



International Journal of Management & Entrepreneurship Research
P-ISSN: 2664-3588, E-ISSN: 2664-3596
Volume 4, Issue 3, P.No. 154-169, March 2022
DOI: 10.51594/ijmer.v4i3.310
Fair East Publishers
Journal Homepage: www.fepbl.com/index.php/ijmer



AN ANALYSIS ON THE LEATHER INDUSTRY OF BANGLADESH: IDENTIFICATION OF BARRIERS, CHALLENGES, AND WAY OUTS

Md. Habibur Rahman¹

¹Assistant Professor, Department of Finance and Banking
Faculty of Business Administration, Jatiya Kabi Kazi Nazrul Islam University
Trishal, Mymensingh-2224, Bangladesh

Corresponding Author: Md. Habibur Rahman

Corresponding Author Email: habiburfbjkkniu@gmail.com

Article Received: 27-02-22

Accepted: 05-03-22

Published: 17-03-22

Licensing Details: Author retains the right of this article. The article is distributed under the terms of the Creative Commons Attribution-Non Commercial 4.0 License (<http://www.creativecommons.org/licences/by-nc/4.0/>), which permits non-commercial use, reproduction and distribution of the work without further permission provided the original work is attributed as specified on the Journal open access page.

ABSTRACT

The leather industry of Bangladesh has huge potential. Despite the availability of raw skins, low-cost labor, and the fact that this sector began a few decades ago, it has not evolved to its full potential. Furthermore, this sector's performance is deteriorating. The main purpose of this study is to explore the major causes behind such a downturn and also try to point out the major barriers, challenges, and make suggestions for combating these challenges. The data acquired via a questionnaire from officials of 45 different companies were reviewed by the researcher in order to achieve these objectives. In analyzing and making interpretation simple tabular along with graphical methods have been employed. The majority of participants gave positive replies when it came to the availability of high-quality indigenous raw hides, low-cost efficient labor, electricity, gas, and water supplies. Respondents had negative attitudes toward the availability of indigenous sub-materials and chemicals, infrastructural development in accordance with international standards, the Central Effluent Treatment Plant (CETP), the existence of an appropriate integrated plan, and the use of sophisticated technology, among other things. The study's last section outlines the significant limitations/barriers,

challenges/threats, and recommendations for overcoming these potential challenges in Bangladesh's leather sector. This section was created primarily from the responses to four descriptive questions in the questionnaire's lower section.

Keywords: Leather industry, Relocation, CETP, LWG certification.

INTRODUCTION

In terms of export revenues, the leather industry is playing a significant role after the ready-made garments (RMG) sector in Bangladesh. Bangladesh's government identified it as a thrust sector with development, investment, and export-earning potential in 2017. Bangladesh has a plentiful supply of high-quality skins as well as low-cost labor. Despite this, Bangladesh's labor industry has not developed at the same pace as other sectors. Ranada Prasad Shaha, a well-known entrepreneur, founded the leather business in Narayanganj before the Second World War. In 1960, it was relocated from Narayanganj to Hazaribagh after 20 years. It was transferred from Hazaribagh to Hemayetpur in Savar on roughly 200 acres of land by High Court order and with the assistance of Bangladesh Small and Cottage Industries Corporation (BSCIC). The authority started their plan in 2003 and started the distribution of plots among factory owners in 2009. To relocate their tanneries from Hazaribagh to Hemayetpur in Savar, the owners took an excessive time gap. Hence, the international buyers left this country at that time and went to its neighboring countries. It is now become a crucial responsibility to return them as soon as reasonably practicable (Debnath, 2017). Under The University of Dhaka, the Institute of Leather Engineering and Technology (ILET) is Bangladesh's first specialized educational institution dedicated completely to the leather sector. Leather engineering, footwear engineering, and leather products engineering are all offered as four-year undergraduate programs here. Bangladesh now has 165 footwear and leather manufacturers, as well as 161 tanneries that turn raw hides into finished leather. The relocation of tanneries from Hazaribagh to Hemayetpur in Savar has already had a short-term negative impact on this sector. Rakib(2020) found from his study that though the total export earnings of Bangladesh are continuously increasing, the contribution from the leather and footwear industry is decreasing in the last few years. His analysis based on the Export Promotion Bureau (EPB) of Bangladesh showed that the leather sector's export revenues are declining day by day, with a (-6) percent growth rate in FY 2018-19, with export earnings falling from 1.08 billion in 2017-18 to 1.01 billion in 2018-19.

One of the major goals of the relocation of tannery factories from Hazaribagh to Hemayetpur in Savar was to improve the environmental standard and ensure the compliance of foreign buyers. However, it is a source of great sadness that infrastructure and other facility development activities are still incomplete. The Central Effluent Treatment Plant (CETP), as well as the installation of automated monitoring devices and water-flow meters in all tanneries to reduce water consumption, and technology for dewatering sludge, better raw sewage management, and improving the approach road, among other things, has not yet been completed. However, the presence of these is required for international certification, such as the Leather Working Group (LWG) certification. This research primarily focuses on identifying the primary constraints and threats to Bangladesh's leather sector, as well as suggesting potential solutions to existing challenges.

Objectives of the Study

The main objective of this study is to assess the present scenarios of the leather industry of Bangladesh and point out the major limitations, challenges/threats for it. The specific objectives are:

- i. Analyze the causes of Bangladesh's leather sector's downturn in the past few years.
- ii. To investigate the overall conditions of the enterprises those were relocated from Hazaribagh to Hemayetpur in Savar on the authority's directives.
- iii. To identify the principal obstacles/limitations, challenges/threats, and the essential strategies for dealing with those possible threats.

LITERATURE REVIEW

To the best of the researcher's knowledge, this type of study based on direct interviews with officials from various firms involved in this sector is quite rare. The reference section reflects citations made from various newspapers/newsletters that have published a number of editorials/reports on this subject. However, there are also very few journal articles on this topic in Bangladesh. Rakib (2020) attempted to compare overall export revenues from all goods and services to total export earnings from leather products in Bangladesh. He discovered a downward tendency in the exports of leather-related products in recent years, despite the fact that Bangladesh's overall exports were increasing. Islam(2018) presented the history of Bangladesh's leather industry as well as a performance study based on secondary data. The researcher also looked into the industry's future prospects. Paul et al. (2013) used case studies to examine several essential environmental facts such as effluent treatment plants, waste management, pollution consequences, and so on. Bangladesh's leather sector was seen as promising by them due to low labor costs, local availability of hides, and a favorable economic environment. But they suggest some rigorous steps to take in developing the infrastructures. Hong (2018) conducted a SWOT (Strengths, Weaknesses, Opportunities, and Threats) analysis of Bangladesh's leather sector. He also mentioned the potential significance of this sector's development for Bangladesh. The industry's major challenges were also identified, along with policy recommendations to address them.

METHODOLOGY

This research is primarily based on original data gathered from officials of companies in Bangladesh's leather sector. Personal interviews and a questionnaire were used to collect data by the appointed surveyors. The researcher utilized a 5-point Likert Scale to create the questionnaire. In the analysis and discussion section, simple tabular along with graphical analyses have been conducted based on Microsoft Excel 2010. For making a descriptive analysis in identifying the primary constraints and threats to Bangladesh's leather sector, as well as suggesting potential solutions to existing challenges the researcher has been basically dependent on the replies of the four descriptive questions (i.e. Q9 to Q12) included in the questionnaire attached in Appendix of this manuscript. The few articles that have been published in newspapers/newsletters, as well as open discussions with specialists, have all contributed to the development of this part.

Sample and Data Collection

Primary Data: The researcher gathered information using questionnaires from officials of 45 different enterprises in Bangladesh's leather sector, which are currently based at Hemayetpur in Savar, Dhaka.

Secondary Data: Secondary data was gathered from a variety of newspaper/newsletter editorials/reports, as well as a few journal articles.

RESULTS AND DISCUSSION

The researcher has attempted to examine a large number of sub-questions included in questions Q1 to Q8 of the questionnaire in this section. Only the summary representations of the findings of those questions have been displayed in this part.

Table 01

Information for the question: What kind of financial consequences has faced your company due to shifting from Hazaribag to Savar?

	Operating Profit	Operating Loss	Total
Responses	1	44	45
	2%	98%	100%

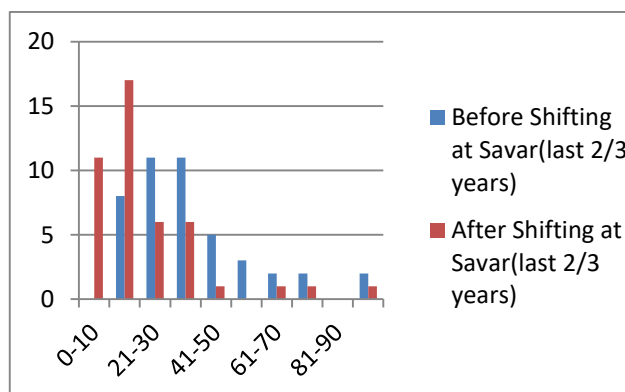
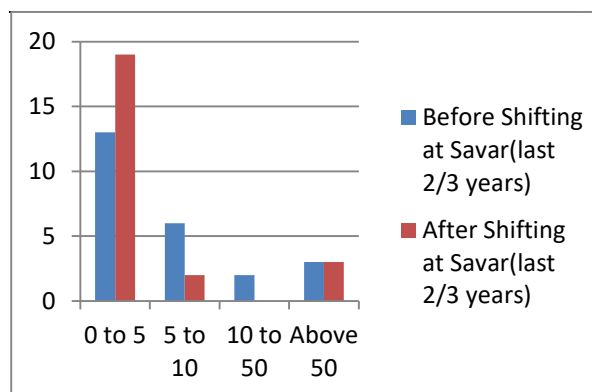
Source: Constructed based on the primary data collection by own

According to the table above, 44 of the 45 responding companies had an operational loss, which equates to nearly 98 percent.

Table 02

Information for the Question: After shifting your firm from Hazaribag to Savar what changes happened to the following-

The Extent of Sales(mm)	Before Shifting	After Shifting	Range of Employee	Before Shifting	After Shifting
0 to 5	13	19	0-10	0	11
5 to 10	6	2	11-20	8	17
10 to 50	2	0	21-30	11	6
Above 50	3	3	31-40	11	6
			41-50	5	1
			51-60	3	0
			61-70	2	1
			71-80	2	1
			81-90	0	0
			91-100	2	1
Total	24	24	Total	44	44



Source: Constructed based on the primary data collection by own

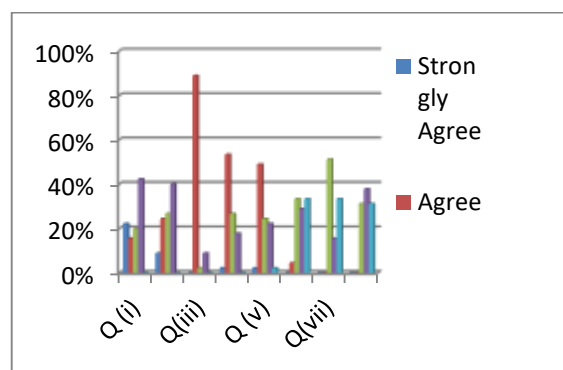
The amount of sales, along with their graphical representation, is shown on the left side of table 02. The data were compared between two 2/3-year periods before and after the companies' relocation. Only 24 out of 45 companies consented to provide their sales data with us because it was strategically critical information. However, the left side of the table reveals

that the number of enterprises grew significantly in the lower range, implying that most firms had to deal with a higher drop in sales after switching. The information on the number of employees working in each firm in the above-stated periods is represented on the right column of table 02. Similar behaviors, like sales, have been evidenced here. After the transition, the ranges of the lower number of workers have climbed, suggesting that the number of employees in most enterprises has been reduced.

Table 03

Information for the Question: About present infrastructure and other facilities to your company-

	Q i	Q ii	Q iii	Q iv	Q v	Q vi	Q vi i	Q vi i
Strongly Agree	10	4	0	1	1	0	0	0
Agree	7	11	40	24	22	2	0	0
Neutral	9	12	1	12	11	15	23	14
Disagree	19	18	4	8	10	13	7	17
Strongly Disagree	0	0	0	0	1	15	15	14
Total	45	45	45	45	45	45	45	45

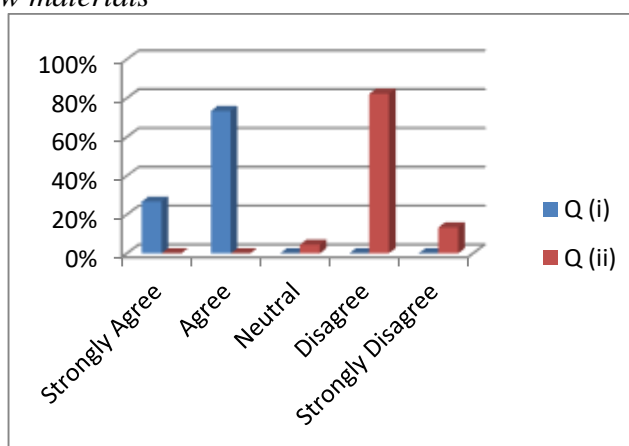


Source: Developed based on the primary data collection by own

The researcher attempted to examine the current infrastructure and other associated facilities prevailing in Bangladesh's leather industry by asking certain pertinent sub-questions under Q.3 shown in the questionnaire in Appendix. According to the responses to the first sub-question, approximately 42% of the respondents' companies do not yet meet international standards of environmentally friendly favorable working conditions. While (strongly agree & agree: 22 % +16 %) i.e. 38% have negative attitudes toward this question, while the remaining 20% have neither a positive nor a negative opinion toward this issue. The results of the sub-question (ii) demonstrate that 40% of the enterprises do not have international level sewerage facilities, while 33% have, and the remaining 27% don't respond positively or negatively. The responses of sub-questions (iii), (iv), and (v) show that 89%, 53 %, and 49 % of enterprises respectively, have adequate gas, electricity, and water supplies. However, negative sentiments were shown by 9 %, 18%, and 24% (22% +2 %) in response to these questions. The results of sub-question (vi) suggest that 62% of respondents (disagree & strongly disagree: 29% +33 %) are dissatisfied with the current infrastructural and other facilities enjoyed by their companies, while 33% are neutral on the subject. The results of sub-question (vii) show that about 49% are still dissatisfied with the government of Bangladesh's efforts to grow and develop this industry (disagree & strongly disagree: 16% +33 %), while 51% have no specific positive or negative responses to this question. According to the results of the last sub-question, around 69% (disagree & strongly disagree: 38% +31 %) believe that the government of Bangladesh's aid is still insufficient to battle the worsening business environment caused by the Covid-19 pandemic. However, a remarkable 31% of respondents also have no either positive/negative opinion on the issue.

Table 04
Information for the Question: About Raw materials-

	Q (i)	Q (ii)
Strongly Agree	12	0
Agree	33	0
Neutral	0	2
Disagree	0	37
Strongly Disagree	0	6
Total	45	45

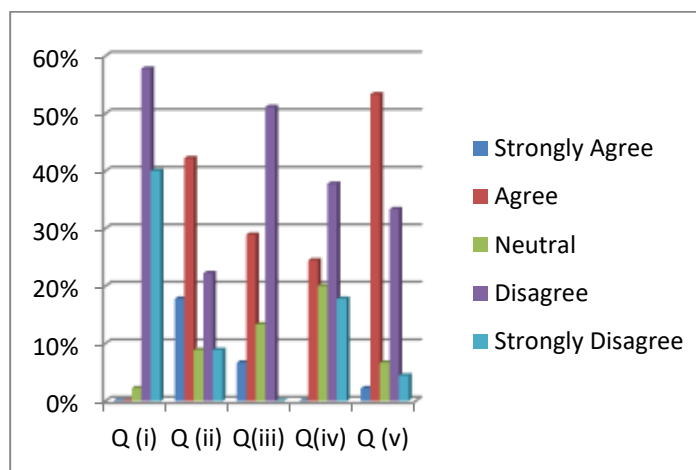


Source: Constructed based on the primary data collection by own

The information in table 04 pertains to the availability of indigenous raw materials/sub-raw materials for Bangladesh's leather industry. The author has asked two sub-questions shown in the questionnaire included in the Appendix to achieve this goal. According to the information provided for the sub-questions (i) about 100% (strongly agreed 27%, and agreed 33 %) of the respondents have shown their positive attitude on that the indigenous source is sufficient to meet the demand for raw materials in this industry. The second sub-question on the availability of indigenous sub-raw materials, on the other hand, reveals a nearly opposite phenomenon. About 95% of respondents to sub-question (ii) believe that indigenous sources are insufficient to meet the need for other essential sub-materials for this sector. As a result, Bangladesh is far behind in producing the necessary sub-materials to meet the industry's demand.

Table 05
Information for the Question: The leather industry of Bangladesh is not having a strong and remarkable export growth-Why?

	Q (i)	Q (ii)	Q (iii)	Q (iv)	Q (v)
Strongly Agree	0	8	3	0	1
Agree	0	19	13	11	24
Neutral	1	4	6	9	3
Disagree	26	10	23	17	15
Strongly Disagree	18	4	0	8	2
Total	45	45	45	45	45



Source: Constructed based on the primary data collection by own

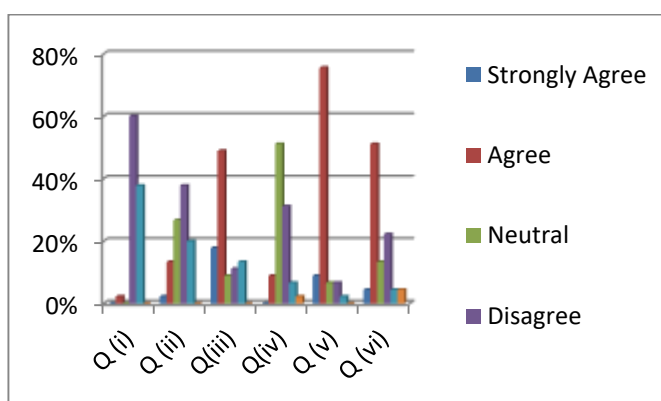
Bangladesh's leather sector has been struggling for several years. Using five sub-questions, the researcher attempted to determine whether the primary factors of limited export growth are related to product quality/technology or not. According to the responses to question (i) about 98 % (disagree-58 %, and strongly disagree-40 %) contest the claim that Bangladeshi product quality is poor. However, as shown in (ii), around 60% of them (strongly agree-18%,

agree-42%) believe that there is a lack of product diversification in this industry. The conclusions of Q(iii) about the pricing issue of Bangladeshi leather products elicited a mixed response. About 51% of respondents disagree that average Bangladeshi leather goods costs are comparatively high, while 36% agree/strongly agree, and the remaining 13% are undecided. The results of a question (iv) show that Bangladesh has sufficient skilled labor. On the issue of Bangladesh's shortage of skilled workers, 56% disagree/strongly disagree, while just 24% have opposing views. The answers to the final sub-question, however, portrayed a mixed picture. About 55% agree or strongly agree that Bangladesh uses sophisticated technology in its manufacturing operations, whereas about 37% disagree.

Table 06

Information for the question: According to the Leather Goods and Footwear Manufacturers' and Exporters' Association of Bangladesh (LFMEAB), about 40% of the total domestic demand for leather footwear and goods is met by importing goods from abroad. Reasons? (Akter and Al Mahfuz, 2018).

	Q i	Q ii	Q iii	Q iv	Q v	Q vi
Strongly Agree	0	1	8	0	4	2
Agree	1	6	22	4	34	23
Neutral	0	12	4	23	3	6
Disagree	27	17	5	14	3	10
Strongly Disagree	17	9	6	3	1	2
Blank	0	0	0	1	0	2
Total	45	45	45	45	45	45



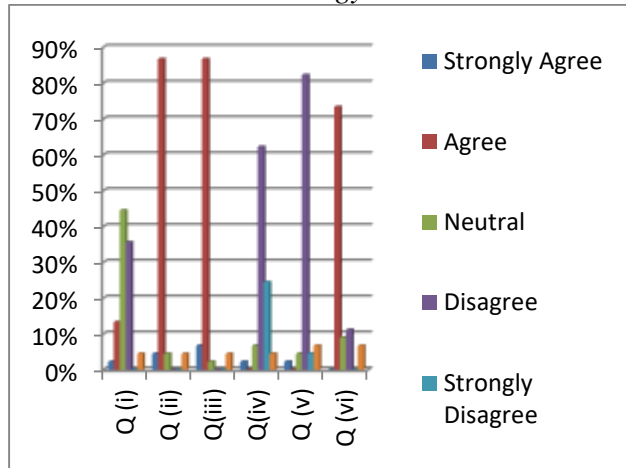
Source: Constructed based on the primary data collection by own

Despite Bangladesh's abundant supply of high-quality raw materials and skilled labor, the Leather Goods and Footwear Manufacturers' and Exporters' Association of Bangladesh (LFMEAB) claims that about 40% of the country's total demand for leather footwear and goods is met by importing goods from other countries. The researcher has attempted to investigate the primary reasons for such a big import using the six sub-questions. According to the results of the first sub-question (i) around 98% do not perceive poor product quality as a reason for such a huge import (i.e. disagree/strongly disagree; 60 % & 38 %). Again, the negative attitudes of 58 % in question (ii) and the neutrality of 5% in question (iv) show that the majority of respondents do not believe that the cheaper price and improved finish of imported items are not the primary reasons for such high imports. Rather, about 67% of Q(iii) respondents, 85% of Q(v), and 55% of Q(vi) respondents have identified the well-diversification of foreign products, the natural instinct of Bangladeshi people to buy foreign products, and the popularity of Raskin/ artificial leather products respectively along with their lower prices, as the major reasons for Bangladesh's large imports of leather footwear and goods.

Table 07

Information for the Question: About Bangladeshi Labor and Technology-

	Q i	Q ii	Q iii	Q iv	Q v	Q vi
Strongly Agree	1	2	3	1	1	0
Agree	6	39	39	0	0	33
Neutral	20	2	1	3	2	4
Disagree	16	0	0	28	37	5
Strongly Disagree	0	0	0	11	2	0
Blank	2	2	2	2	3	3
Total	45	45	45	45	45	45



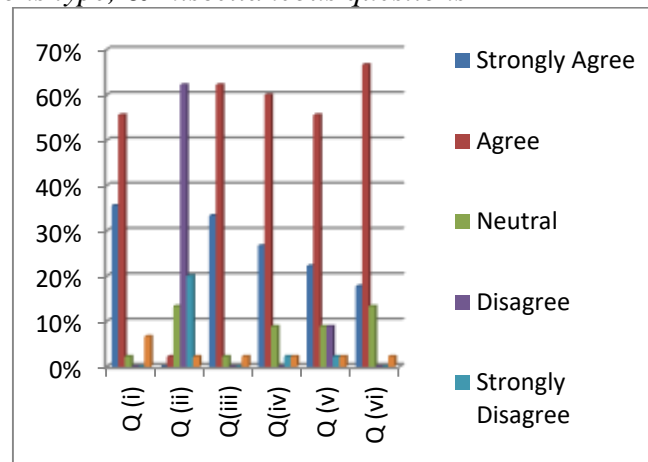
Source: Constructed based on the primary data collection by own

Using six sub-questions, the researcher attempted to assess the current state of Bangladeshi labor and technology. According to the responses to the first sub-question, 36% have negative attitudes about the issue of Bangladesh having sufficient skilled labor, while 44% have neither a favorable nor a negative attitude. While 91% of Q(ii) respondents believe Bangladeshi labor is cheaper than that of other competitor countries, and 94% of Q(iii) respondents believe they are easily trainable at a low cost. However, a staggering 86% of total respondents to Q(iv) believe Bangladesh lacks the educational institutions necessary to give adequate trained human resources to this industry. However, a staggering 86% of total respondents to Q(iv) believe Bangladesh lacks the educational institutions necessary to give adequate trained human resources to this business. On the other hand, approximately 86% of Q(v) respondents believe that Bangladesh is still not using very sophisticated equipment like its nearer competitors, and 73% of Q(vi) respondents believe that technological backwardness is one of the prime reasons for Bangladesh's leather industry's slow growth.

Table 08

Information for the Question: Recommendations type, & miscellaneous questions-

	Q i	Q ii	Q iii	Q iv	Q v	Q vi
Strongly Agree	16	0	15	12	10	8
Agree	25	1	28	27	25	30
Neutral	1	6	1	4	4	6
Disagree	0	28	0	0	4	0
Strongly Disagree	0	9	0	1	1	0
Blank	3	1	1	1	1	1
Total	45	45	45	45	45	45



Source: Constructed based on the primary data collection by own

The researcher attempted to examine some responses related to policy formulation using the six miscellaneous type questions. According to the results of the first question, around 92% suggest spending more money on their own research and development by Bangladeshi firms.

It is apparent from Q(ii) that around 82% of those surveyed do not believe FDI in this industry is as lucrative as other major industries in Bangladesh. As a result, this outcome will not serve as a motivator for possible foreign investment, especially in this sector. According to the responses to Q(iii), over 95% of respondents favor the idea of looking for prospective markets in Africa and other parts of the world. However, the results of Q(iv) show that roughly 87% of participants believe that companies are spending too little money on human resource training and development and that this should be enhanced. According to the Q(v) response, around 78% believe that the government of Bangladesh still has a tremendous amount of work to do in order to grow this industry and should do so. Finally, 85% of those surveyed see the increased popularity of raksin/artificial leather items as a serious concern for the industry in response to Q(v).

BARRIERS, CHALLENGES, AND WAY OUTS

Primarily, based on the responses of the participants to four open-ended questions from Q9 to Q12 of the questionnaire attached to the Appendix, the author attempted to explain this section. Based on the respondents' responses to those four questions, the researcher aims to highlight the key barriers/limitations, next to the major challenges/threats, and finally the significant way outs/means of escape from those limitations, and/threats.

Barriers/Limitations

- i. Many of the respondents claim that Bangladesh has a huge deficiency of appropriate integrated planning. Many of them also opined that in case of the shifting this industry from Hazaribagh to Savar, Dhaka, which was done a few years ago, Bangladesh could have done it more strategically with proper coordination. Some explained that due to time gaps between shifting from the previous location and full-phased reestablishment, Bangladesh had to lose many foreign buyers and they didn't come back.
- ii. Due to the absence of automated monitoring devices, trying to install water-flow meters in all tanneries to reduce water consumption, and technology for dewatering sludge, better raw sewage management, and improving the approach road, Bangladesh has yet to obtain some important international certificates, such as the Leather Working Group (LWG) certification.
- iii. According to many respondents, in the absence of LWG certification, Bangladesh leather product producers are to export their goods at 30% to 40% lower costs. This matter is considered as one of the major barriers against the growth of this sector in Bangladesh.
- iv. In terms of product diversification, Bangladesh is behind the curve when compared to other comparable countries.
- v. Many respondents believe that Bangladesh's leather sector still does not meet 100 percent of international environmental standards. Though the project has already started a few years back, Bangladesh has not yet made the Central Effluent Treatment Plant (CETP) at Savar fully functional as per international standards (Mirdha,2019).
- vi. Some of the respondents have identified the international price reduction as the cause of a big fall in the prices of cattle hide in Bangladesh, and the downturn of the business in this sector, especially in the last few years.

- vii. About 37%(confirmed by the findings of Q5(iv)) of the respondents consider that Bangladesh is still in a backward position than its major competitors in the case of using sophisticated technology in its manufacturing operations.

Challenges/Threats

- i. The chemicals used in the leather industry of Bangladesh are mostly import-based. The price of such chemicals and other sub-materials has surged several times in the Covid-19 pandemic and has a greater unpredictability in the future.
- ii. Many foreign buyers who keep the environmental issue as their highest priority may shift their orders to anywhere in the world from Bangladesh.
- iii. Some of the respondents expressed their concern that more international price reductions may affect this sector.
- iv. The availability of quality cheap artificial leather products & their attractiveness are also pointed out by many participants as one of the major potential threats for this industry in Bangladesh.
- v. A delay in establishing international standard compliance will also delay the issuance of some international certificates, such as the Leather Working Group (LWG) certification, which is essential for market access in Europe, the United States, and several developed Asian countries. More new countries, along with current competitors, may form long-term sustainable trade partnerships with these countries, making entry into these markets more difficult for Bangladesh.
- vi. Many respondents think that the delay of the making fully functional of Central Effluent Treatment Plant (CETP) at Savar; the renewal of the previously issued environmental clearance for many tanneries may hamper. It will also make it difficult to get an export registration certificate (ERC) as an exporter, import registration certificate (IRC), which will also linger the international standard certificates(Bangladesh Leather Industry Authority Proposed, 2021).
- vii. According to Q6(v), roughly 85 percent of respondents believe that one of the main reasons for importing footwear and goods is the Bangladeshi people's inherent desire to buy foreign items. This issue also poses a significant danger to Bangladesh's leather industry's future development.

Way outs/Means of Escape

- i. All stakeholders along with the government of Bangladesh should come forward to make a vibrant medium/long-term plan and wholeheartedly should work together for the appropriate development of this sector.
- ii. Government should resolve the major infrastructural problems and come forward to install automated monitoring devices, water-flow meters in all tanneries to reduce water consumption, and technology for dewatering sludge, better raw sewage management, and improving the approach road, etc. as compliance for getting the Leather Working Group (LWG) certification.
- iii. The government of Bangladesh must take necessary immediate actions to make the Central Effluent Treatment Plant (CETP) at Savar fully functional as per international standards and with sophisticated technology.
- iv. The firms along with the government must take immediate steps to ensure international environmental standards according to the demand of foreign buyers.

- v. Appropriate actions must be done to build the essential chemical/other related sub-material manufacturing industries within Bangladesh. In such circumstances, the government of Bangladesh can try to attract FDI by providing additional benefits or opting for a public-private partnership (PPP).
- vi. The governments along with the common organizations working for the betterment of this sector i.e. the Leather Goods and Footwear Manufacturers' and Exporters' Association of Bangladesh (LFMEAB), should try heart and soul to come out from the influence of the large competitors through taking steps regarding their self-development.
- vii. The owners of the firms of leather industries along with the government have to step forwards wholeheartedly to make the manufacturing plants sophisticated and turned them into globally standardized.
- viii. Some respondents also urged the governments of Bangladesh to increase the allocation in annual budgets for this industry.
- ix. Few respondents claim easier loan facilities, especially for small enterprises.
- x. Some participants want the Bangladeshi government to erect further barriers to the import of footwear and related commodities.
- xi. Many of the respondents also requested the Bangladeshi government to take stronger measures against the unlawful (if any) export of raw skins.
- xii. Some surveyors also have requested the Bangladeshi government to adopt more diplomatic tactics to get prior international purchasers to return to the Bangladeshi market.
- xiii. Leather business owners should place a high priority on market research and product diversification, as over 60% of Q5(ii) respondents believe Bangladesh is lagging behind in this regard.
- xiv. Bangladesh's government should establish a research laboratory for working on product diversification for this sector in order to cope with the continuously changing global market demands.

CONCLUSION

Bangladesh's leather sector has enormous potential. As a Muslim country, this sector has easy access to a large number of raw skins from the animals sacrificed on Eid-UI-Adha every year. Another advantage of this country is the availability of low-cost labor. Despite these benefits, this industry is not currently performing as much as it should. A declining tendency in this sector's performance has been observed in recent years. The purpose of this study was to find out why Bangladesh's leather sector has experienced such poor growth in recent years. This study also focuses on identifying the major limitations/barriers, threats/difficulties, and viable solutions to existing challenges in Bangladesh's leather sector. The data acquired via questionnaires from officials of 45 different companies were reviewed by the researcher in order to achieve these goals. The participants were requested to make answers of approximately 35 sub-topics under eight general questions created as a 5-point Likert Scale. The majority of participants gave positive replies when it came to the availability of high-quality indigenous raw hides, low-cost efficient labor, electricity, gas, and water supplies. Respondents had negative attitudes toward the availability of indigenous sub-materials and chemicals, infrastructural development in accordance with international standards, the Central

Effluent Treatment Plant (CETP), the existence of an appropriate integrated plan, and the use of sophisticated technology, among other things. The study's last section outlines the significant limitations/barriers, challenges/threats, and recommendations for overcoming these potential challenges in Bangladesh's leather sector. This section was created primarily from the responses to four descriptive questions in the questionnaire's lower section.

References

- Akter, A., & Al Mahfuz, M.A. (2018, December 17). An overview of Bangladesh leather industry. *Bangladesh Textile Today*. <https://www.textiletoday.com.bd/overview-bangladesh-leather-industry/>
- Bangladesh Leather Industry - From Hazaribagh to Savar. (2019, May 27). <https://www.lightcastlebd.com/insights/2019/05/bangladesh-leather-industry-from-hazaribagh-to-savar/>
- Bangladesh Leather Industry Authority Proposed. (2021, September 20). *Leather International*, <https://www.leathermag.com/news/newsbangladesh-leather-industry-authority-proposed-9120929>
- Calls for Bangladesh Leather Sector to Seek Better Branding. (2021, November 26). *Leather International*, <https://www.leathermag.com/news/newscalls-for-bangladesh-leather-sector-to-see-better-branding-9280789>.
- Debnath, B. K. (2017, September 8). Our Leather Industry. *The Independent*, <https://www.theindependentbd.com/arcprint/details/112906/2017-09-08>
- Islam, R. M. (2018). History of Leather Business and Future Perspective in Bangladesh. *International Journal of Multidisciplinary Research and Development*, 5(3), 24-27.
- Mirdha, R. U. (2019). Tanners long way off LWG certification. *The Daily Star*. <https://www.thedailystar.net/business/news/tanners-long-way-lwg-certification-1822861>.
- Paul (2013). Bangladeshi Leather Industry: An Overview of Recent Sustainable Developments. *Journal-Society of Leather Technologists and Chemists*, 97, 25-32.
- Rakib, M. A. (2020). Export Trend of the Leather Industry of Bangladesh: Challenges to Sustainable Development. *BUFT Journal of Business & Economics (BJBE)*, 163-187.

Acknowledgement

The researcher is grateful to the respondents for their participations in this research work. The author also wants to thank two appointed surveyors for their kind support in collecting the primary data.

Conflict of Interests Statement

The author is declaring about non-existence of any conflict of interest.

Financial Support

This article is based on a research project named "A CASE BASED ANALYSIS ON THE RETRIVAL OF THE LEATHER INDUSTRY OF BANGLADESH: CHALLENGES AND WAY'OUTS," which was funded by the Jatiya Kabi Kazi Nazrul Islam University, Trishal,

Mymensingh-2224, Bangladesh under budgetary year 2020-2021. As a result, I'd want to show my gratitude to the institution's appropriate authorities for enabling financial assistance.

Appendix

Questionnaire on the Retrieval of Leather Industry of Bangladesh:

Challenges and Way outs

This study aims to identify the reasons behind the lower growth of leather industry of Bangladesh. The researcher also wants to identify major challenges for this industry and find the ways to resolve them. The study is conducting for academic purposes, and all data will be used for research work only. The researcher is committed to maintaining the secrecy of your provided information. You are earnestly requested to furnish your responses to the survey questionnaire, which will only take about 10 to 15 minutes. Your valuable opinion will be helpful to increase the standard, efficacy, and reliability of the research.

Name:		Company's Name:	
Designation:		Location:	
Mobile no.:		Area of business:	Full exporter/Inside Bangladesh/ Both
Email:		No.of Employee:	

Q1.What kind of financial consequences has faced your company due to shifting from Hazaribag to Savar?(Put a **Tik Mark** in appropriate right box)

Operating profit		Operating loss	
------------------	--	----------------	--

Q2. After shifting your firm from Hazaribag to Savar what changes happened to the followings-

		After shifting at Savar(last 2/3 years)	Before shifting(2/3 years)
i. Annual average sales	In Bangladesh		
	Export		
	Total		
ii. Number of employee(both officers & workers)	Foreigner		
	Bangladeshi		
	Total		

Q3. About present infrastructure and other facilities to your company-

Items	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
i. Your company presently has international standard environment friendly favorable condition for employees.					

ii. Currently your firm has international level sewerage facility.					
iii. Your company has sufficient gas supply.					
iii. Your company has sufficient electricity supply.					
iv. Your company has sufficient water supply.					
v. You are satisfied with the present infrastructural and other facilities enjoyed by your firm.					
vi. For the growth and development of leather industry you are satisfied with the steps taken by the government of Bangladesh.					
vii. Your firm has got satisfactory assistance from government to combat against the Covid-19 pandemic.					

Q4. About Raw materials-

Items	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
i. Indigenous source is sufficient to fulfill the demand of raw materials for this industry.					
ii. Indigenous source is sufficient to fulfill the demand of other necessary sub-materials for this industry.					

Q5. The leather industry of Bangladesh is not having a strong and remarkable export growth- Why?

Items	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
i. Bangladeshi product quality is so poor					
ii. Lack of product differentiation					
iii. Product price is comparatively high					
iii. Lack of skilled labor					
iv. Lack of the usage of improved technology					

Q6. According to the Leather Goods and Footwear Manufacturers' and Exporters' Association of Bangladesh (LFMEAB), about 40% of the total domestic demand of leather footwear and goods are met by importing goods from abroad. Reasons?

Items	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
i. Bangladeshi product quality is poor					
ii. Prices of importing goods are comparatively lower					
iii. Importing goods are well diversified					
iv. Importing goods' finishing are well					
v. Natural instinct of Bangladeshi people to buy foreign products.					
vi. Popularity of raksin/non-leather products and their lower prices.					

Q7. About Bangladeshi Labor and Technology-

Items	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
i. Bangladesh has sufficient skilled labor					
ii. Bangladeshi labors are comparatively cheaper than other competitor countries.					
iii. Bangladeshi labors are easily trainable with low cost.					
iv. Bangladesh has sufficient educational institutions to supply enough skilled human resources to this industry.					
iv. Currently Bangladesh is using very updated technology like its nearer competitors					
v. Technological backwardness is one of the prime reasons for lower growth of leather industry of Bangladesh					

Q8. Recommendations type, & Miscellaneous questions-

Items	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
i. Bangladeshi companies should spent more funds for their own research & development.					
ii. Presently FDI in this industry is comparatively highly rewarding than other major industries in					

Bangladesh.					
iii. Currently Bangladesh should try to focus on African and some other potential markets.					
iv. Firms are spending very lower amount of money for the training and development of human resources and should be increased.					
v. There are lacking of proper steps by the government for the growth of this sector and should undertake.					
vi. Raksin/non-leather products are increasing their popularity; it is a major concerning issue for this industry.					

Q9. What are the prime reasons behind such a big fall of cattle hide in Bangladesh in last few years?

Q10. Being a Muslim country, Bangladesh has enough supply of cattle hide. But why this industry isn't developing as per its expectation?

Q11. What is your suggestions for the future growth and development of the leather industry of Bangladesh?

Q12. What are the main challenges/threats for the future development of this industry?