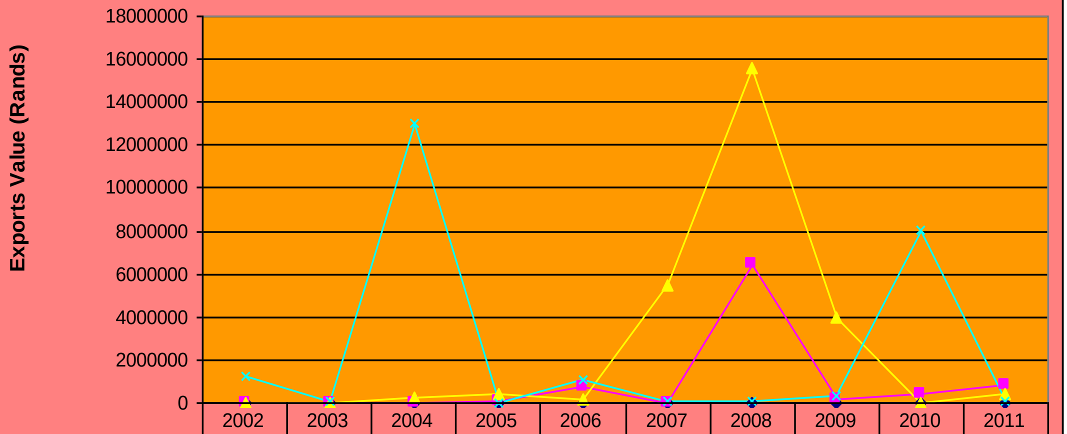
Source: Quantec Easydata

Figure 28 shows exports values of leather (further prepared) from Eastern Cape Province to the world between 2002 and 2011 period. The graph further shows that during the period under observation, Nelson Mandela Metropolitan municipality commanded the greatest share of leather exports from the province, followed by Cacadu District. It is evident in the figure that exports of leather (further prepared) from Nelson Mandela Metro to the world started to increase in 2002, and at the same time attained a peak at approximately R73 million and another peak in 2006 at about R34 million. It is also evident in the figure that exports of leather (further prepared) from Cacadu District to the world also attained a peak in 2002 at approximately R31 million, with another peak in 2007 at about R33 million. Amatole and Chris Hani Districts had very low levels of leather exports to the world during the period under review of less than R10 million per year. The figure also shows that both Nelson Mandela Metro and Cacadu District saw a decline in exports of leather (further prepared) to the world between 2009 and 2010 period. In 2011, exports of leather (further prepared) from both Nelson Mandela Metro to the world experienced a slight increase of about R600, while Cacadu District saw a dramatic decline in leather exports to an amount of R39 100.

The graph also shows that there was 29.9% increase in exports value of leather (further prepared) from Nelson Mandela Metropolitan municipality to the world in 2011 as compared to 2010, while that there was 95.4% decline in exports value of leather (further prepared) from Cacadu District Municipality to the world in 2011 as compared to 2010.

Figure 29 illustrates exports values of leather (further prepared) from KwaZulu-Natal Province to the world between 2002 and 2011 period. The graph further illustrates that during the period under review, Uthukela District municipality commanded the greatest share of exports of leather (further prepared) from the province to the world, followed by eThekwini Metropolitan municipality and UMgungundlovu District municipality. The graph also illustrates that exports of leather (further prepared) from Uthukela District to the world attained a peak in 2008 at approximately R15 million, while exports of leather (further prepared) from eThekwini Metropolitan to the world attained a peak in 2004 and 2010 at approximately R8 and R13 million respectively. It is evident in the graph that during the period under review, there were very intermittent exports of leather (further prepared) from Ugu and Uthungulu Districts of far below R1 million per annum. It is further evident that exports of leather (further prepared) from UMgungundlovu District to the world attained a peak in 2008 at approximately R6.4 million. The figure also illustrates that there was 100% increase in exports value of leather (further prepared) from Uthukela District municipality to the world in 2011 as compared to 2010.

Figure 29: Value of leather exports (further prepared) by KwaZulu-Natal Province



	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Ugu District municipality	0	0	100	0	0	0	0	16219	6508	0
UMgungundlovu District municipality	5415	0	0	101788	756925	19435	6451923	150768	453887	823209
Uthukela District municipality	0	65	277387	382182	153254	5473145	15569571	3963760	0	416993
eThekwini Metropolitan Municipality	1256954	99592	13011586	286	1042910	90335	56840	294134	8027252	66399

Period (Years)

Source: Quantec Easydata

Figure 30: Value of leather exports (further prepared) by North West Province

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Bojanala District municipality	5736894	47140432	0	9256224	0	0	0	0	0	2024352
Bophirima District municipality	0	0	0	0	0	0	2276000	0	0	0
Southern District municipality	0	0	0	0	0	0	0	0	3144	0

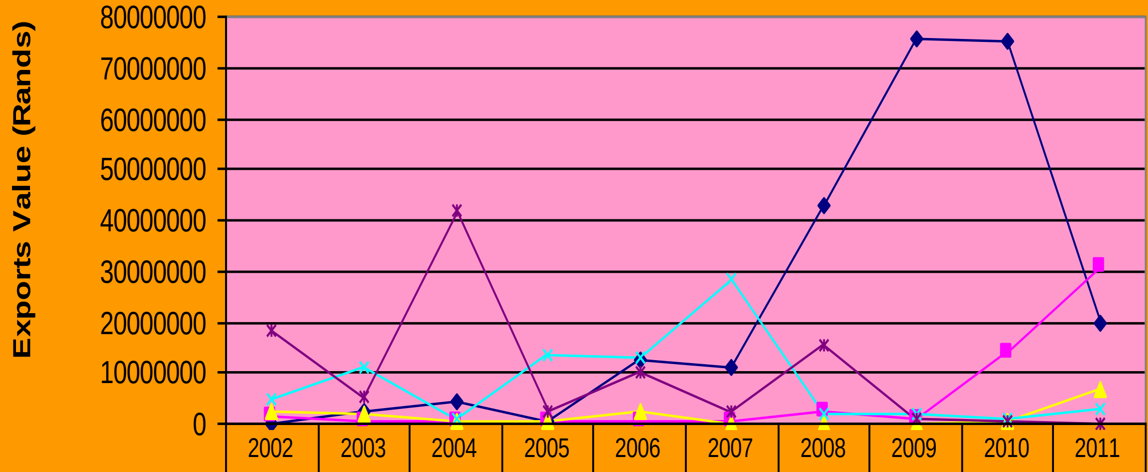
Period (Years)

Source: Quantec Easydata

Figure 30 reflects exports values of leather (further prepared) from North West Province to the world between 2002 and 2011 period. The graph further reflects that over the past decade, exports of leather (further prepared) from North West Province to the world were mainly from Bojanala District Municipality, followed by very low levels of leather exports from Bophirima and Southern District Municipalities. The figure also reflects that exports of leather (further prepared) from Bojanala District to the world started to increase in 2002, until a peak was attained in 2003 at an export value of R47 million. It is evident in the graph that during the period under observation, Bojanala District municipality only managed to export leather in 2002, 2003, 2005 and again in 2011. The graph further reflects that between 2002 and 2007, and again in 2009 and 2011, there were no exports of leather (further prepared) from both Bophirima and Southern District Municipalities to the world during the period under scrutiny.

The figure also reflects that there was 100% increase in exports value of leather (further prepared) from Bojanala District Municipality to the world in 2011 as compared to 2010.

Figure 31: Value of leather exports (further prepared) by Gauteng Province



	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Sedibeng District municipality	208	2187322	4402364	497981	12671608	11014755	43016728	75852103	75397681	19729890
West Rand District Municipality	1499985	416299	501410	373305	513197	519381	2233033	1040339	13747865	30940452
Ekurhuleni Metropolitan Municipality	2489447	2111825	481617	639486	2521463	22318	132739	48164	560406	6811494
City of Johannesburg Metropolitan Municipality	4729892	10960330	1124801	13632959	12968690	28642431	2056912	1826671	1166216	2778003
City of Tshwane Metropolitan Municipality	18133828	5169322	41758446	2610712	10267991	2302722	15556806	824719	280695	158582

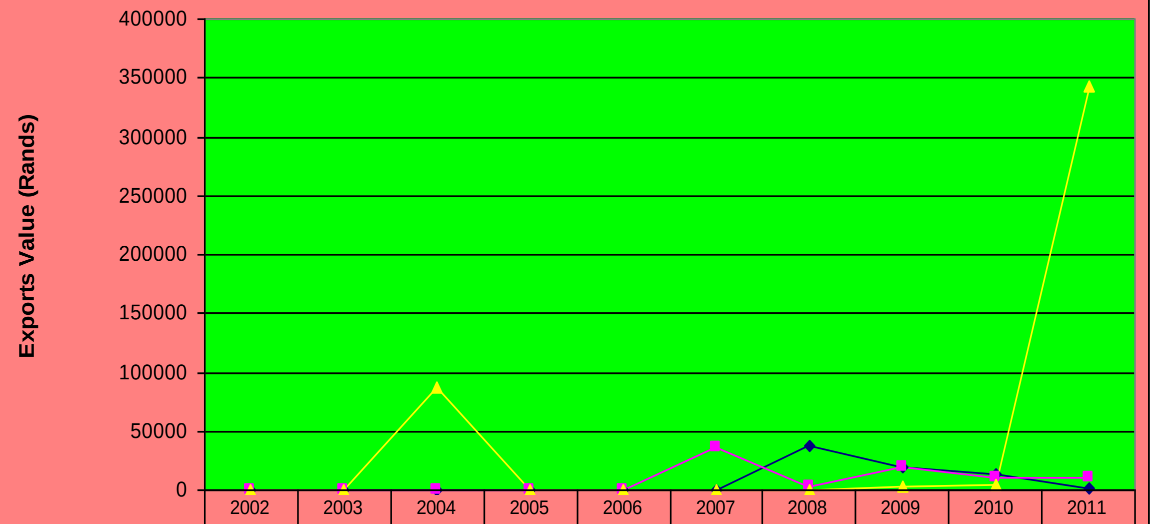
Period (Years)

Source: Quantec Easydata

Figure 31 depicts exports values of leather (further prepared) by Gauteng Province to the world between 2002 and 2011 period. The figure further depicts that leather exported by Gauteng Province to the world during the period under observation originated mainly from Sedibeng District, followed by the City of Tshwane Metro and the City of Johannesburg Metro Municipalities. The figure also depicts that, exports of leather (further prepared) from Sedibeng District to the world started to increase in 2002, with a further increase in 2003 and 2004. The figure further depicts that exports values of leather (further prepared) from Sedibeng District to the world attained a peak in 2009 and 2010 at approximately R75.3 and R75.8 million respectively during the period under review. The figure also depicts that exports of leather (further prepared) from the City of Tshwane Metro started to increase in 2002 until a peak was attained in 2004 at an export value of about R41.4 million, while exports of leather (further prepared) from the City of Johannesburg Metro started to increase in 2002, until a peak was attained in 2007 at an export value of R28.6 million. The figure further depicts that exports of leather (further prepared) from Sedibeng District to the world declined by 19.7 million in 2011, while exports of leather (further prepared) from west Rand District to the world increased and attained a peak at approximately R30.9 million.

The figure also depicts that there was 73.8% decline in exports value of leather (further prepared) from Sedibeng District Municipality to the world in 2011 as compared to 2010.

Figure 32: Value of leather exports (further prepared) by Limpopo Province



	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Vhembe District municipality	0	0	0	0	0	0	38075	19480	14078	1016
Capricorn District municipality	0	0	0	0	0	35464	2721	20259	11230	10156
Waterberg District municipality	0	0	87170	0	0	0	0	2615	4569	343241

Period (Years)

Source: Quantec Easydata

Figure 32 reflects exports values of leather (further prepared) from Limpopo Province to the world between 2002 and 2011 period. The figure further reflects that during the period under examination, exports of leather (further prepared) from Limpopo Province to the world were mainly from Waterberg District Municipality, followed by Vhembe and Capricorn District Municipalities. The figure also reflects that between 2002 and 2006, there were no exports of leather (further prepared) from the three above mentioned municipalities to the world, except Waterberg District where exports values of leather attained a small peak in 2004 at approximately R87 170. Vhembe District municipality attained a peak in exports of leather (further prepared) in 2008 at approximately R38 075, while Capricorn District attained a peak in exports of leather (further prepared in 2007 at approximately R35 484. The figure also reflects that exports of leather (further prepared) from Waterberg District to the world slightly increased in 2010 at about R4569 as compared to R2615 in 2009, until a peak was attained in 2011 at approximately R343 241.

The figure further reflects that there was 74.1% increase in exports value of leather (further prepared) from Waterberg District Municipality to the world in 2011 as compared to 2010.

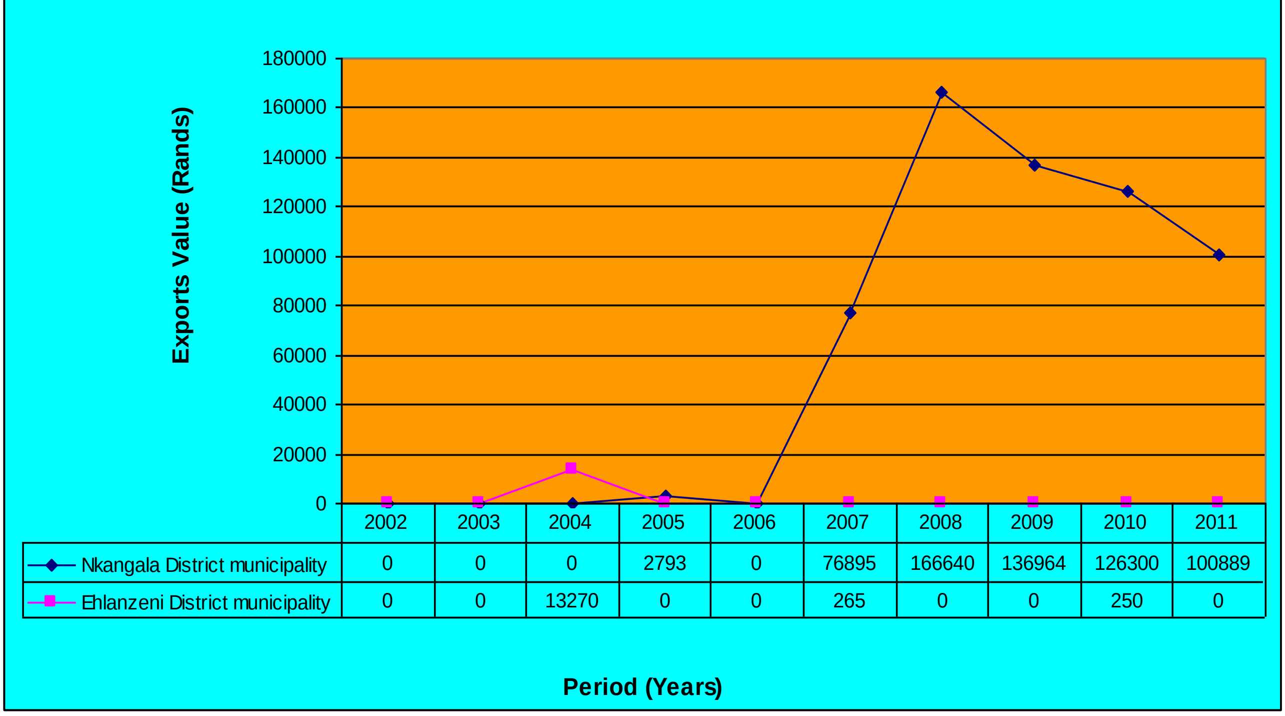


Figure 33: Value of leather exports (further prepared) by Mpumalanga Province

Source: Quantec Easydata

Figure 33 shows exports values of leather (further prepared) from Mpumalanga Province to the world between 2002 and 2011 period. The figure further shows that during the period under observation, exports of leather (further prepared) from Mpumalanga Province to the world were mainly from Nkangala District municipality, followed by very low or intermittent levels of leather exports. The figure also shows that there were no exports of leather (further prepared) from Nkangala District municipality between 2002 and 2004 and again in 2006. The figure further shows that during the period under observation, exports of leather (further prepared) from Nkangala District municipality to the world attained a peak in 2008 at an export value of R166 640. The figure also shows that there was a gentle decline in exports of leather from Nkangala District Municipality to the world from 2009 until 2011 respectively to lower levels of about R100 889. The figure further shows that between 2002 and 2003, and again between 2005 and 2006, 2008 and 2009 and again in 2011, there were no exports of leather (further prepared) from Ehlanzeni District to the world.

The figure also shows that there was 20.6% decline in exports value of leather (further prepared) from Nkangala District municipality to the world in 2011 as compared to 2010.

3.1 Share Analysis

Table 2 depicts that in South Africa, Eastern Cape Province commanded the greatest share of raw skins and hides exports during the period under scrutiny.

Table 2: Share Analysis of provincial raw hides and skins exports to the total RSA raw hides and skins exports (%)

Years:	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Provinces										
Western Cape	1.56	0.45	0.68	3.45	4.14	10.1	7.39	1.74	5.29	15.3
Eastern Cape	72.8	82.2	66.1	69.3	61.7	56.2	50.5	43.3	54.3	63.3
Free State	0.00	2.48	2.21	8.35	2.74	1.44	1.77	0.00	1.04	0.00
KwaZulu-Natal	0.07	0.20	1.12	3.41	7.94	15.7	5.32	10.3	11.7	15.4
North West	5.24	9.85	0.37	6.71	11.8	6.00	19.4	28.7	22.5	2.36

Years:	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Provinces										
Gauteng	15.2	2.28	14.5	4.56	10.7	8.05	15.5	11.0	4.40	3.67
Mpumalanga	4.24	0.99	13.5	4.19	0.02	0.00	0.01	1.58	0.61	0.00
Limpopo	0.84	1.55	1.60	0.00	1.02	2.49	0.16	3.31	0.09	0.00
Total	**100**	**100**	**100**	**100**	**100**	**100**	**100**	**100**	**100**	**100**

Source: Quantec Easydata

Table 3 shows that in Western Cape, the greatest share of raw hides and skins exports came from the City of Cape Town Metropolitan municipality during the period under observation.

Table 3: Share of district raw hides and skins exports to the total Western Cape provincial raw hides and skins exports (%)

Years	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Districts										
City of Cape Town Metro	74.6	93.3	98.8	92.6	76.4	88.9	99.3	87.6	99.7	99.6
West Coast District	0.00	0.00	0.00	7.44	23.5	10.5	0.00	10.5	0.00	0.16
Cape Winelands	25.4	6.74	0.00	0.00	0.18	0.08	0.67	1.95	0.27	0.19
Eden District	0.00	0.00	1.25	0.00	0.00	0.46	0.00	0.00	0.00	0.08
Total	**100**	**100**	**100**	**100**	**100**	**100**	**100**	**100**	**100**	**100**

Source: Quantec Easydata

Table 4 indicates that in Eastern Cape Province, the greatest share of raw hides and skins exports came from Nelson Mandela Metropolitan municipality during the period under examination.

Table 4: Share of district raw hides and skins exports to the total Eastern Cape provincial raw hides and skins exports (%)

Years	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Districts										
Cacadu District	1.01	0.00	0.00	3.18	3.52	0.01	0.06	0.00	0.00	0.00
Amatole District	0.00	0.00	0.00	0.00	0.39	0.00	0.00	0.26	3.01	5.93
Chris Hani	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.13	0.00	0.00
Nelson Mandela	98.9	100	100	96.8	96.1	99.99	99.9	98.6	96.9	94.1
Total	**100**	**100**	**100**	**100**	**100**	**100**	**100**	**100**	**100**	**0.00**

Source: Quantec Easydata

Table 5 illustrates that in Free State Province, the greatest share of raw hides and skins exports was mainly from Northern Free State District municipality during the period under review.

Table 5: Share of district raw hides and skins exports to the total Free State provincial raw hides and skins exports (%)

Years	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Districts										
Motheo District	0.00	0.73	0.00	0.00	0.00	11.6	0.05	0.00	0.00	0.00
Northern Free State	0.00	99.3	100	100	100	88.4	99.94	0.00	100	0.00

Years / Districts	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Total	**100**	**100**	**0.00**	**0.00**	**100**	**100**	**100**	**0.00**	**100**	**0.00**

Source: Quantec Easydata

Table 6 shows that in KwaZulu-Natal Province, the greatest share of raw hides and skins exports was mainly from UMgungundlovu District municipality during the period under scrutiny.

Table 6: Share of district raw hides and skins exports to the total KwaZulu-Natal provincial raw hides and skins exports (%)

Years	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Districts										
Ugu District	0.00	0.00	0.00	14.3	0.00	0.00	0.00	0.00	0.00	0.00
UMgungundlovu	0.00	0.00	95.9	71.8	87.7	94.7	99.1	65.5	91.2	100
Uthukela District	100	15.4	1.93	4.93	0.00	3.55	0.75	0.06	0.00	0.00
Zululand	0.00	0.00	0.00	8.70	12.3	0.00	0.00	34.5	7.22	0.00
Umkhanyakude	0.00	0.00	0.00	0.29	0.00	0.00	0.00	0.00	0.00	0.00
Uthungulu	0.00	0.00	1.21	0.00	0.00	0.00	0.00	0.00	0.00	0.00
eThekwini Metro	0.00	85.0	0.98	0.00	0.00	1.78	0.19	0.00	1.61	0.00
Total	**100**	**100**	**100**	**100**	**100**	**100**	**100**	**100**	**100**	**100**

Source: Quantec Easydata

Table 7 depicts that in North West Province, the greatest share of raw hides and skins exports was mainly from Bojanala District municipality during the period under review.

Table 7: Share of district raw hides and skins exports to the total North West provincial raw hides and skins exports (%)

Years	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Districts										
Bojanala District	100	100	100	99.99	100	100	99.99	56.5	45.4	7.01
Bophirima District	0.00	0.00	0.00	0.01	0.00	0.00	0.00	43.5	54.6	92.9
Total	**100**	**100**	**100**	**100**	**100**	**100**	**100**	**100**	**100**	**100**

Source: Quantec Easydata

Table 8 illustrates that in Gauteng Province, the greatest share of raw hides and skins exports was mainly from the City of Johannesburg Metropolitan municipality during the period under review.

Table 8: Share of district raw hides and skins exports to the total Gauteng provincial raw hides and skins exports (%)

Years	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Districts										
Sedibeng	36.1	27.0	0.00	3.57	0.00	41.6	11.1	4.39	0.04	0.00
West Rand	1.50	2.75	0.02	0.08	48.1	0.01	0.26	0.06	0.95	2.54
Ekurhuleni	0.86	2.51	1.20	12.9	0.37	0.42	0.59	2.48	5.53	72.7
City of Joburg	58.9	67.6	7.71	81.4	51.1	57.5	88.1	92.7	93.3	24.6
City of	2.61	0.11	90.7	1.99	0.36	0.41	0.00	0.40	0.13	0.10

Years	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Districts										
Tshwane										
Total	**100**	**100**	**100**	**100**	**100**	**100**	**100**	**100**	**100**	**100**

Source: Quantec Easydata

Table 9 shows that in Mpumalanga Province, the greatest share of raw hides and skins exports was mainly from Nkangala District municipality during the period under observation.

Table 9: Share of district raw hides and skins exports to the total Mpumalanga provincial raw hides and skins exports (%)

Years	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Districts										
Gert Sibande	61.5	5.63	0.00	0.00	0.00	0.00	0.00	97.9	100	0.00
Nkangala District	38.5	94.4	100	99.8	100	0.00	0.00	2.09	0.00	0.00
Ehlanzeni District	0.00	0.00	0.00	0.20	0.00	0.00	100	0.00	0.00	0.00
Total	**100**	**100**	**100**	**100**	**100**	**0.00**	**100**	**100**	**0.00**	**0.00**

Source: Quantec Easydata

Table 10 reflects that in Limpopo Province, the greatest share of raw hides and skins exports came from Waterberg District municipality during the period under examination.

Table 10: Share of district raw hides and skins exports to the total Limpopo provincial raw hides and skins exports (%)

Years	**2002**	**2003**	**2004**	**2005**	**2006**	**2007**	**2008**	**2009**	**2010**	**2011**
Districts										
Mopani District	46.2	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Capricorn District	0.00	0.00	1.22	0.00	4.56	0.39	0.00	0.00	0.00	0.00
Waterberg District	53.8	100	98.8	0.00	95.4	99.6	100	100	100	0.00
Total	**100**	**100**	**100**	**100**	**100**	**100**	**100**	**100**	**100**	**0.00**

Source: Quantec Easydata

Table 11 reflects that in South Africa, Eastern Cape Province commanded the largest share of leather (further prepared) exports from South Africa during the period under observation.

Table 11: Share Analysis of provincial leather (further prepared) exports to the total RSA leather exports (%)

Years	**2002**	**2003**	**2004**	**2005**	**2006**	**2007**	**2008**	**2009**	**2010**	**2011**
Provinces										
Western Cape	58.6	30.6	11.0	26.7	5.05	2.87	2.49	3.82	3.11	6.66
Eastern Cape	28.5	23.6	35.3	37.1	43.3	40.2	10.2	4.24	0.83	0.06
Kwazulu-Natal	0.53	0.07	11.6	0.64	2.46	6.59	22.0	4.83	8.17	2.76
North West	2.18	31.8	0.00	12.2	0.00	0.00	2.27	0.00	0.00	2.90
Gauteng	10.2	14.0	42.1	23.4	49.1	50.2	62.8	86.9	87.7	86.6
Mpumalanga	0.00	0.00	0.01	0.00	0.00	0.09	0.17	0.15	0.12	0.14
Limpopo	0.00	0.00	0.08	0.00	0.00	0.04	0.004	0.04	0.03	0.51
Total	**100**	**100**	**100**	**100**	**100**	**100**	**100**	**100**	**100**	**100**

Source: Quantec Easydata

Table 12 above shows that in Western Cape Province, the greatest share of leather (further prepared) exports originated mainly from the City of Cape Town Metro during the period under scrutiny.

Table 12: Share of district leather (further prepared) exports to the total Western Cape provincial leather exports (%)

Years	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Districts										
City of Cape Town Metro	16.7	42.0	89.4	94.2	96.8	77.7	53.8	89.8	85.2	93.7
West Coast	7.68	0.30	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Cape Winelands	0.55	0.17	0.04	0.08	0.32	1.85	3.52	4.16	12.0	1.67
Overberg District	0.35	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	4.67
Eden District	74.8	57.5	10.6	5.67	2.89	20.5	42.7	4.16	12.0	4.67
Total	**100**	**100**	**100**	**100**	**0.00**	**100**	**100**	**100**	**100**	**100**

Source: Quantec Easydata

In Eastern Cape Province, the greatest share of the export came from Nelson Mandela Metropolitan Municipality during the period under examination (see Table 13).

Table 13: Share of district leather (further prepared) exports to the total Eastern Cape provincial leather exports (%)

Years	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Districts										
Cacadu	41.5	15.0	19.3	23.8	0.00	97.9	94.2	99.2	99.4	98.5
Amathole	0.87	0.00	0.02	0.00	0.03	0.00	0.00	0.00	0.55	0.00
Chris Hani	1.87	0.00	0.14	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Nelson Mandela	55.8	85.0	80.6	76.2	99.97	2.11	5.83	0.82	0.00	1.51
Total	**100**	**100**	**100**	**100**	**100**	**100**	**100**	**100**	**100**	**100**

Source: Quantec Easydata

In KwaZulu–Natal Province, the greatest share of leather exports came from eThekwini Metro, followed by Uthukela District municipality during the period under review (see Table 14).

Table 14: Share of district leather (further prepared) exports to the total KwaZulu-Natal provincial leather exports (%)

Years	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Districts										
Ugu District	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.37	0.08	0.00
uMgungundlovu	0.39	0.00	0.00	21.0	7.85	0.35	29.2	3.41	5.35	63.0
Uthukela	0.00	0.07	2.09	78.9	7.85	98.0	70.5	89.6	0.00	31.9
eThekwini Metro	90.7	99.9	97.9	0.06	53.4	1.62	0.26	6.65	94.6	5.08
Total	**100**	**100**	**100**	**100**	**100**	**100**	**100**	**100**	**100**	**100**

Source: Quantec Easydata

In North West province, Bojanala District municipality commanded the greatest share of leather exports (further prepared) during the period under scrutiny (see Table 15).

Table 15: Share of district leather (further prepared) exports to the total North West provincial leather exports (%)

Years	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Districts										
Bojanala	100	100	0.00	100	0.00	0.00	0.00	0.00	0.00	100
Bophirima	0.00	0.00	0.00	0.00	0.00	0.00	100	0.00	0.00	0.00
Southern	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	100	0.00
Total	**100**	**100**	**0.00**	**100**	**0.00**	**0.00**	**100**	**0.00**	**100**	**100**

Source: Quantec Easydata

In Gauteng Province, Table 16 shows that Sedibeng District Municipality commanded the greatest share of leather exports (further prepared) during the period under examination.

Table 16: Share of district leather exports to the total Gauteng provincial leather exports (%)

Years	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Districts										
Sedibeng District	0.00	10.5	9.12	2.80	32.5	25.9	68.3	95.3	82.7	32.7
West Rand District	5.59	2.00	1.04	2.10	1.32	1.22	3.54	1.31	15.1	51.2
Ekurhuleni Metro	9.27	10.1	1.00	3.60	6.47	0.05	0.21	0.06	0.61	11.3
City of Johannesburg	17.6	52.6	2.33	76.8	33.3	67.4	3.27	2.30	1.28	4.60
City of Tshwane Metro	67.5	24.8	86.5	14.7	26.4	5.42	24.7	1.04	0.31	0.26
Total	**100**	**100**	**100**	**100**	**100**	**100**	**100**	**100**	**100**	**100**

Source: Quantec Easydata

Table 17 below shows that in Mpumalanga Province, the greatest share of leather (further prepared) exports originated mainly from Nkangala District Municipality during the period under observation.

Table 17: Share of district leather (further prepared) exports to the total Mpumalanga provincial leather exports (%)

Years	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Districts										
Nkangala District	0.00	0.00	0.00	100	0.00	99.7	100	100	99.8	100
Ehlanzeni District	0.00	0.00	100	0.00	0.00	0.34	0.00	0.00	0.20	0.00
Total	**0.00**	**0.00**	**100**	**100**	**0.00**	**100**	**100**	**100**	**100**	**100**

Source: Quantec Easydata

Table 18: Share of district leather (further prepared) exports to the total Limpopo provincial leather exports (%)

Years	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Districts										
Vhembe District	0.00	0.00	0.00	0.00	0.00	0.00	93.3	46.0	47.1	0.29
Capricorn District	0.00	0.00	0.00	0.00	0.00	100	6.67	47.8	37.6	0.00
Waterberg District	0.00	0.00	100	0.00	0.00	0.00	0.00	6.17	15.3	96.8
Total	**0.00**	**0.00**	**100**	**0.00**	**0.00**	**100**	**100**	**100**	**100**	**100**

Source: Quantec Easydata

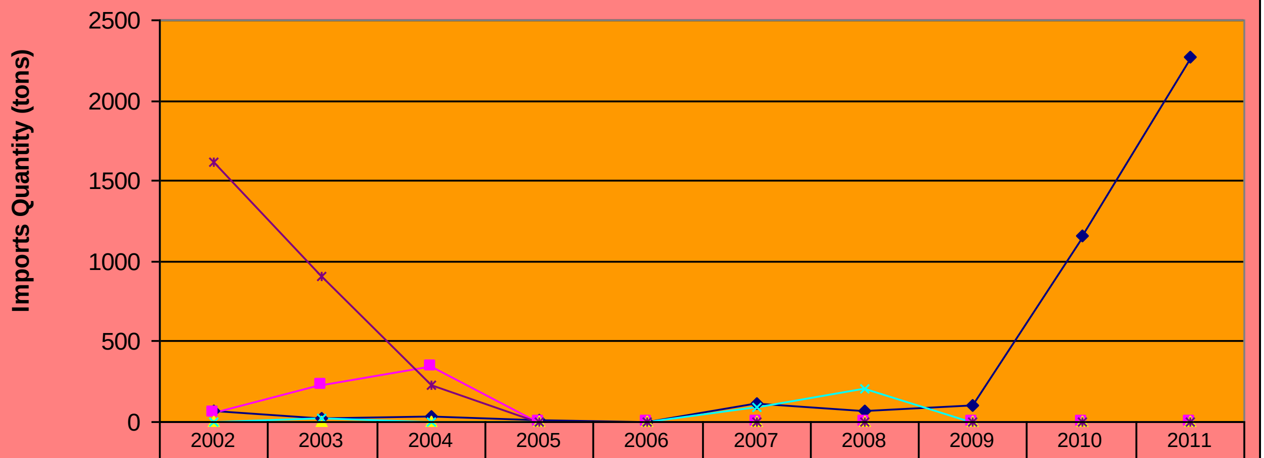
Table 18 above depicts that in Limpopo province, the greatest share of leather (further prepared) exports originated mainly from Capricorn District Municipality during the period under examination.

4. IMPORTS VOLUMES OF RAW HIDES & SKINS

The demand for hides by the automotive sector out-strips the number of cattle slaughtered locally and 60-70% of the hides produced are suitable for use in automotive upholstery. Yet this is inadequate for automotive needs, which is why the shortfall of high quality wet-blues has to be imported (Ballard, 2001).

South Africa imports hides and skins from all over the world, in particular Brazil, India and Argentina, to process into value added products.

Figure 34: Imports volumes of raw hides & skins from various regions



	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Africa	64.282	22.142	32.664	9.013	3.754	111.552	68.326	104	1160.959	2274.47
Americas	53.28	233.945	338.405	0.01	2.435	0.007	1.555	2.235	1.621	1.509
Asia	0.589	0.554	0.742	2.566	0	0.048	0.014	0.065	0.002	0.301
Europe	0.036	18.079	0.002	0.25	0.032	91.182	202.49	0.784	0.022	0
Oceania	1622.675	900.254	233.405	0	0	0.068	0	0.08	0	0

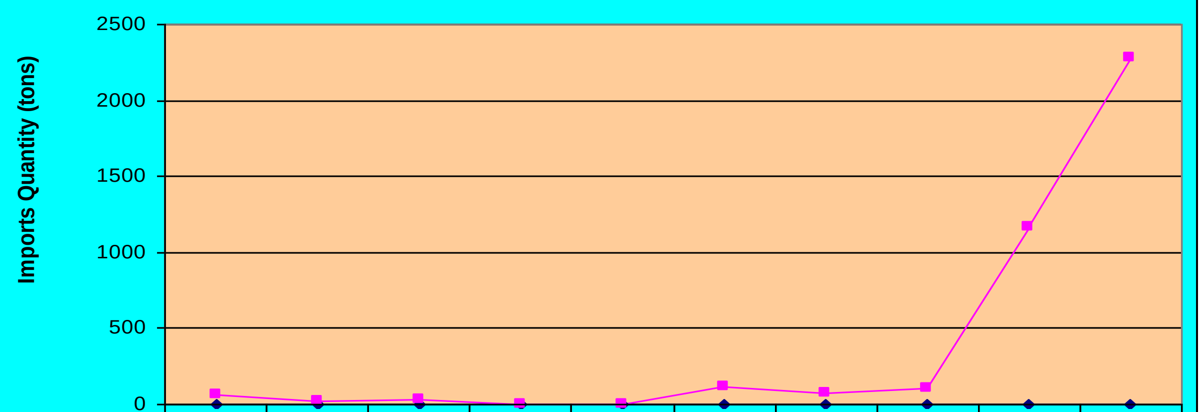
Period (Years)

Source: Quantec Easydata

Figure 34 depicts imports volumes of raw hides and skins from various regions into South Africa between 2002 and 2011 period. The figure further depicts that over the past decade, imports volumes of raw hides and skins from the world into South Africa were mainly from Africa, followed by Oceania and very minimal / low levels of imports of raw hides and skins from Americas and Europe. The figure also depicts that imports of raw hides and skins from Africa into South Africa were low between 2002 and 2009 not more than 115 tons per annum. The figure further depicts that imports of raw hides and skins from Africa into South Africa attained a peak in 2011 at an import quantity of about 2274.47 tons. It is also evident in the figure that imports of raw hides and skins from Oceania into South Africa attained a peak in 2002 at an import quantity of about 1622.68 tons. The figure also depicts that between 2005 and 2006, in 2008 and again between 2010 and 2011, there were no imports of raw hides and skins from Oceania into South Africa.

Figure 35 below indicates imports volumes of raw hides and skins from Africa into South Africa between 2002 and 2011 period. The graph further indicates that during the period under review, imports of raw hides and skins from Africa into South Africa were mainly from SADC, with very intermittent imports volumes from Eastern Africa. The graph also indicates that imports of raw hides and skins from SADC region into South Africa started to increase in 2010 and attained a peak in 2011 at an import quantity of 2274.45 tons. It is also evident in the graph that imports volumes of raw hides and skins from Africa into South Africa experienced very low levels of imports between 2002 and 2009 of the period under scrutiny. The figure further depicts that in 2004 and again between 2006 and 2011, there were no imports of raw hides and skins from Eastern Africa into South Africa during the period under review.

Figure 35: Imports volumes of raw hides & skins from Africa

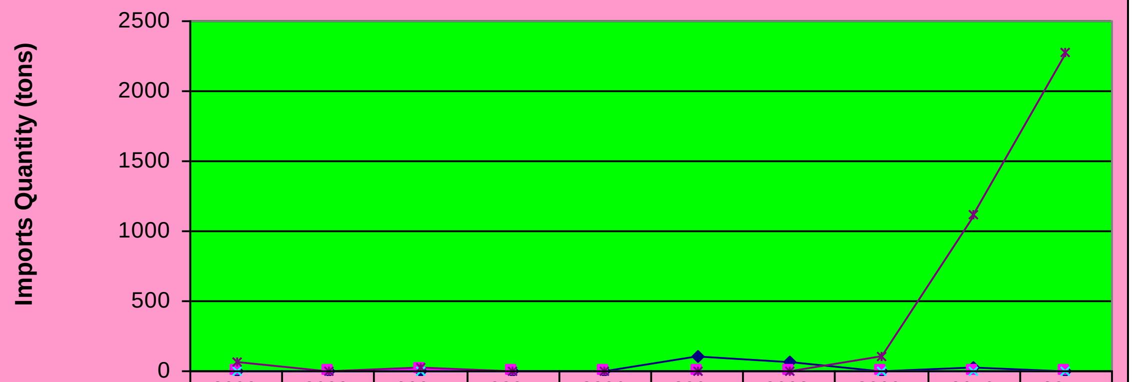


	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Eastern Africa Rest	2.5	1.3	0	4.676	0	0	0	0	0	0
SADC	61.782	20.842	32.664	4.337	3.754	111.532	68.326	104	1160.959	2274.445

Period (Years)

Source: Quantec Easydata

Figure 36: Imports volumes of raw hides & skins from SADC



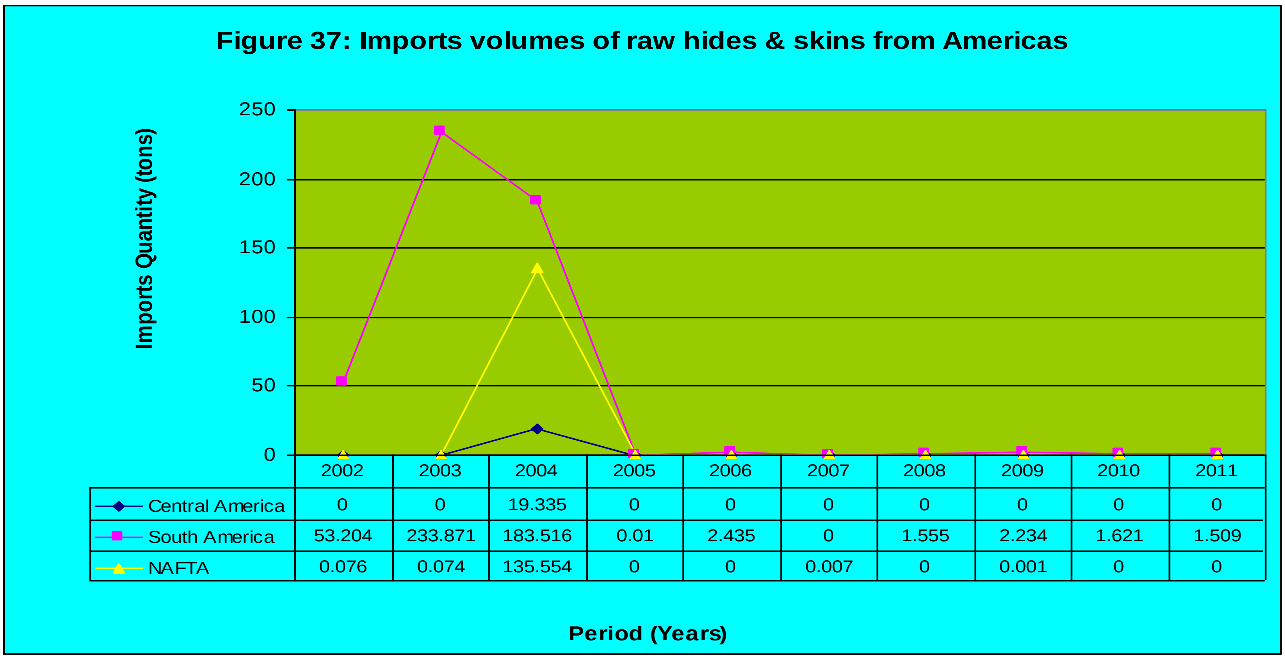
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Mozambique	0	0	0	1.674	0	108	64.3	0	21	4
United Republic of Tanzania	0.03	0	6.867	2.663	3.754	3.42	4.026	0	0	0
Zambia	0	0	0.307	0	0	0	0	0	0	0
Zimbabw e	61.752	2.827	25.404	0	0	0.112	0	104	1113.959	2270.445

Period (Years)

Source: Quantec Easydata

Figure 36 illustrates volumes of imports of raw hides and skins from SADC region into South Africa between 2002 and 2011 period. The figure further illustrates that over the past decade, imports of raw hides and skins from SADC into South Africa originated mainly from Zimbabwe. The figure also depicts that between 2005 and 2006 and again in 2008, there were no imports of raw hides and skins from Zimbabwe into South Africa. The figure further illustrates that imports of raw hides and skins from Zimbabwe into South Africa started to increase dramatically in 2010, until a peak was attained in 2011 at an import quantity of about 2270.45 tons. Between 2002 and 2009, imports volumes of raw hides and skins from Zimbabwe were low and ranged between 2.83 and 104 tons. The figure also illustrates that imports volumes of raw hides and skins from

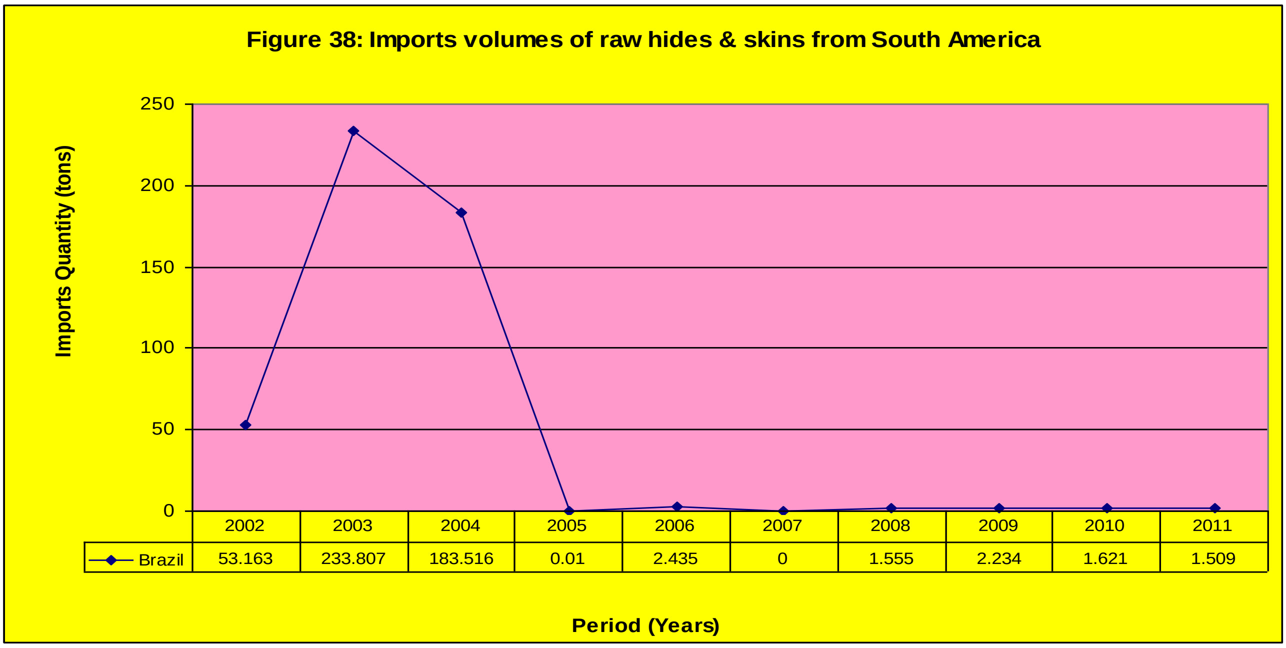
Mozambique, United Republic of Tanzania and Zambia were low between 0 and 108 tons per annum during the period under review.



	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Central America	0	0	19.335	0	0	0	0	0	0	0
South America	53.204	233.871	183.516	0.01	2.435	0	1.555	2.234	1.621	1.509
NAFTA	0.076	0.074	135.554	0	0	0.007	0	0.001	0	0

Source: Quantec Easydata

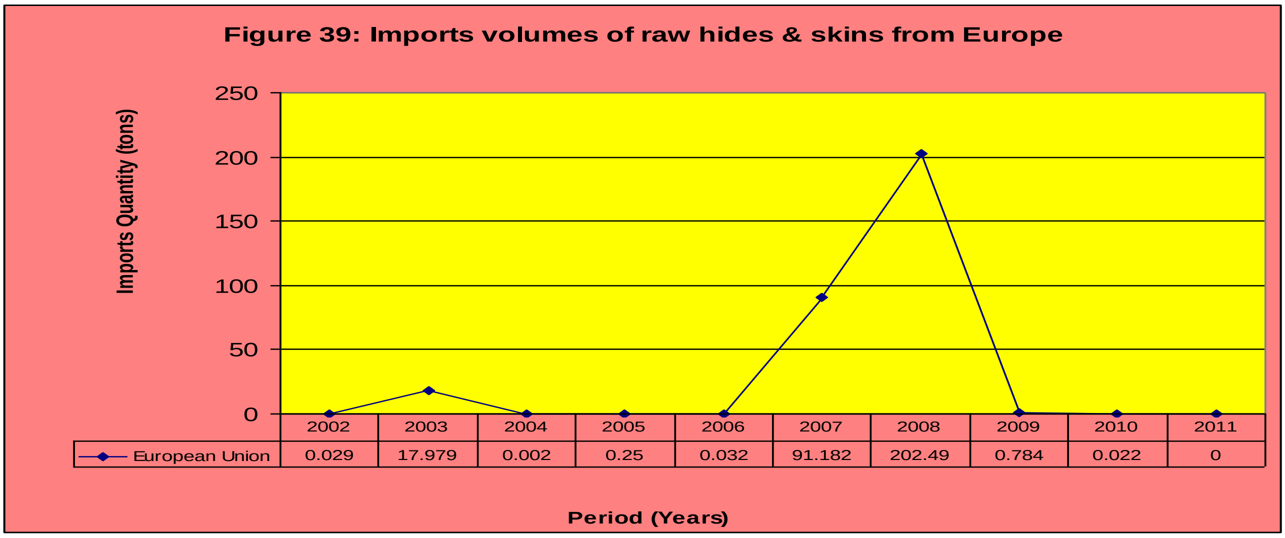
Figure 37 shows imports volumes of raw hides and skins from the Americas into South Africa between 2002 and 2011 period. The figure further shows that over the past ten years, imports of raw hides and skins from Americas into South Africa came from South America, followed by NAFTA and Central America. The figure also shows that between 2005 and 2011, there were very minimal or intermittent levels of raw hides and skins imports from both South America and NAFTA. The figure further shows that imports of raw hides and skins from South America into South Africa started to increase in 2002, until a peak was attained in 2003 at an import quantity of about 233.90 tons, while imports of raw hides and skins from NAFTA into South Africa started to increase in 2004 and at the same time attained a peak at approximately 135.60 tons. The figure also shows that during the period under observation, imports of raw hides and skins from Central America into South Africa had very intermittent levels of imports with a slight increase in 2004 at about 19 tons.



	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Brazil	53.163	233.807	183.516	0.01	2.435	0	1.555	2.234	1.621	1.509

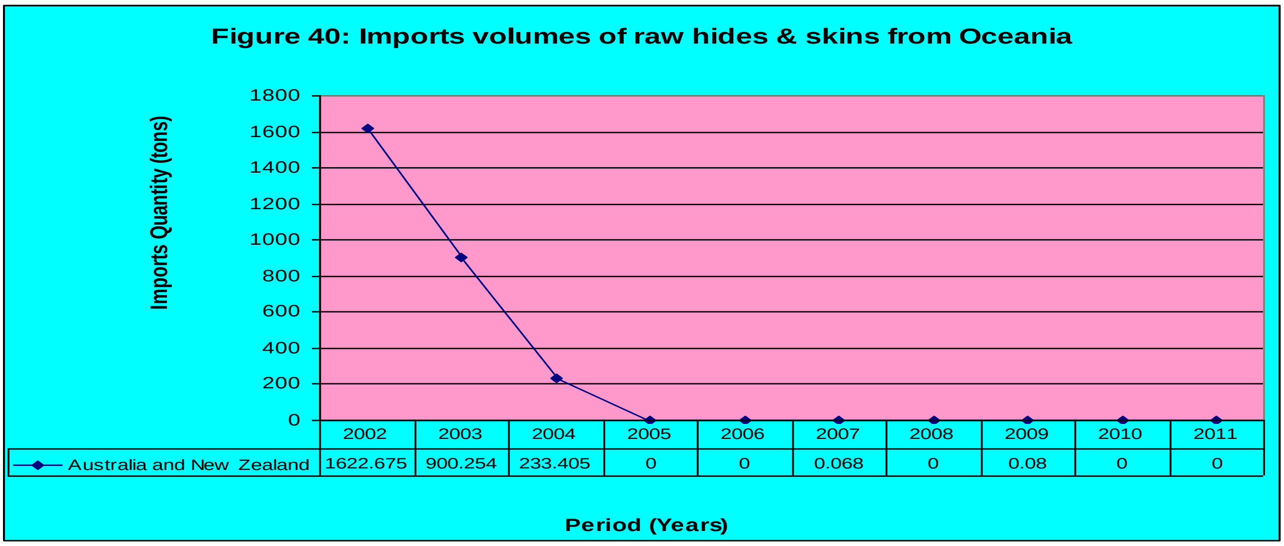
Source: Quantec Easydata

Figure 38 depicts volumes of imports of raw hides and skins from South America into South Africa between 2002 and 2011 period. The figure further depicts that over the past decade, imports volumes of raw hides and skins from South America into South Africa came from Brazil, with no competition from other countries in South America. The graph also depicts that between 2005 and 2011 period, South Africa was experienced very low levels of raw hides and skins from Brazil of between 0.01 and 1.51 tons in 2011. The figure further depicts that imports of raw hides and skins from Brazil into South Africa started to increase in 2002, until a peak was attained in 2003 at approximately 233.80 tons. The figure also shows that imports volumes of raw hides and skins from Brazil into South Africa saw a slight decline in imports of raw hides and skins in 2004 to approximately 183.50 tons. The figure also depicts that there were no imports of raw hides and skins from Brazil into South Africa in 2007.



Source: Quantec Easydata

Figure 39 reflects volumes of imports of raw hides and skins from Europe into South Africa between 2002 and 2011 period. The figure further reflects that during the period under review, European Union was the main supplier of raw hides and skins from Europe into South Africa. It is evident in the figure that imports of raw hides and skins from the European Union started to increase in 2003, and then declined between 2004 and 2006. In 2007, imports volumes of raw hides and skins from the European Union into South Africa experienced a sharp increase until a peak was attained in 2008 at an import quantity of about 202.49 tons. The figure also reflects that between 2009 and 2011 of the period under review, there was a dramatic decline in imports of raw hides and skins from the European Union into South Africa as compared to 2008 period.



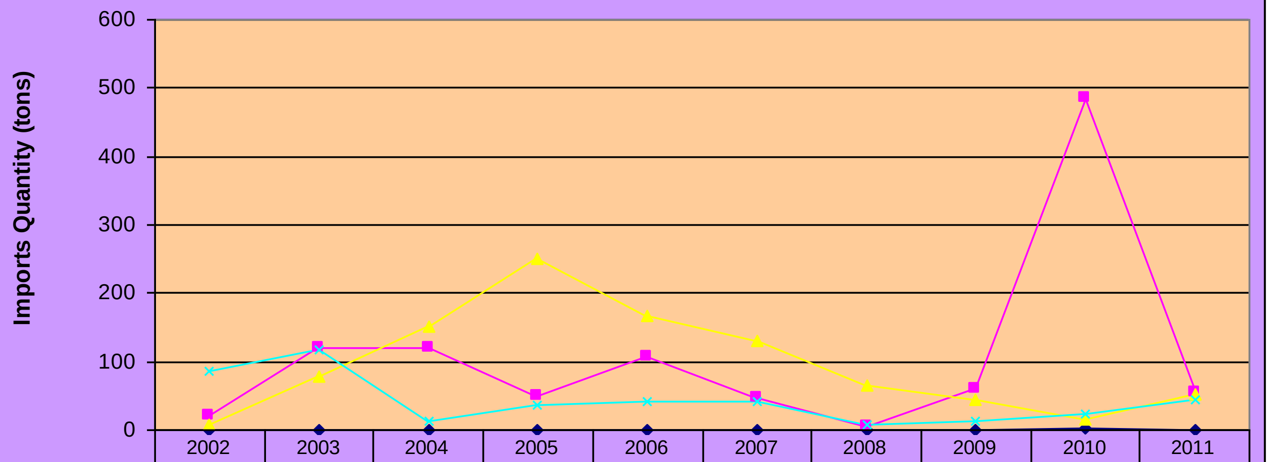
Source: Quantec Easydata

Figure 40 illustrates volumes of imports of raw hides and skins from Oceania into South Africa between 2002 and 2011 period. The figure further illustrates that during the period under observation, most imports volumes of raw hides and skins from Oceania into South Africa originated mainly from Australia and New Zealand. The figure also illustrates that imports of raw hides and skins from Australia and New Zealand into South Africa started to increase in 2002 and at the same time attained a peak at approximately 1622.68 tons. The figure also shows that imports volumes of raw hides and skins from Australia and New Zealand into South Africa experienced a dramatic decline between 2003 and 2011 period that ranged between 0.06 and 900 tons. It is also evident and clear that between 2005 and 2006 and again in 2008 and again between 2010 and 2011, there were no imports volumes of raw hides and skins from Australia and New Zealand into South Africa.

4. IMPORT VOLUMES OF LEATHER (FURTHER PREPARED)

Figure 41 indicates imports volumes of leather (further prepared) from various regions of the world into South Africa between 2002 and 2011 period. The graph further indicates that during the period under observation, the major import market of leather (further prepared) from the world into South Africa was Americas, followed by Asia and Europe. The graph also indicates that South Africa experienced minimal or low levels of imports of leather (further prepared) from Americas between 2002 and 2009, until a peak was attained in 2010 at approximately 485.60 tons. Imports volumes of leather (further prepared) from Americas into South Africa experienced a decline in 2011 of about 54.77 tons. Imports of leather (further prepared) from Asia into South Africa started to increase in 2003 to 2004, until a peak was attained in 2005 at an import quantity of about 250.15 tons. The graph also indicates that during the period under scrutiny, imports volumes of leather (further prepared) from Africa, and Europe did not exceed 120 tons per annum.

Figure 41: Imports volumes of leather (further prepared) from various regions



	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Africa	0.176	0.079	0.242	0.001	0.814	1.222	0.052	0.581	2.685	1.034
Americas	20.307	120.136	118.744	48.345	105.722	45.668	4.086	59.907	485.6	54.773
Asia	6.675	79.229	152.14	250.148	167.319	129.978	66.338	45.065	15.702	52.447
Europe	87.024	116.325	13.384	37.584	40.876	41.658	7.385	14.278	23.646	45.398

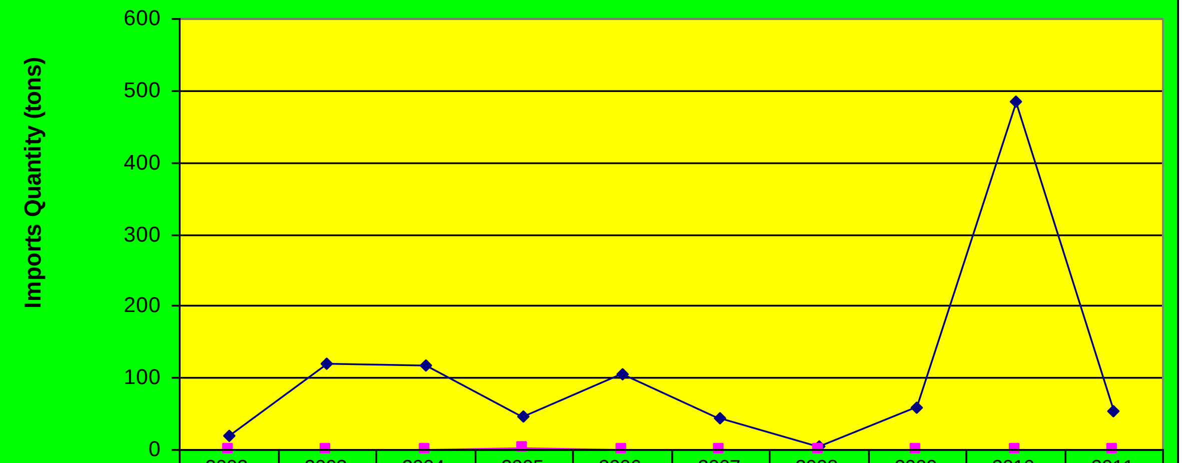
Period (Years)

Source: Quantec Easydata

Figure 42 reflects imports quantities of leather (further prepared) from the Americas into South Africa between 2002 and 2011 period. The figure further reflects that during the period under observation, imports volumes of leather (further prepared) from the Americas into South Africa came from South America, followed by very low volumes of leather from NAFTA. The figure also reflects that during the same period under scrutiny, South

Africa experienced very minimal or low levels of imports of leather (further prepared) from South America into South Africa between 2002 and 2009 and again in 2011, until high levels and a peak were attained in 2010 at approximately 485.57 tons. The figure also reflects that imports of leather (further prepared) from South America into South Africa started to increase in 2002 to 2004 until a decline in 2005 at approximately 47 tons. In 2006, imports volumes of leather (further prepared) from South America into South Africa experienced an increase but that did not last long as imports saw a declining trend between 2007 and 2008 period.

Figure 42: Imports volumes of leather (further prepared) from Americas



	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
South America	20.29	120.068	118.709	47.079	105.564	44.899	4.032	59.888	485.574	54.611
NAFTA	0.017	0.068	0.035	1.266	0.158	0.769	0.054	0.019	0.026	0.162

Period (Years)

Source: Quantec Easydata

Figure 43: Imports volumes of leather (further prepared) from South America

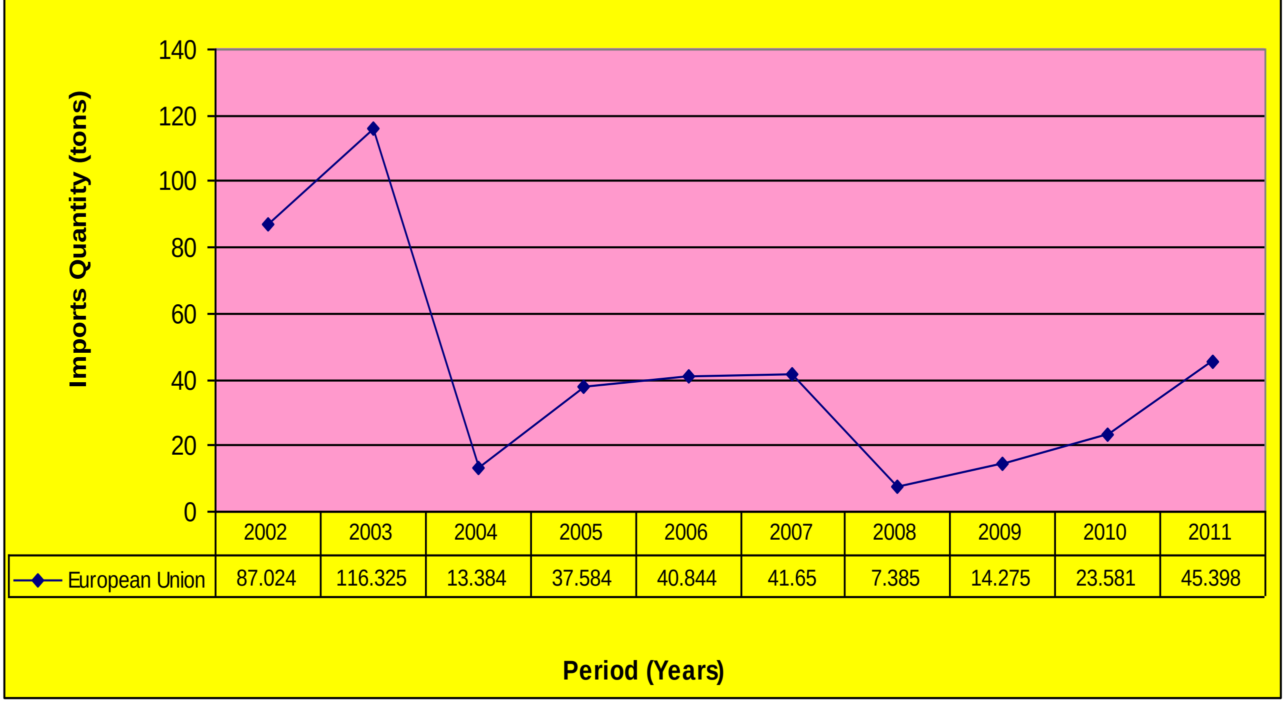
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Argentina	0.003	0	1.35	0.05	0	0.371	0	45.901	394.711	50.903
Brazil	20.267	115.176	111.087	47.029	105.564	44.467	4.031	13.987	23.515	0.656
Uruguay	0.02	4.892	6.272	0	0	0.061	0.001	0	67.348	3.052

Period (Years)

Source: Quantec Easydata

Figure 43 reflects imports quantities of leather (further prepared) from the South America into South Africa between 2002 and 2011 period. The figure further reflects that during the period under observation, imports of leather (further prepared) from the Americas into South Africa came from Argentina, followed by very low volumes of leather (further prepared) from Brazil and Uruguay. The figure also reflects that during the same period under scrutiny, South Africa experienced very minimal or low levels of imports of leather (further prepared) from Argentina into South Africa between 2002 and 2009 and again in 2011, until high levels and a peak were attained in 2010 at approximately 394.71 tons. The figure also reflects that imports of leather (further prepared) from Brazil into South Africa started to increase in 2003, and at the same time attained a peak at approximately 115.18 tons. In 2006, imports of leather (further prepared) from Brazil into South Africa experienced an increase but that did not last long as imports saw a declining trend between 2007 and 2008. The figure further reflects that imports of leather (further prepared) from Uruguay into South Africa attained a peak in 2010 at approximately 67.35 tons.

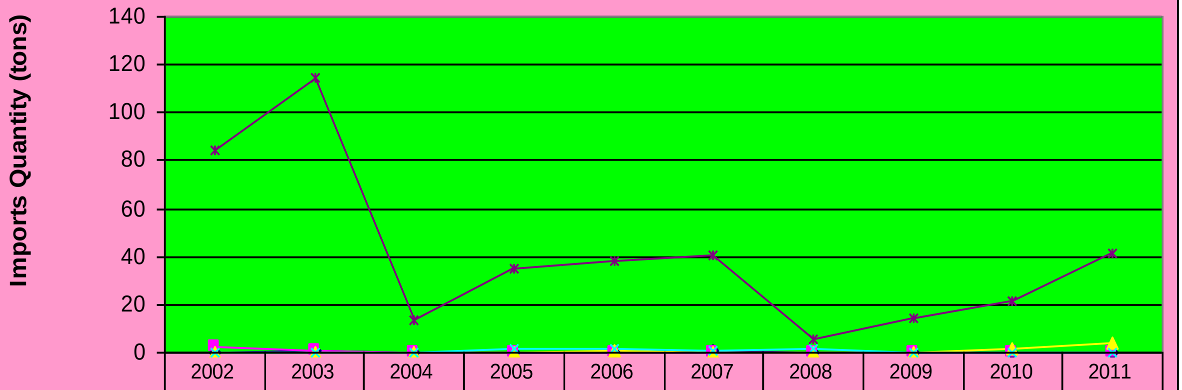
Figure 44: Imports volumes of leather (further prepared) from Europe



Source: Quantec Easydata

Figure 44 shows volumes of imports of leather (further prepared) from Europe into South Africa between 2002 and 2011 period. The graph further shows that during the period under observation, major import supplying market of leather (further prepared) from Europe into South Africa was the European Union. The graph also shows that imports of leather (further prepared) from European Union into South Africa started to increase in 2002, until a peak was attained in 2003 at approximately 116.33 tons during the same period under observation. The graph further shows that in 2004, imports of leather (further prepared) from European Union into South Africa saw a sharp declined that led to lower levels of approximately 13.4 tons as compared to 116 tons in 2003. It is also evident and clear that between 2005 and 2011, South Africa managed to import leather (further prepared) from European Union of not more than 46 tons per annum. The graph also shows that imports volumes of leather (further prepared) from the European Union into South Africa experienced a consistent increase from 2009 to 2011 at approximately 14 to 45 tons.

Figure 45: Imports volumes of leather (further prepared) from European Union



	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Germany	0	0.72	0	0.022	0.123	0.425	0.022	0.088	0.011	0
Spain	2.533	0.558	0.022	0.026	0.3	0	0	0	0	0
France	0	0.003	0.092	0.291	0.458	0	0.387	0.076	1.704	3.854
United Kingdom	0.042	0.333	0	1.369	1.663	0.594	1.324	0.099	0.042	0.001
Italy	84.449	114.681	13.267	35.283	38.273	40.591	5.652	14.012	21.821	41.501

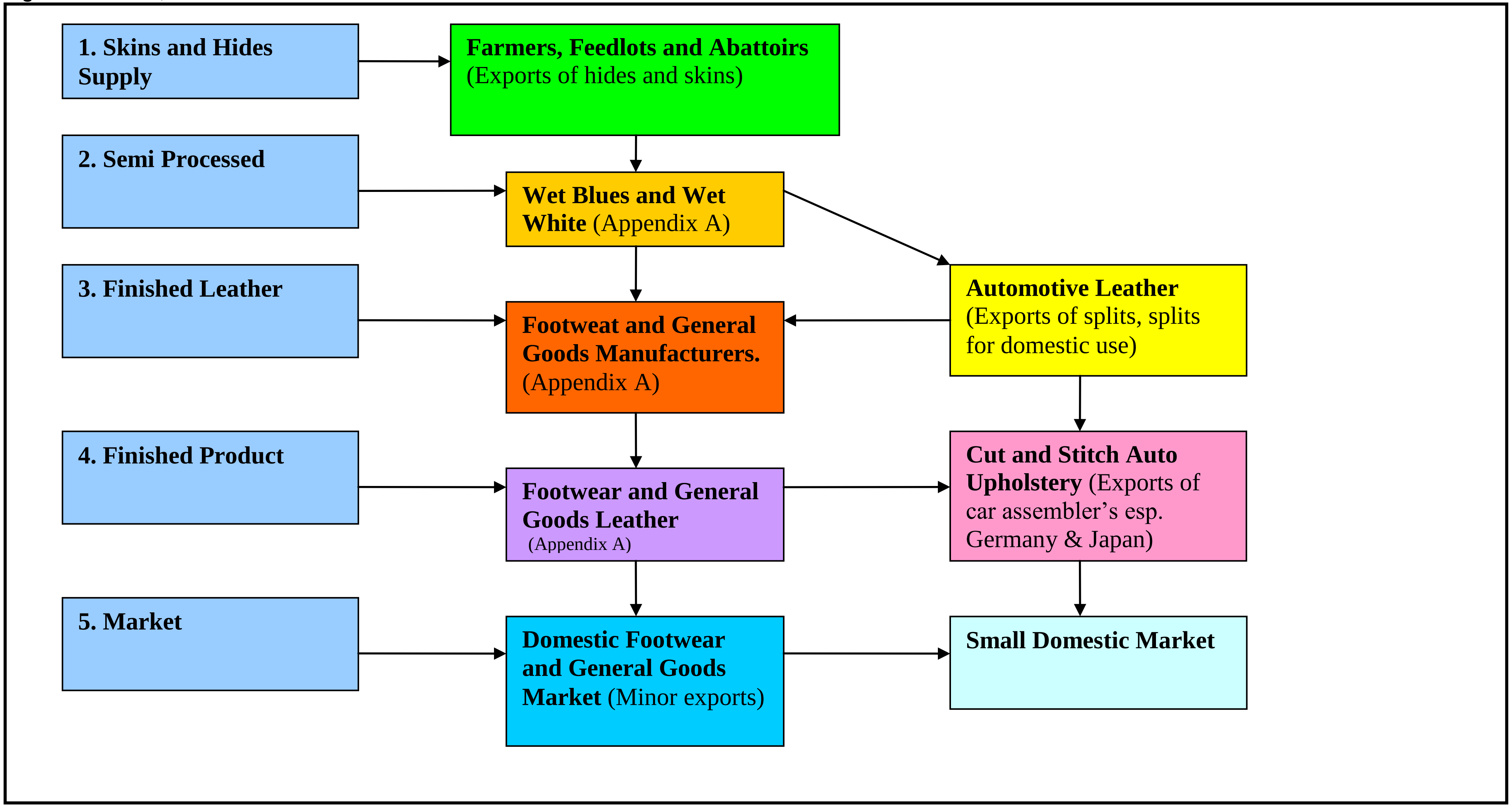
Period (Years)

Source: Quantec Easydata

Figure 45 illustrates imports volumes of leather (further prepared) from the European Union into South Africa between 2002 and 2011 period. The figure further illustrates that during the period under scrutiny, the major supplying market for leather (further prepared) imports from the European Union into South Africa was from Italy, followed by very intermittent levels of imports from Spain, Germany, United Kingdom and France. The figure also illustrates that, imports of leather (further prepared) from Italy into South Africa started to increase 2002, until a peak was attained in 2003 at an import quantity of about 114.68 tons. Between 2004 and 2011 of the same period under examination, South Africa experienced very minimal or intermittent levels of leather (further prepared) imports from Italy of between 5 and 41 tons. The figure also illustrates that during the period under scrutiny, a lot of European countries like Germany, Spain and France were not importing leather (further prepared) into South Africa. The figure further illustrates that imports of leather (further prepared) from Italy into South Africa experienced a consistent increase from 2009 to 2011 of about 14 to 41.5 tons

5. SKINS, HIDES AND LEATHER VALUE CHAIN

Figure 48: Skins, Hides and Leather value chain



Source: Richard Ballard (UKZN)

Figure 48 shows that **the value chain is divided into five stages**:

- skin & hide supply,
- semi – processed leather,
- finished leather,
- finished products; and
- the market.

The various operations are linked by a series of arrows showing imports, exports and transfers down the value chain in South Africa.

Stage 1 in the diagram is skins and hides supply. This stage involves the recovery of hides and skins from farming stock bred primarily for meat consumption. Thus, hides and skins are mainly recovered from slaughterhouses and farms. Because the leather industry depends on the recovery of hides and skins of the farming stock, availability of raw material directly depends on the size of the animal population, the take off ratio and the weight/size of the hide/skin recovered. The bulk of the skins and hides go onto the next stage of processing and a small percent do get exported. Many of the feedlots / abattoirs have structural links with hide traders and primary tanneries. Exports consist of hand–flayed dry salted and sun dried produced in rural areas outside of official abattoirs. Exporters argue that the reason to be exported is that they are low grade hides and have little use here at home. Some abattoirs export good quality hides rather than channeling them into domestic processing.

Stage 2 is the production of semi–processed skins and hides. Majority of the skins and hides are locally sourced and minority is imported. At this stage the skins and hides undergo the first stage of tanning which preserves the skins and hides as a semi– processed leather. This stage is also called the '***wet blue'*** because of the wet and a pale blue colour which comes from the chromium salt used to tan the skin or hide. Some tanneries use tannins from sources such as wattle trees to preserve the leather. This process is named vegetable tanning and the stage labeled '***wet white'***. It is interesting to note that several '***wet blue***, and '***wet white'*** processors are owned by local feedlots/abattoirs. From this stage the skin or hide can travel in one of the three directions: ① footwear and general goods tanning ② automotive tanning and ③ exports. The better quality wet-blues are sold to automotive-tanners and the lower quality ones to tanneries that manufacture other leather products.

Stage 3 is the finished leather. At this stage of the leather chain the collected raw hides are converted into what consumers recognise as leather. The semi – processed leather that stay in the country either travel to automotive re-tanning or footwear / general goods re-tanning. Automotive re-tanners get access to the bulk of skins / hides (mainly high quality); automotive upholstery only uses part of the skin/hide. The part that they use is the outer layer of the skin / hide (called grain). The inner layer of the skin / hide (called the flesh or second split) is made available to footwear re-tanners or get exported.

Stage 4 is the finished product. In this stage there are factories involved in cut and stitching operations that manufacture leather seat covers for the automotive industry; and footwear and general leather products including fashion items like belts, leather clothing, wallets, handbags, filo-faxes, luggage, furniture gun accessories, sport goods, footwear and industrial protective clothing.

Stage 5 is the market. The automotive industry is export focused mainly to luxury car manufacturing assemblers in Germany and Japan. This is due to Motor Industry Development Programme (MIDP) of the Department of Trade and Industry. The MIDP contains an import-export complementation scheme that gives credits to car component manufacturers for any exported goods.

These credits are used to offset duty on car components that are imported. Export of stitched leather seat covers responded positively to this incentive and increased the demand for local hides and skins.

The footwear and general goods sector is domestically focused and their continued inward focus lent themselves to extensive penetration of cheap imports from China.

6. BLACK ECONOMIC EMPOWERMENT

6.1. In August, 2007 automotive upholstery sewing company Allied Trim Components (Pty Ltd) sold a 50% share in its business to a black-owned company, Isibizo Investments (Pty) Ltd. This is considered to be the first BEE deal of its kind in the automotive industry. The BEE deal was quickly followed by a joint venture with Mario Levi SPA to form a separate automotive upholstery sewing company, Mia Automotive (Pty) Ltd, in Uitenhage near Port Elizabeth.

7. MARKET ACCESS

7.1. Export tariffs of hides and skins during 2012 period

Tariffs that different importing countries apply to **raw hides and skins of bovine** originating from **South Africa are represented below**.

Table 19: Export tariffs of raw hides and skins of bovine

No.	Country	Trade regime description	Applied tariffs	Total ad valorem equivalent tariff (estimated)
1	Angola	MFN duties (Applied)	10.00%	10.00%
2	Mozambique	MFN duties (Applied)	2.50%	2.50%
		Preferential tariff for RSA	0.00%	0.00%
3	Mauritius	MFN duties (Applied)	0.00%	0.00%
4	Zimbabwe	MFN duties (Applied)	5.00%	5.00%
5	USA	MFN duties (Applied)	3.30%	3.30%
		Preferential tariff for GSP countries	0.00%	0.00%
6	Canada	MFN duties (Applied)	0.00%	0.00%
7	Hong Kong	MFN duties (Applied)	0.00%	0.00%
8	China	MFN duties (Applied)	5.00%	5.00%

Source: Market Access Map

As can be seen in Table 19 that in 2012 period, exports of skins, hides from South Africa received preferential treatment because of the free trade agreements between South Africa and SADC. Skins, hides and leather get free entry into many lucrative markets in Europe, US, Hong Kong and Singapore except in China, India and Japan. China and Angola have high tariffs to protect domestic production.

Skins, hides and leather from South Africa enjoy duty free access to the EU's market under African, Caribbean and Pacific Countries Trade Agreement (ACP); to the US market under the African Growth and Opportunity Act (AGOA) and receive preferential access in Turkey under Generalized System of Preferences (GSP).

7.2 Non–tariff barriers (NTB)

They take the form of strict sanitary and phyto-sanitary measures or adherence to stringent, certification measures such as 1SO 9000 certification. These measures span a product's lifecycle: the raw material a product is made from, the manner the product is fabricated, the management of production process, labeling standards and packaging requirements.

Developed countries argue that NTBs are applied to products to ensure that imported products satisfy environmental, consumer health, consumer safely and social concerns.

NTB can either be statutory obligations or determined by the market. Market related NTBs are not compulsory but are growing in importance as consumers become more discerning about the impact their purchases have on society and the environment.

Non–tariff barriers potential to hinder exporters' ability to sell their products into foreign markets is greater than tariff barriers. Non–tariff barriers increase a producer's costs throughout the supply chain due to the complexity of the processes that s/he must adhere to and the bureaucratic cost of ensuring that procedures are documented.

In summary the following countries, which are the world's largest importers of skin, hides and leather place the following Non– tariffs barriers.

7.2.1 European Union

The exporter must satisfy the following standards in order for his/her product to be accepted in the EU.

Table 20: European Union Directives

No	Directive	Description
1	Directive (2002/61/EC)	Limits the use of dangerous substances and preparations (azocolourants) in textile and leather products. It should be noted that Germany and The Netherlands have stricter regulation pertaining to the usage of azo dyes Pentachlorophenol (PCP), chromium and disperse dyes.
2	Directive (94/27/EEC)	Restricts nickel and nickel compounds for metal products in direct contact with the skin.
3	Regulation (338/97 EC	Streamlines the implementation of CITES in the EU. CITES contains provisions to protect endangered species through controlling international trade in these species.
4	Directive (85/374/EEC)	Assigns liability to a manufacturer, or his representative in the EU, for compensation to person and property caused by a product that turns out to be not as safe as expected.
5	Social Market Requirements	Certification schemes have been developed for social management systems. Examples of such schemes are SA8000 which includes basic labour standards based on international ILO Conventions.
6	Environmental Market Requirements	Although countries have developed their own standards it would be simpler for an exporter to satisfy two general standards: BS 7750 and ISO 14001. These standards are based on the ISO 9000 series and stipulate the requirements for an environmental management system. Environmental issues pertaining to the production of leather occur in cleaning, tanning, finishing and waste treatment processes.
7	Quality Market Requirements	The most important quality management systems are those under the ISO 9000:2000 series.The SG label or Schadstoffgeprüfft label stands for "tested for dangerous substances".
8	Directive 94/62/EC	Establishes common objectives for member countries regarding the recovery and the recycling of packaging. Also the maximum concentrations of lead, cadmium, mercury, and chromium allowed in packaging are set at 250 ppm and 100 ppm, respectively. Given these regulations, exporters should package goods in re-usable and recyclable materials.
9	Directive 2004/102/EC	Lies down requirements for wooden packaging material that is imported in its

No	Directive		Description
			function of packaging material or dunnage with the import of goods, must be treated and marked according to the international ISPM 15 standard.

Source: TIPS

7.2.2. Japan

Export of skins, hides and leather in Japan are regulated under the following laws:

a. The Domestic Animal Infectious Disease Act.

This law confirms that importation of the product is not prohibited and that proper inspection certificate is attached, carries out the inspection of the product to be imported and issues an import quarantine certificate if the quarantine officer agrees that there is no possibility of spreading any causative agent of infectious disease affecting domestic animals. However finished processed skin products are not subject to animal quarantine.

b. Washington Convention.

Under this convention, animals are classified from Appendix I – III. Animals in Appendix I, no commercial trade is allowed including parts (bones, skins, etc). Animals is Appendix II and III, commercial trade of parts is possible; but certificate of origin is required and an Advance Confirmation of METI (Ministry of Economy, Trade and Industry).

c. Wildlife Protection and Hunting Law.

This law requires that the export of certain skins and hides of wild animals should be accompanied by certificate issued by the country of origin showing that these animals are properly captured.

7.2.3 China

The Chinese Government issues 'Public Information Notices' to inform of actual or impending policy changes and categories of goods. Many of these notices are issued in Chinese and are not translated into English. The preferred route to enter Chinese market is generally to find a Chinese partner, who knows the market and understands local requirements and expectations. South African exporters are encouraged to discuss relevant Chinese national standards with importers prior to shipment to ensure that their interpretation of the regulation is accurate. Some of the regulations are listed below:

a. Law of the Peoples Republic of China on the Entry and Exit Animal and Plant Quarantine

Animals and plants, their products and other quarantine objects, containers and packaging materials used for carrying animals and plants, their products or other quarantine objects, as well as means of transport from animal or plant epidemic areas shall, on entry or exit, be subject to quarantine inspection in accordance with this Law. Quarantine of import and export plants, plant products, import and export animals and import animal products shall be undertaken by the Animal and Plant Quarantine Service. Quarantine of export animal products shall be undertaken by the commodity inspection authorities.

b. General Administration for Quality Supervision, Inspection and Quarantine (AQSIQ) 2004 Announcement 111.

It eliminated importers requirements to apply for a Quarantine Import Permit (QIP) for specified animal and plant commodities before contracts are signed and products are imported into China. The animal and plant products, however, are still subject to quarantine examination upon arrival in China. The report contains an

UNOFFICIAL translation of the announcement along with the list of designated commodities no longer requiring a QIP.

c. **AQSIQ 2002 Decree No. 40**, the *Provisions for the Administration of Risk Analysis on Entry of Animals and Animal Products,* was adopted on October 18, 2002 and approved on December 31, 2002 for implementation from February 1, 2003.

d. **AQSIQ 2002 Announcement Number 34,** *The Administrative Rules on Agencies Applying for Import and Export Inspection and Quarantine*, was published on the AQSIQ website on November 6, 2002 for enforcement from January 1, 2003. The "Rules" were published in Issue 17 of the China Foreign Trade and Economic Cooperation Gazette on March 18, 2003, also. The Announcement provides guidelines and requirements for agencies/business enterprises that use agents for importing and exporting commodities.

e. Regulation on Animal Origin Feed Products - CH3093

This Announcement regulates the importation of animal and animal products from BSE affected countries.

7.2.4 United States of America

- If the product is derived from exotic wildlife or endangered species, it must comply with Fish and Wildlife (FWS) and Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES) license, permit, country of origin, import documentation and record keeping requirements.
- If the product is derived from domestic animals, it must comply with USDA Animal and Plant Health Inspection Service (APHIS) import, quarantine, permit and certification requirements.
- A veterinary certificate issued by a salaried veterinarian of the country of origin stating that the animal products is free from applicable animal diseases must accompany each consignment. The specific information required varies depending on the species.

7.3 Import tariffs of raw skins, hides and leather

Tariffs that **South Africa** applies to imports of **raw hides and skins (other than furskins)** originating from various countries are shown below.

Table 21: Import tariffs of raw hides and skins during 2012 period

No.	Country	Trade regime description	Applied tariffs	Total ad valorem equivalent tariff (estimated)
1	Malawi	MFN duties (Applied)	0.00%	0.00%
2	Zambia	MFN duties (Applied)	0.00%	0.00%
3	Zimbabwe	MFN duties (Applied	0.00%	0.00%
4	Brazil	MFN duties (Applied)	0.00%	0.00%
	Germany	MFN duties (Applied)	0.00%	0.00%
6	Mauritius	MFN duties (Applied)	0.00%	0.00%
7	Mozambique	MFN duties (Applied)	0.00%	0.00%

Source: Market Access Map

Table 21 indicates that countries importing hides and skins into South Africa do so free of charge during the period under examination (0.00%, Most Favoured Nations. The table further indicates that South Africa has a preferential trading agreement (PTAs) with SADC countries.

7.3.1 Non – tariff barriers

South Africa formulated non–tariff barriers for the purpose of preventing infectious or parasitic diseases of animals and other harmful from spreading into or out of the country, protecting the production of agriculture, animal husbandry and fishery as well as human health, and promoting the development of foreign economic relations and trade. The following is a summary of some of the requirements:

- All facilities (abattoirs, tannery, intermediate stores and export stores) must be approved annually and a notice prominently displayed at all entrances and exits stating “Approved Animal Health Export Store”.
- All premises should be properly fenced to prevent access of any livestock and must have secure lockable gates at all entrances and be locked when not manned to prevent access of unauthorized persons.
- Original Health Attestation certificate signed by a salaried veterinarian in the country of origin indicating that all the necessary inspections, certification and record keeping required to ensure the validity and traceability of these hides/skins and are sourced from the approved abattoir, and animals were not slaughtered to eliminate any epizootic disease must accompany the consignment.
- Original Veterinary Import permit must accompany the consignment.
- The hides/skins in the consignment should at all times, be transported, handled and stored in such a manner so as to ensure that they are not exposed to hides / skins of a lower disease status.
- Hygiene status of premises and equipments must be maintained at all times.
- A complete register must be kept for all hides/skins that enter and leave the tannery.
- There must be one-way flow of production so that raw materials should not contaminate processed products. This includes between raw and salted material and material that is freshly salted and salted in excess of 14 days.
- Hides/skins must not leave the tannery for any further processes.
- The hides and skins should undergo all precautions to avoid recontamination with pathogenic agents and should not be in contact with any animal products or live animals presenting a risk of spreading a serious transmissible disease.
- Any other documentation specified, e.g. Rabies Vaccination Certificate, etc.
- If the product is derived from exotic wildlife or endangered species, the consignment must be accompanied by CITES permit from Conservation Authority in the country of origin.

8. MARKET INTELLIGENCE

Table 22: List of importing markets for raw hides and skins of bovine (4101) exported by South Africa in 2011

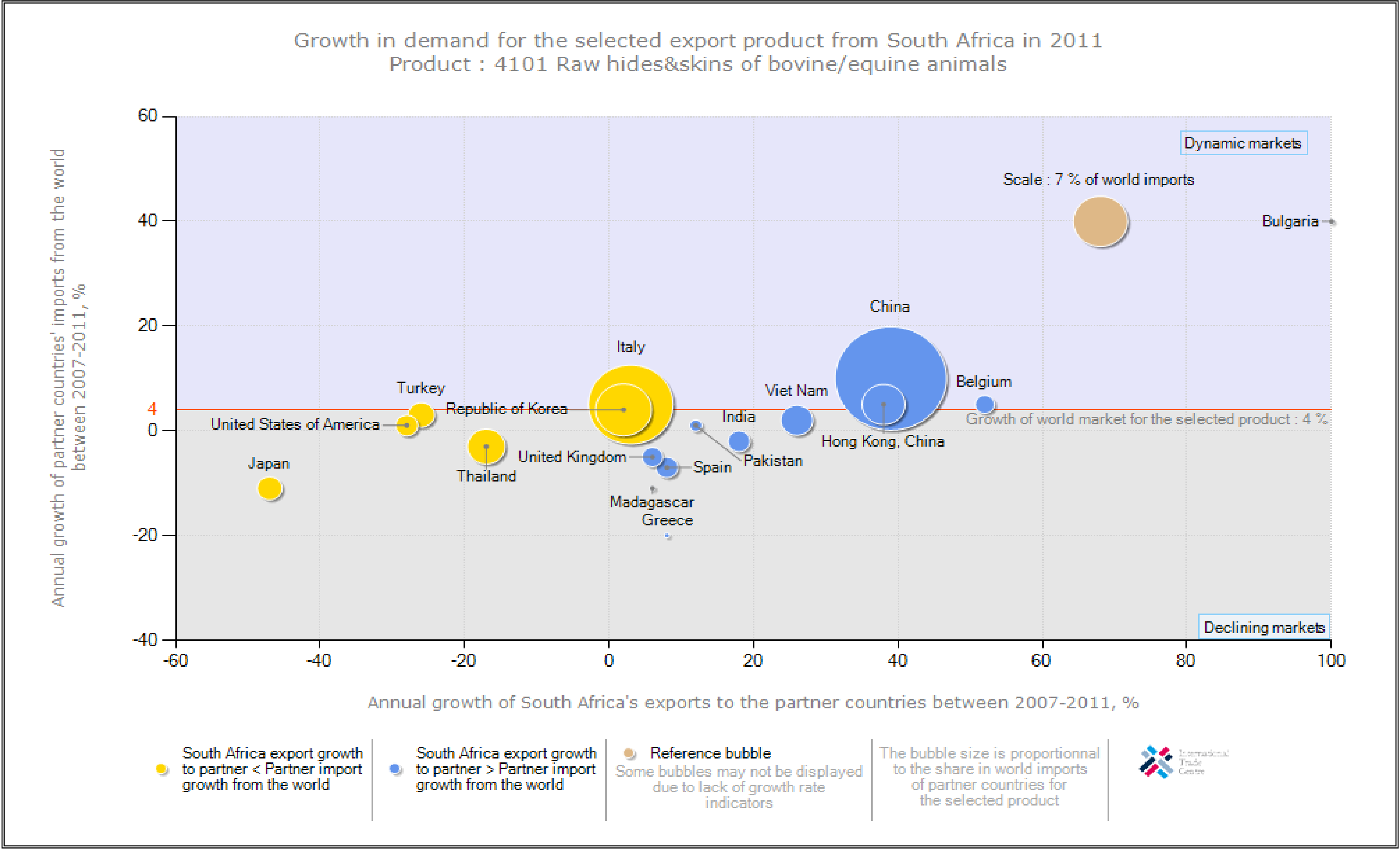
Importers	Trade Indicators							Tariff (estimated) faced by South Africa (%)
	Exported value 2011 (USD thousand)	Share in South Africa's exports (%)	Exported quantity (tons)	Unit value (USD/unit)	Exported growth in value between 2007-2011 (%, p.a.)	Exported growth in quantity between 2007-2011 (%, p.a.)	Exported growth in value between 2010-2011 (%, p.a.)	
World	25957	100	13763	1886	12	10	-2	
China	9142	35.2	5287	1729	39	35	12	6.1
Hong Kong, China	5947	22.9	3215	1850	38	25	49	0
Italy	5932	22.9	2508	2365	3	-3	-17	0
Pakistan	1189	4.6	815	1459	12	6	144	0
United Kingdom	905	3.5	363	2493	6	8	2282	0
Thailand	588	2.3	267	2202	-17	-18	-88	
Greece	583	2.2	188	3101	8	-5	14	0
Viet Nam	463	1.8	307	1508	26	39		0
Bulgaria	364	1.4	284	1282	387		-29	0
Turkey	262	1	61	4295	-26	-40	21	0
India	191	0.7	58	3293	18	19	229	0
Spain	188	0.7	362	519	8	64	-7	0
Japan	51	0.2	1	51000	-47	-24		7.6
United States of America	49	0.2	2	24500	-28	-39	75	0.3
Republic of Korea	48	0.2	41	1171	2	18	-52	1.8

Source: ITC Trade Map

Table 22 shows the list of importing markets for raw hides and skins of bovine exported by South Africa in 2011 period. Table 22 further shows that during 2011 period, South Africa exported a total of 13 763 tons of raw hides and skins of bovine to the world. The table also shows that during 2011 period, South Africa was a net exporter of raw hides and skins of bovine to the world. The table further shows that in world terms exports of raw hides and skins of bovine from South Africa to the world have increased by 12% in value and by 10% in quantity between the period 2007 and 2011. The major export destinations for raw hides and skins of bovine originating from South Africa during 2011 went to China, Hong Kong of China and Italy. During the 2011 period, China alone have absorbed 35.2% of the total raw hides and skins of bovine exports originating from South Africa, followed by Hong Kong of China and Italy at 22.9% respectively. The table further shows that South Africa's raw hides and skins of bovine exports to China increased by 39% in value and increased by 35% in volume between 2007 and 2011 period. The table also shows that South Africa's raw hides and skins of bovine exports to Hong Kong increased by 38% in value and 25% in volume between 2007 and 2011 period. The table also shows that South Africa's raw hides and skins of bovine exports to Italy increased by 3% in value and decreased by 3% in volume between 2007 and 2011 period. .

In terms of access to various international markets for South African raw hides and skins of bovine, countries such as India, Zambia, Zimbabwe, Australia, South Arabia and United Kingdom protect their raw hides and skins of bovine industries with higher tariffs ranging from 2.5% *ad valorem* to 15%.

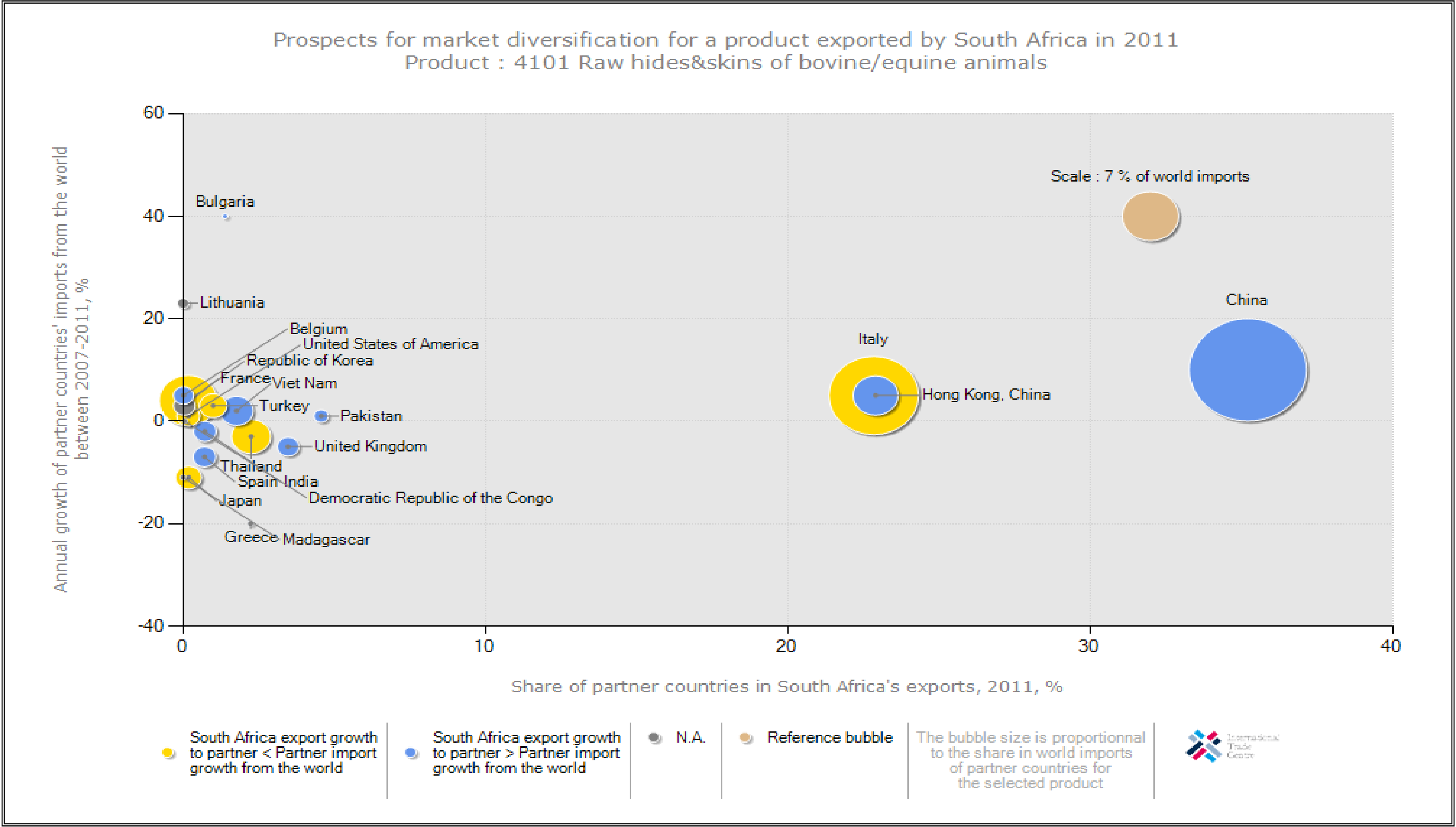
Figure 49: Growth in demand for raw hides and skins of bovine from South Africa in 2011



Source: ITC Trade Map

Figure 49 indicates growth in demand for raw hides and skins of bovine from South Africa to the world during 2011 period. The bubble graph further indicates that China and Italy are the largest importers of raw hides and skins of bovine from South Africa to the world during 2011. However, South Africa's exports of raw hides and skins of bovine to China increased by 40%, while the China's imports from the world also increased by 5 to 10% between 2007 and 2011 period. The bubble graph further indicates that South Africa has increased its exports of raw hides and skins of bovine to Belgium between 2007 and 2011 by 57%, as compared to Bulgaria's imports from the world of about 100% during the same period under scrutiny. The figure also indicates that South Africa's raw hides and skins of bovine exports to the above-mentioned country have outgrown the major countries' growth in imports from the world between 2007 and 2011 period. Furthermore, South Africa has decreased its raw hides and skins of bovine exports to declining markets of India, Pakistan and Viet Nam by 17%, 20% and 25% over the past five years.

Figure 50: Prospects for market diversification for raw hides and skins of bovine exported by South Africa (2011)



Source: ITC Trade Map

Figure 50 depicts prospects for market diversification for raw hides and skins of bovine exported by South Africa to the world during 2011 period. The bubble graph further depicts that China and Italy were the biggest export markets for raw hides and skins of bovine from South Africa during the period under observation. The figure also depicts that if South Africa is to diversify its exports of raw hides and skins of bovine, small but attractive markets exist in Bulgaria, Lithuania and Belgium because these countries have increased their annual growth of partner countries imports from the world between 2007 and 2011. The figure further depicts that other markets exist in Hong Kong and Thailand during this period. During 2011 period, China alone managed to obtain a share 35.2% of South Africa's raw hides and skins of bovine exports, followed by Hong Kong at 22.9%, and Italy also at 22.9% during the period under examination.

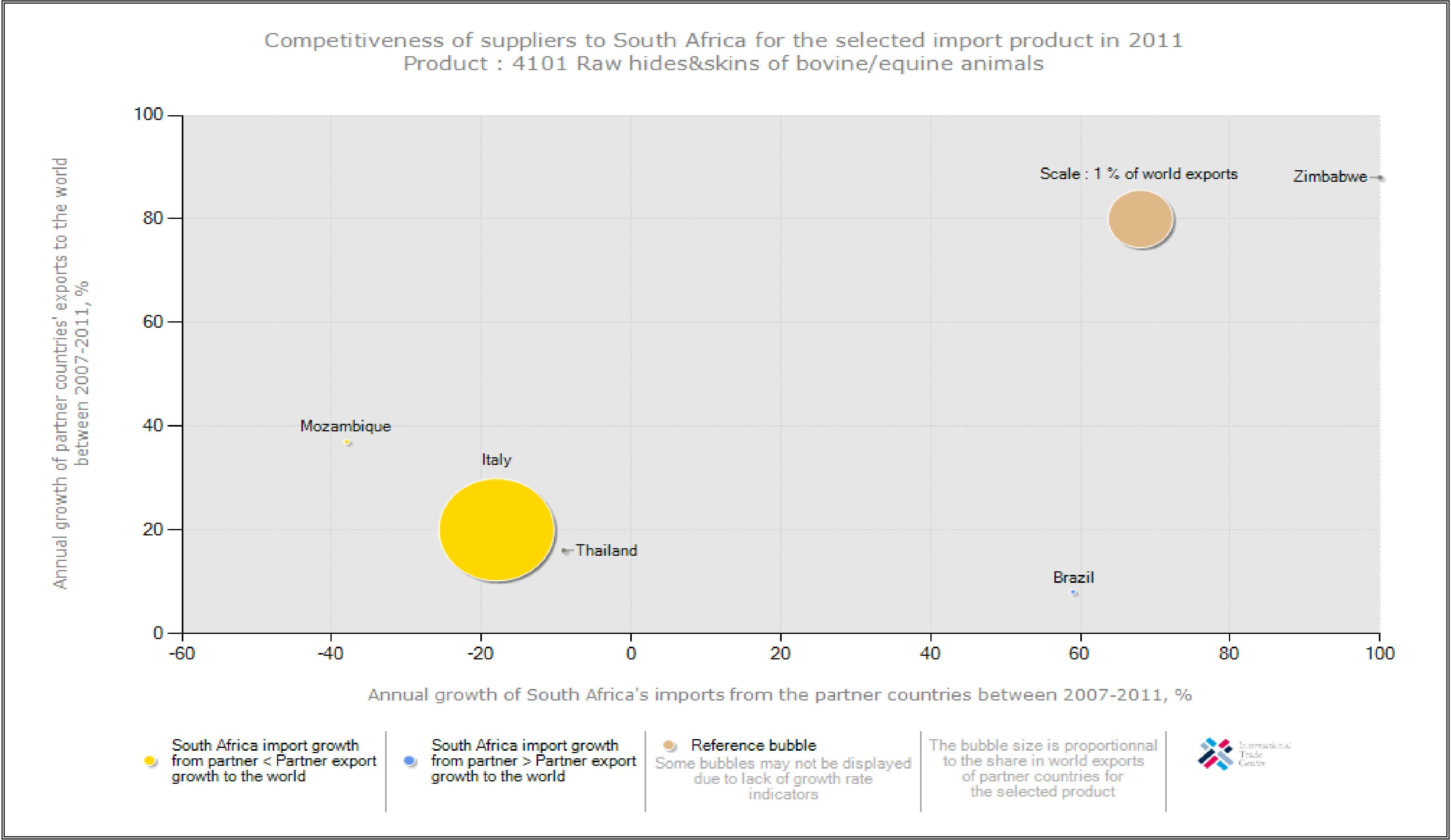
Table 23: List of supplying markets for raw hides and skins of bovine imported by South Africa in 2011

Exporters	Trade Indicators							Tariff (estimated) applied by South Africa (%)
	Imported value 2011 (USD thousand)	Share in South Africa's imports (%)	Imported quantity (tons)	Unit value (USD/unit)	Imported growth in value between 2007- 2011 (%, p.a.)	Imported growth in quantity between 2007-2011 (%, p.a.)	Imported growth in value between 2010-2011 (%, p.a.)	
World	2361	100	3670	643	18	16	104	
Zimbabwe	1734	73.4	2386	727	265	194	567	0
Thailand	535	22.7	1251	428	-9	-11	69	5
Brazil	56	2.4	28	2000	59	92	-7	5
Mozambique	22	0.9	4	5500	-38	-56	144	0
Italy	12	0.5	1	12000	-18	-65		
Australia	1	0	0					5
China	1	0						5
Egypt	1	0	0					5

Source: ITC Trade Map

Table 23 above clearly illustrates the list of supplying markets for raw hides and skins of bovine imported by South Africa during 2011 period. The table further illustrates that South Africa is a net exporter of raw hides and skins of bovine from the world into South Africa. During 2011 period, the country imported a total of 3670 tons of raw hides and skins of bovine versus its exports of 13 763 tons over the same period. In world terms imports of raw hides and skins of bovine into South Africa have increased by an average of 18% in value and increased by 16% in volume terms between 2007 and 2011 period. Raw hides and skins of bovine imports originates mainly from Zimbabwe, followed by Thailand and Brazil, with Zimbabwe commanded 73.4% share in South Africa's imports, while Thailand commanded 22.7% and Brazil at 2.4% respectively. Other small markets for raw hides and skins of bovine imports into South Africa are Mozambique, Italy and Australia. Of importance to note is that imports of raw hides and skins of bovine originating from Thailand have decreased by 9% in value and 11% in volume terms between 2007 and 2011 period, while those originating from Brazil have increased by 59% and 92% in value and volume terms during the same period.

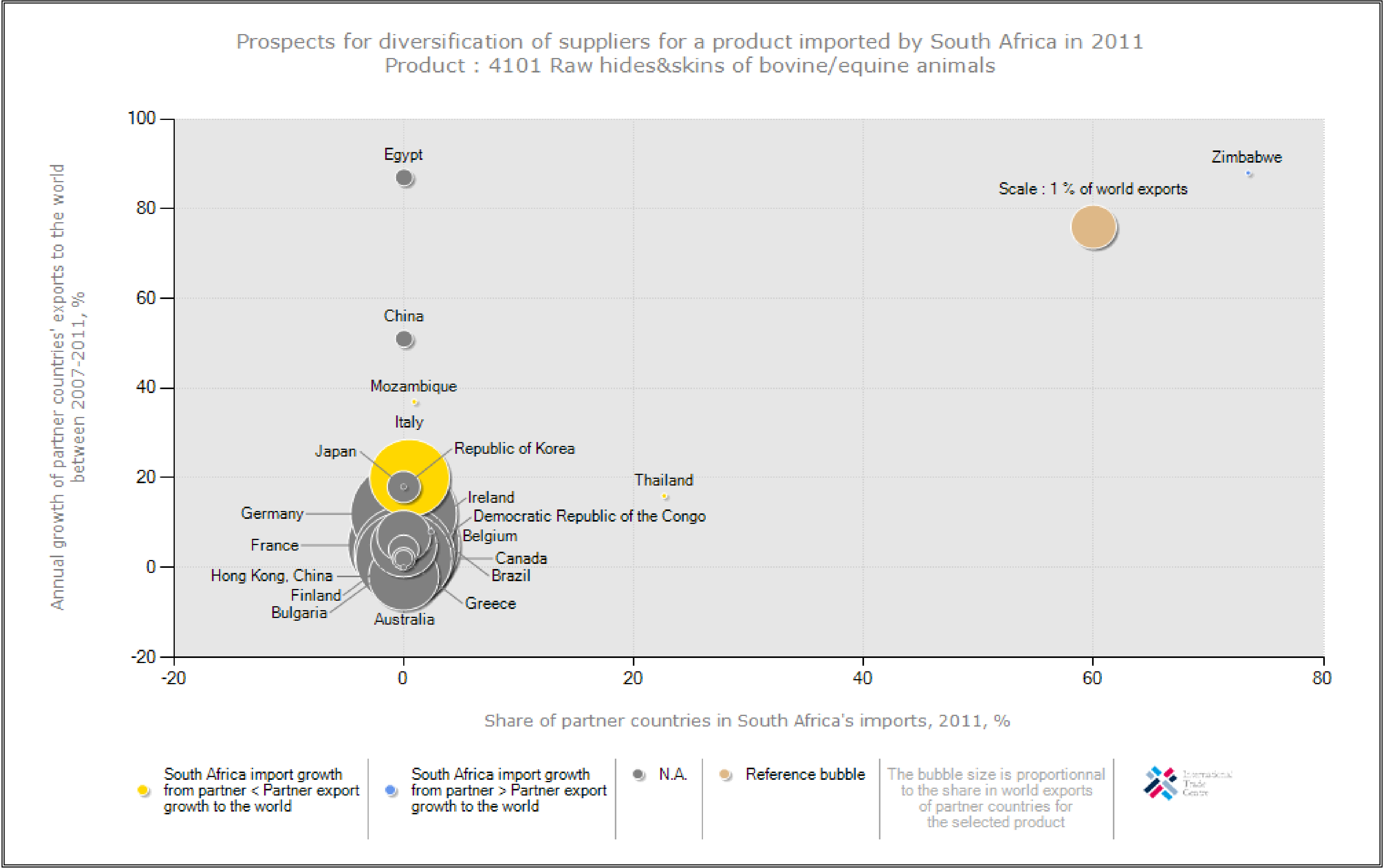
Figure 51: Competitiveness of suppliers to South Africa for raw hides and skins imports (2011)



Source: ITC Trade Map

Figure 51 shows competitiveness of suppliers to South Africa for raw hides and skins of bovine imports during 2011 period. The bubble graph further shows that during the period between 2007 and 2011, Zimbabwe and Brazil were the most competitive countries in terms of imports of raw hides and skins of bovine into South Africa. Imports of raw hides and skins of bovine from Zimbabwe into South Africa grew at a rate of 100% which is more than the other countries exports to the rest of the world, while imports of raw hides and skins of bovine from Brazil into South Africa grew at a rate of 60% as compared to Zimbabwe during the same period. The annual growth of South Africa's imports from Brazil and Zimbabwe were estimated at 60% and 100% between 2007 and 2011 period.

Figure 52: Prospects for diversification of suppliers for raw hides and skins imported by South Africa 2011



Source: ITC Trade Map

Figure 52 depicts prospects for diversification of suppliers for raw hides and skins of bovine imported by South Africa in 2011. The figure further depicts that Italy was the biggest supplying market for raw hides and skins imported by South Africa in 2011. The bubble graph also depicts that during 2011, Zimbabwe commanded the greatest share in South Africa's raw hides and skins of bovine imports at approximately 73.4%, followed by Thailand at 22.7% and Brazil at 2.4%. The figure further depicts that if South Africa has to diversify its suppliers of raw hides and skins of bovine, small but attractive markets exist in Mozambique and Thailand.

Table 24: List of importing markets for full grains leather (410711) exported by South Africa in 2011

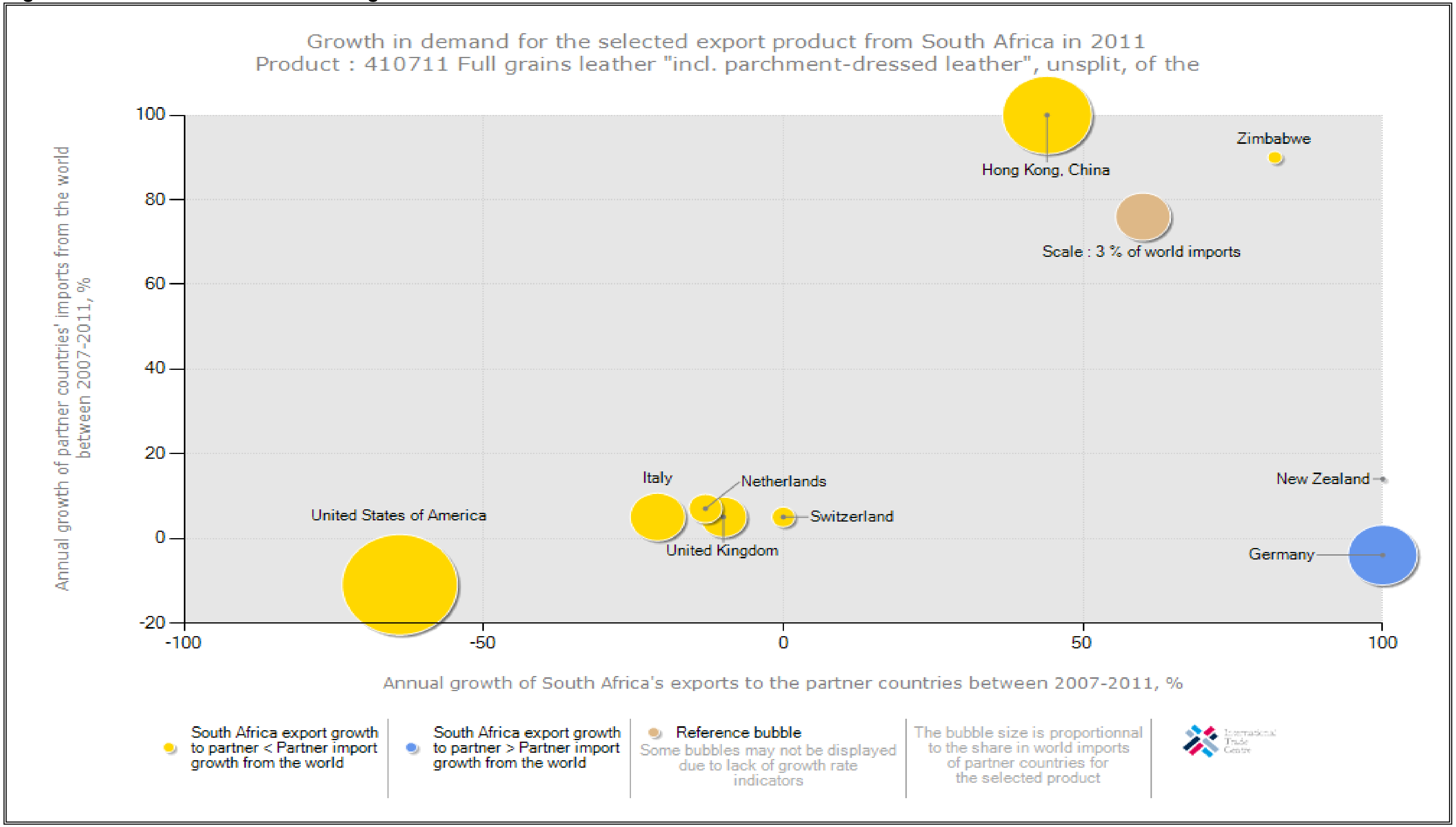
Importers	Trade Indicators							Tariff (estimated) faced by South Africa (%)
	Exported value 2011 (USD thousand)	Share in South Africa's exports (%)	Exported quantity (tons)	Unit value (USD/unit)	Exported growth in value between 2007-2011 (%, p.a.)	Exported growth in quantity between 2007-2011 (%, p.a.)	Exported growth in value between 2010-2011 (%, p.a.)	
World	2313	100	266	8695	24	28	109	
Zimbabwe	1538	66.5	80	19225	82	33	1215	15
Germany	414	17.9	15	27600	240	97	-45	0
Hong Kong, China	165	7.1	161	1025	44		5400	0
Italy	62	2.7	3	20667	-21		3000	0
New Zealand	45	1.9	3	15000	100		-15	2.5
India	20	0.9	1	20000				10
Singapore	18	0.8	2	9000				0
United States of America	16	0.7	1	16000	-64	-65	-41	0.8

Source: ITC Trade Map

Table 24 shows the list of importing markets for full grains leather exported by South Africa to the world during 2011 period. The table further shows that during 2011, South Africa exported a total of 266 tons of full grains leather to the world as compared to 750 tons that South Africa imported over the same period. The comparison above clearly shows that South Africa is a net importer of full grains leather from the world during the period under observation. In world terms exports of full grains leather from South Africa to the world have increased by 24% in value and 28% in quantity between 2007 and 2011 period. The major export destinations for full grains leather originating from South Africa during 2011 were Zimbabwe, followed by Germany and very intermittent exports from Hong Kong. During 2010 marketing season, Zimbabwe alone experienced a share of 66.5% of the total full grains leather exports originating from South Africa, followed by Germany and Hong Kong at 17.9% and 7.1% respectively. The South African full grains leather exports to Zimbabwe increased by 82% in value and 33% in volume between 2007 and 2011 period.

In terms of access to various international markets for South African full grains leather, countries such as Zimbabwe, Australia, New Zealand, South Arabia and Russian Federation protect their full grains leather industries with higher tariffs ranging from 2.5% *ad valorem* to 15% *ad valorem*.

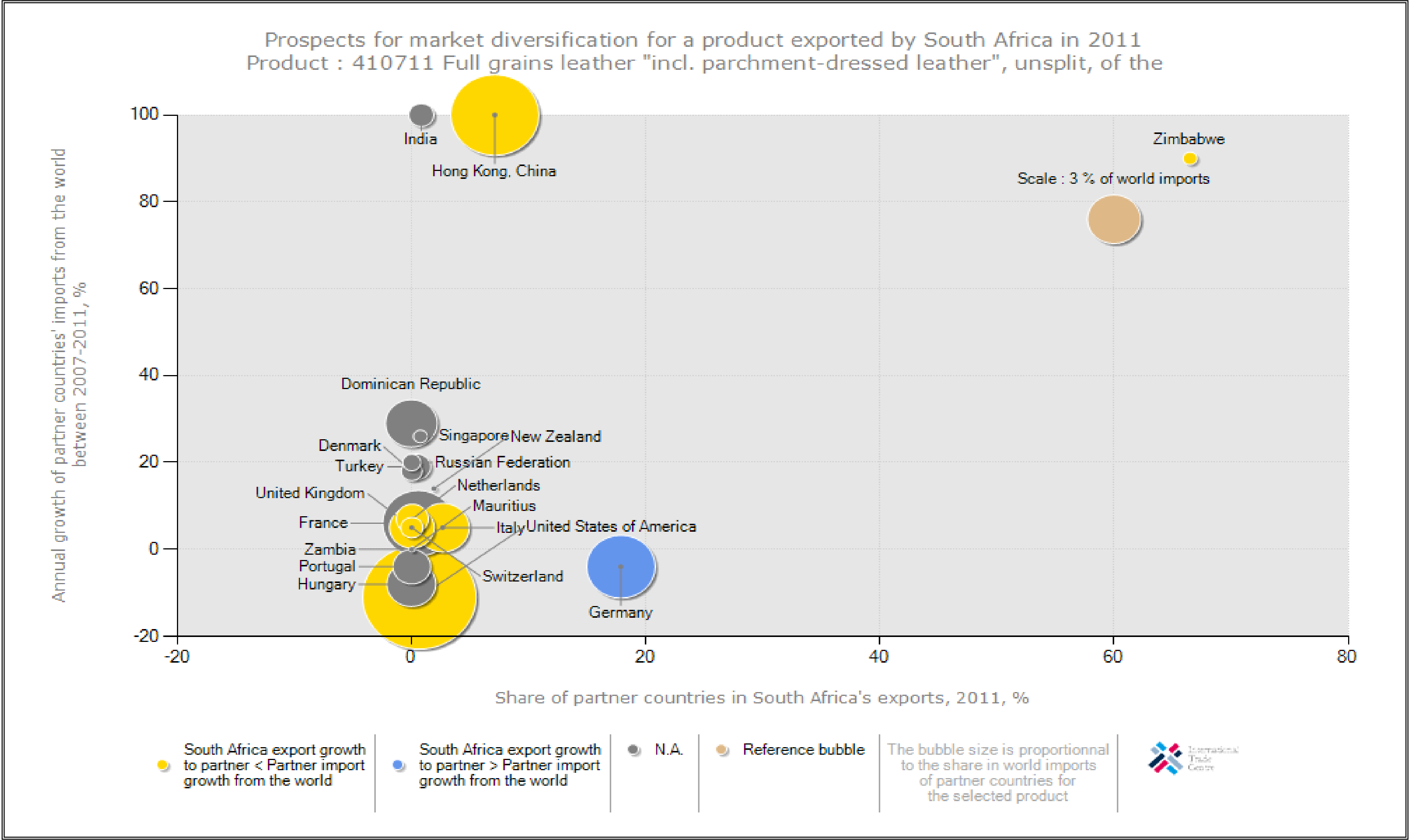
Figure 53: Growth in demand for full grains leather from South Africa in 2011



Source: ITC Trade Map

Figure 53 indicates growth in demand for full grains leather from South Africa to the world during 2011 period. The bubble graph further indicates that United States of America and Hong Kong, China were the biggest import markets for full grains leather from South Africa during 2011 period. However, South Africa's exports of full grains leather to the USA decreased by 64% while USA's imports from the world also decreased by 10% between 2007 and 2011 period. Although Germany is a declining market for full grains leather from South Africa, South Africa has increased its exports of full grains leather to New Zealand between 2007 and 2011 by 100%. South Africa's full grains leather exports to the above-mentioned country have outgrown these countries' growth in imports from the world between 2007 and 2011 period by 45 thousand US Dollars. Furthermore, South Africa has decreased its full grains leather exports to a declining market of Italy and USA by 21% and 64% respectively over the past five years.

Figure 54: Prospects for market diversification for full grains leather exported by South Africa in 2011



Source: ITC Trade Map

Figure 54 depicts prospects for market diversification for full grains leather exported by South Africa during 2011 period. The bubble graph further depicts that United States of America was the biggest market for full grains leather from South Africa during the period under observation. The bubble graph also depicts that if South Africa is to diversify its exports of full grains leather, small but attractive markets exist in Australia, New Zealand and Thailand during the period under examination. Other small markets exist in India, Singapore and Germany. The bubble graph further depicts that during the year 2011, Zimbabwe alone experienced a share of 66.5% followed by 17.9% from Germany and 7.1% from Hong Kong, China during the period under review. The bubble graph also depicts that Zimbabwe's share of partner countries in South Africa's full grains leather exports has increased by 66.5% between 2007 and 2011 period.

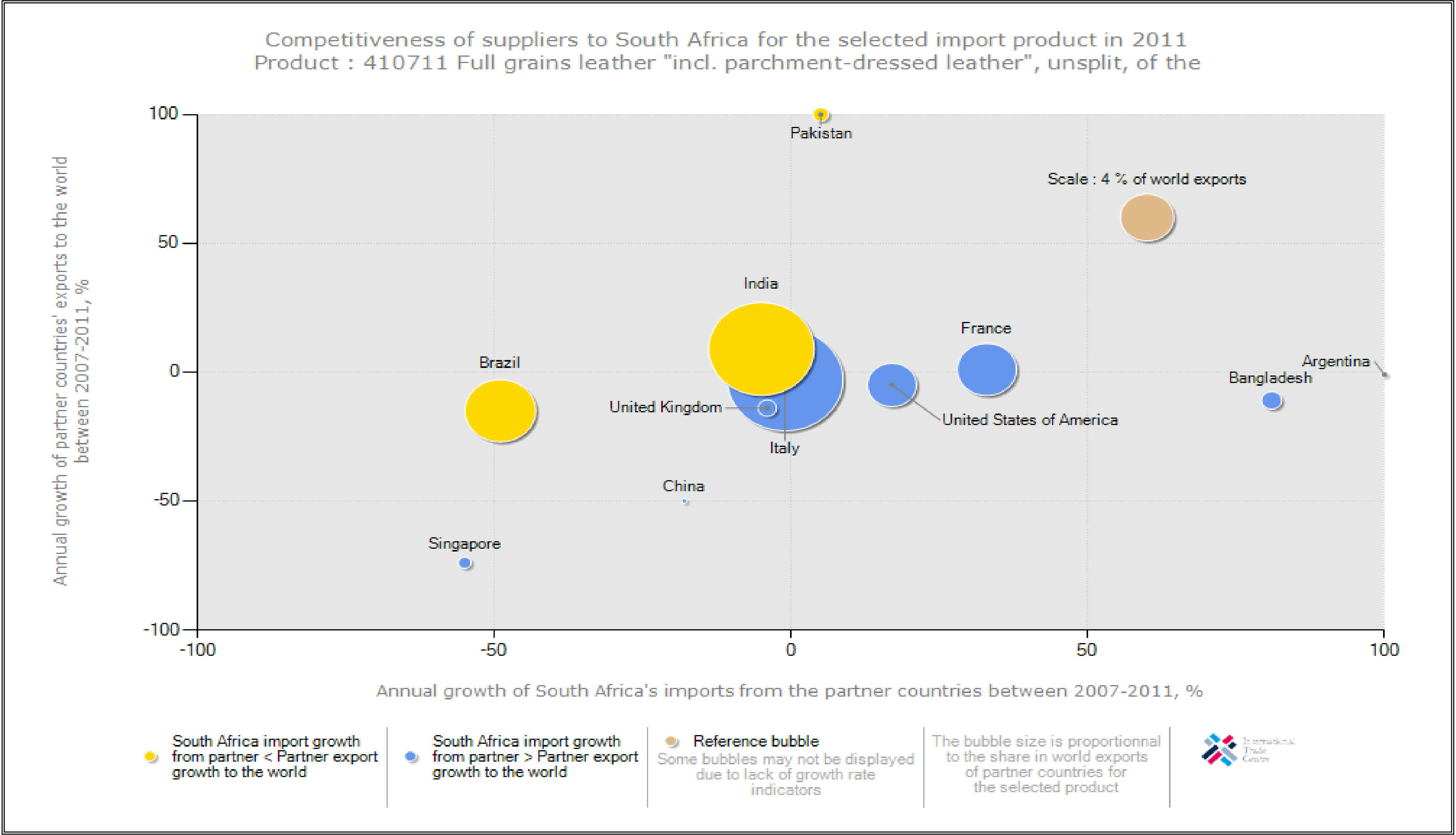
Table 25: List of supplying markets for full grains leather imported by South Africa in 2011

Exporters	Trade Indicators							Tariff (estimated) applied by South Africa (%)
	Imported value 2011 (USD thousand)	Share in South Africa's imports (%)	Imported quantity (tons)	Unit value (USD/unit)	Imported growth in value between 2007-2011 (%, p.a.)	Imported growth in quantity between 2007-2011 (%, p.a.)	Imported growth in value between 2010-2011 (%, p.a.)	
World	14162	100	750	18883	6	2	-39	
India	7120	50.3	469	15181	-5	-5	25	5
Pakistan	3956	27.9	145	27283	5	1	-16	5
Argentina	1363	9.6	51	26725	637		-85	5
Italy	940	6.6	55	17091	-1	5	4	0
France	363	2.6	4	90750	33	19	49	0
Bangladesh	189	1.3	11	17182	81	38	257	5
China	71	0.5	5	14200	-18	-16	2267	5
Uruguay	51	0.4	3	17000			-97	5
Brazil	41	0.3	2	20500	-49	-47	-90	5
United Kingdom	18	0.1	1	18000	-4	-7	-22	0
United States of America	14	0.1	0		17		250	5
Indonesia	8	0.1	1	8000			0	5
Ethiopia	6	0	0		-31		-45	5
Zambia	5	0	1	5000	36	0	-97	0
Singapore	4	0	0		-55		-84	5

Source: ITC Trade

Table 25 shows the list of supplying markets for full grains leather imported by South Africa during 2011 period. The table further shows that South Africa is a net importer of full grains leather from the world. During 2011 period, the country imported a total of 750 tons of full grains leather versus its exports of 266 tons. In world terms imports of full grains leather from the world into South Africa have increased by an average of 6% in value and 2% in volume terms between 2007 and 2011 period. The table also shows that full grains leather imports originated mainly from India, Pakistan and Argentina commanding 50.3% share in South Africa's imports, while Pakistan commands 27.9% and Argentina at 9.6%. Other small markets for full grains leather imports are Uruguay, United Kingdom, Italy and Brazil. Of importance to note is that imports of full grains leather originating from India have decreased by 5% both in value and volume terms between 2007 and 2011, while those originating from Pakistan have increased by 5% and 1% in value and volume terms during the same period under review. The table further shows that although India imported more full grains leather than any other country during this period. It is also import to note that India imported 469 tons of full grains leather as compared to 145 tons from Pakistan. Also interesting to note is that Argentina is more competitive in terms of their imports of full grains leather with high import growth in value of 637% compared to -5% of India .
Uruguay, Argentina, India and Pakistan apply low tariff rates to South African full grains leather market an ad valorem tariff of 5% during the period under examination.

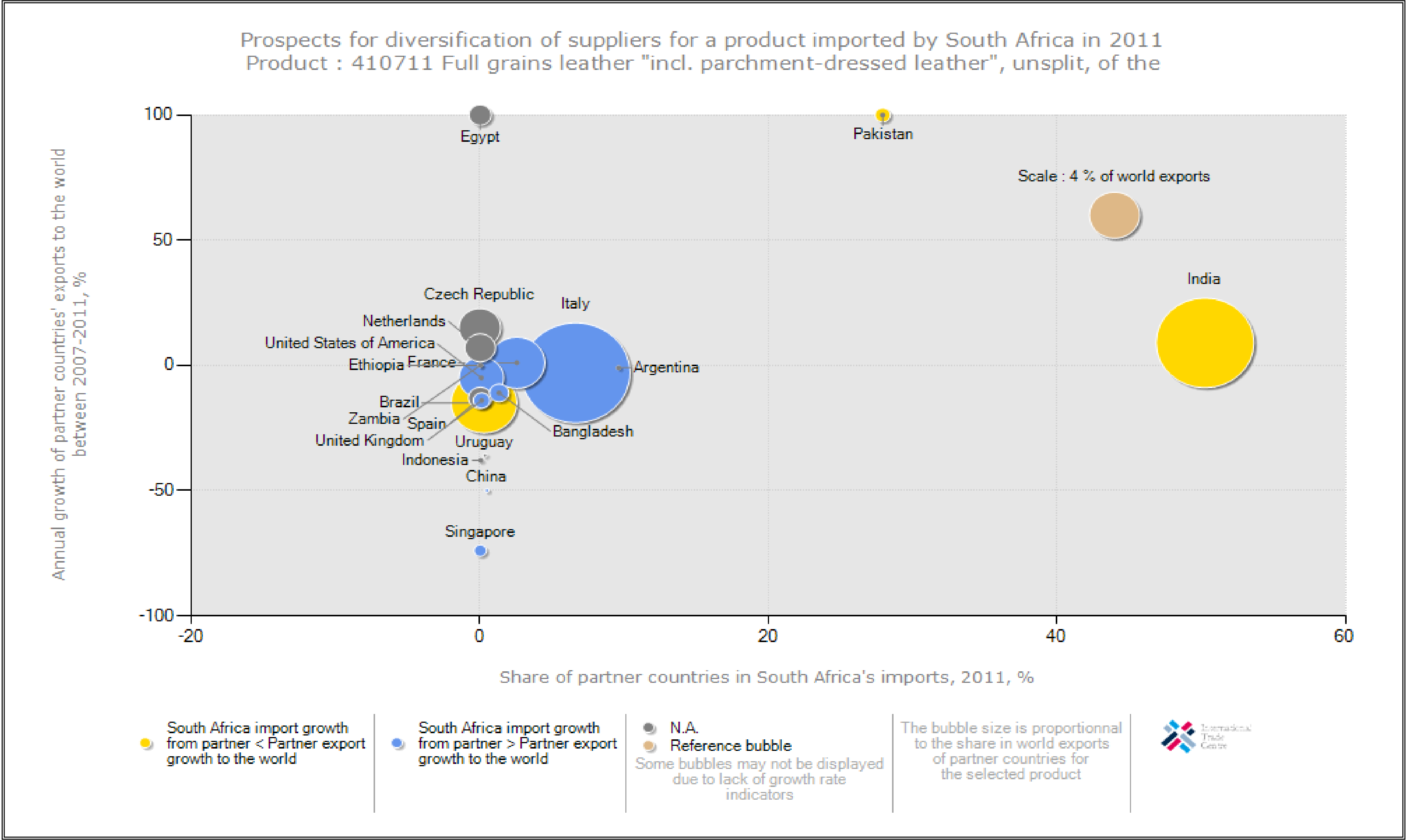
Figure 55: Competitiveness of suppliers to South Africa for full grains leather imports 2011



Source: ITC Trade Map

Figure 55 indicates competitiveness of suppliers to South Africa for full grains leather imports from the world during 2011 period. The bubble graph further indicates that Brazil and India were the biggest suppliers for full grains leather into South Africa during the period under scrutiny. Between 2006 and 2010, Argentina and Bangladesh were the most competitive supplier's of imports of full grains leather into South Africa during the period under observation, their imports grew at a rate that is faster than these countries exports to the rest of the world. Conversely imports of full grains leather from China, United Kingdom and Singapore into South Africa declined substantially while these countries exports of full grains leather to the rest of the world also experienced a decline. Imports of full grains leather originating from India (the biggest suppliers of full grains leather) into South Africa have decreased by 5% and 5% in value and volume terms between 2007 and 2011 period.

Figure 56: Prospects for diversification of suppliers for full grains leather imported by South Africa 2011



Source: ITC Trade Map

Figure 56 depicts prospects for diversification of suppliers for full grains leather during 2011 period. During 2011, the bubble graph further depicts that India commanded the greatest share of 50.3% in South Africa's full grains leather imports, followed by Pakistan at 27.9% and Argentina at 9.6%. The bubble graph also depicts that South Africa applies a 5% tariff to full grains leather imports originating from Argentina, India, Pakistan and Uruguay during the period under examination. The figure also depicts that if South Africa had to diversify its suppliers of full grains leather from the world, small and attractive markets exist in Argentina, Bangladesh, Uruguay and United Kingdom during the period under review.

9. GOVERNMENT SUPPORT

Awareness: On the survey that was conducted, many respondents confirmed that they were inadequately informed about available schemes and programmes. It was also indicated that as firms run increasingly lean operations they have less time to spend investigating possible programmes which they qualify.

Competitiveness fund

One firm stated that it had made use of the competitiveness fund to support its Rural and Developmental activities. The amount awarded was only 16.6% of the amount the firm spent on product development. Therefore, while the amount was welcome, it did not make a fundamental difference to the firm's ability to undertake this kind of activity.

Trade fairs

Along with the use of South Africans living abroad, trade fairs appear to be a critical method of finding buyers for export contracts. The Dusseldorf and Manchester Fairs have both been responsible for a number of contracts which lead to exports. A firm that went to South America in August 2001 as part of the Department of Trade and Industry stand still had not been paid the agreed amount by March 2002.

Export promotion

Several firms suggested that a duty credit certificate type scheme would be worth investigating. This issue was raised and well debated at the footwear strategy workshop in Cape Town on 07 March 2002 to a positive reception by the representatives of the industry. Elsewhere firms indicated that it would be a concrete contribution that the government could make to the sector.

10. APPENDIX A: GOODS AND FOOTWEAR LEATHER

a. **Apeco (Pty) Ltd** is one of the major suppliers to the footwear and associated industries with branches in Johannesburg, Cape Town and Port Elizabeth.

b. Gauteng Leather Works.

c. **Gringo Leathers** (Port Shepstone) Leather Goods Manufacturers & Merchants.

d. **Hannitan leather** (Springs) manufactures mainly semi-aniline furniture leather and a variety of specialty leathers including hunting jackets, handbags, decorative cushions etc.

e. **Kwiktan (Pty) Ltd** (Krugersdorp) is leather good manufacturer and merchants.

f. **Leather from Hart** (Pietermaritzburg).

g. **Mossop-Western** Leathers (Wellington, Western Cape) owned by Kolosus supplying bovine leathers to the footwear and leather goods and also exports leather to the UK, Spain, Portugal, India and the Far East.. The current production capacity is 1.2 million square feet per month. The company has at two plants, a wet blue operation at Hermon Road and crust and finishing plant at Hillcrest.

h. **Ostrich Emporium** (Port Elizabeth) is hides and skin broker.

i. **Ostrland** Import Export.

j. **Philippe Genuine Ostrich Products** in Grahamstown.

k. **Tan rite** (Uitenhage) is a leather good manufacturer and merchants.

l. **The Ing Thing** refinishes leather and supply chemicals to the shoe and leather industry.

11. APPENDIX B: AUTOMOTIVE LEATHER

a. **Allied Trim Components (Pty) Ltd),** has plants in Pretoria and Durban, supplying Toyota, BMW and Nissan, "with an array of products and services

b. **Bader (Bop) (Pty) Ltd** (Garankuwa) is leather goods manufactures and merchants.

c. **Eagle Ottowa** Multi-national manufacturers of top-grain finished upholstery leathers for the automotive industry. Also, cut leather parts, and full service seat ... The company began to diversify into leather for furniture, shoes, luggage, book binding, sports equipment, assorted novelties, valve packings and other industrial products.

d. **Feltex Automotive leather** (Ladysmith), produces leather for seating, door panels, gear boot covers, and gear lever covers. Leather is supplied to the automotive, aviation and furniture industry as either full hides or as cut-to-pattern kits, depending on customer requirements. FAL is fortunate to have an integrated supply of raw material through the KAP International feedlots and African Hide Trading (also owned by Daun Et Cie AG), which have dedicated procurement centres throughout Southern Africa and global networks to produce wet-blue hides/wet-white hides for automotive tanneries.

e. **Kolosus Automotive leather** is owned by Kolosus Holdings Limited

f. **Mario Levi** (Uitenhage) an Italian factory deals with automotive leather for domestic and export customers, as well as furniture upholstery and footwear upper leathers. It also has approval from international aviation regulatory authorities to produce fire- and smoke-retardant leather for the airline industry.

g. **Seton SA** (Nigel) is the USA producer of automotive leather most vertically integrated automotive leather manufacturer.

13. APPENDIX C: SOUTH AFRICAN TANNARIES

No.	Name	Type of Production	Address	Telephone	Fax
1	African Hide Trading	Wet Blue (bovine) Pickled Sheepskins	P.O. Box 2526 Port Elizabeth 6056	+27 (0)41 405 7063	+27 (0)41 461 1227
2	AfriTan Tannery	Gameskins and Nguni Hides	P.O. Box 728 Dundee 3000	+27 (0)72 186 1795	27 (0)34 212 3648
3	Bader SA	Automotive Upholstery	P.O. Box 911875 Rosslyn 0200	+27 (0)12 797 7100	+27 (0)12 797 7150
4	Beit Ore Tannery	Gameskins Hair-on and Nguni Hides	P.O. Box 627 Ladanna 0704	+27 (0)15 293 1259	+27 (0)15 293 2582
5	ERA Pellis CC	Wool-on Sheepskins	P.O. Box 22 Burgersdorp 9744	+27 (0)51 653 2000	+27 (0)86 663 2107
6	Feltex Automotive Leathers	Automotive Upholstery	P.O. Box 825 Ladysmith 3370	+27 (0)36 638 3000	+27 (0)36 638 3033
7	Gringo Leathers	Shoe Upper	P.O. Box 54160 Marburg 4252	+27 (0)39 685 5345	+27 (0)39 685 5343
8	Hannitan Leather CC	Furniture Upholstery	P.O. Box 3820 Springs 1560	+27 (0)11 817 2150	+27 (0)11 817 5259
9	Hidskin	Wet Blue (bovine) Pickled Sheepskins	P.O. Box 86350 City Deep Johannesburg 2049	+27 (0)11 613 6271	+27 (0)11 613 6708
10	Horne Tanning CC	Gameskins and Miscellaneous	P.O. Box 2211 Grahamstown 6140	+27 (0)46 622 8174	+27 (0)46 622 8174
11	Klein Karoo International	Ostrich	P.O. Box 241 Oudtshoorn 6620	+27 (0)44 203 8247	+27 (0)44 274 1588
12	Kwiktan	Ostrich and Game Skins.	P.O. Box 5307 West Krugersdorp 1742	+27 (0)11 660 3926	+27 (0)11 665 3633
13	Leather from Hart	Wet Blue (bovine) and Vegetable tanned	P.O. Box 94 Plessislaer 3216	+27 (0)33 398 5700	+27 (0)33 398 1272
14	Mario Levi Manufacturing	Automotive Upholstery and Furniture Upholstery	P.O. Box 3063 Uitenhage 6230	+27 (0)41 992 1160	+27 (0)41 992 1163

No.	Name	Type of Production	Address	Telephone	Fax
15	Midlands Tannery	Wet Blue (bovine)	P.O. Box 63323 Vaalpark 9573	+27 (0)16 972 1802	+27 (0)16 972 2282
16	Mossop-Western Leathers	Shop Upper	P.O. Box 501 Wellington 7654	+27 (0)21 864 9300	+27 (0)21 864 1272.
17	O&T Trading	Hair-on Tanning	PO Box 11005 Dorpspruit 3206	+27 (0)33 391 1341	+27 (0)33 391 3050
18	Oasis Tanning Company	Ostrich and Gameskins	P.O. Box 5577 Krugersdorp 1742	+27 (0)11 416 2270	+27 (0)11 416 2265
19	Ostriland Import Export	Ostrich and Gameskins	P.O. Box 345 Citrusdal 7340	+27 (0)22 921 2177	+27 (0)22 921 2157
20	Ostrimark SA (Pty) Ltd	Ostrich	P.O. Box 7074 Grahamstown	+27 (0)46 603 5300	+27 (0)46 603 5301
21	Pelts Products	Wet Blue (bovine) and Pickled Sheepskins	P.O. Box 323 Port Elizabeth 6000	+27 (0)41 461 1515	+27 (0)41 461 1203
22	Philippe Genuine Ostrich Products	Ostrich and Furniture Upholstery	P.O. Box 52 Grahamstown 6140	+27 (0)41 461 1515	+27 (0)41 461 1203
23	Prince Albert Tannery	Ostrich and Gameskins	PO Box 103 Prince Albert 6930	+27 (0)23 541 1411	+27 (0)23 541 1255
24	Rein Tanning	Ostrich and Miscellaneous	P.O. Box 10409 Dana Bay 6510	+27 (0)44 697 7041	+27 (0)44 697 7866
25	Richard Kane & Co	Wet Blue Pickled Sheepskins Wool-on Sheepskins Chamois	P.O. Box 222 Maitland 7404	+27 (0)21 535 1122	+27 (0)21 535 2244
26	Seton SA	Automotive Upholstery	P.O. Box 537 Nigel 1490	+27 (0)11 360 7500	+27 (0)11 814 6005
27	Skhumba Skins of Africa	Hair-on Tanning	P.O. Box 11005 Dorpspruit 3206	+27 (0)33 391 1341	+27 (0)33 391 3050
28	Southern Cape Ostrich Tannery	Ostrich	P.O. Box 2629 Mossel Bay 6500	+27 (0)44 606 4500	+27 (0)44 697 7105
29	Swartland Tanning	Ostrich and Miscellaneous	P.O. Box 849 Wellington 7654	+27 (0)21 868 2426	+27 (0)21 868 2499
30	The ING Thing cc	Shoe Upper and Miscellaneous	P.O. Box 264 Hilton 3245	+27 (0)33 330 7575	+27 (0)33 343 1445
31	Woods Tanning cc	Ostrich and Gameskins	PO Box 1603 Uitenhage 6230	+27 (0)41 992 2179	+27 (0)41 992 2144
32	Zenda SA	Automotive Leather	PO Box 158 La Montagne 0184	+27 (0)12 810 3500	+27 (0)12 810 3501

14. APPENDIX D: INDUSTRY ASSOCIATIONS

ORGANIZATION	CORE BUSINESS	CONTACTS
The Skins, Hides and Leather Council (SHALC):	A body representing all sectors of the South African leather industry from raw hides procurement to finished leather.	Collins Gerrans gerrans@iafrica.com
The SA Footwear and Leather Export Council (SAFLEC)		Paul Theron (Executive Director) Tel. 031- 701 4206 saflec@saflia.co.za www.saflec.co.za
The International School of Tanning Technology (I.S.T.T.)	An institution whose core business activities are focused on the provision of world class training to the tanning industry. It offers courses from basic tanning (NQF level 2) to Advanced training (NQF level 5).	P.O Box 2085 Grahamstown 6140 SOUTH AFRICA Tel: 046 – 622 7310 Fax: 086 545 2723

15. ACKNOWLEDGEMENTS

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1. Agriworld
www.agriworldsa.com.

2. Competition Commission
www.comptrib.co.za.

3. Department of Agriculture (Veterinary services)
www.daff.gov.za.

4. Department of Trade and Industry. (2008) Sector Development Strategy: Footwear and Leather Goods
www.thedti.gov.za.

5. FAO
www.fao.org.

6. Market Access Map
www.macmap.org.

7. Quantec
www.easydata.co.za.

8. Richard Ballard (2001). A preliminary study on the bovine leather value chain in South Africa
http://sds.ukzn.ac.za.

9. SAMIC
www.samic.co.za.

10. Trade Map
www.trademap.org

11. Klein Karoo International Ltd
Tel. 044-203 5234

12. IMPEC (Integrated Meat Processors of the Eastern Cape
Tel. 046-622 6567

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