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**African Leather and Leather Products Institute and African Electronic Trade Group sign Memorandum of Understanding (MoU) to boost trade and competitiveness of “Made in Africa Leather”**

At the African Union Headquarters, on the margins of the 33<sup>rd</sup> Ordinary Assembly of African Union Heads of State and Government, the CEO and Chairman of the AeTrade Group, Mr. Muualem Syoum and the Executive Director of the African Leather and Leather Products Institute (ALLPI), Prof. Mwinyikione Mwinyihija signed an MoU in the presence of the COMESA Secretary General and the AU Commissioner for Trade and Industry during a press conference.

The CEO and Chairman of the AeTrade Group commended AU Heads of States and Governments for their sustained political commitment to deliver an integrated market in Africa and welcomed the opportunity to work with the regional bodies established by COMESA to enable the implementation of the Boosting Intra-African Trade, SME development and Industrialisation efforts. AeTrade Group has already signed a memorandum of Understanding with the African Standards Organisation, which will be a critical partner in this collaborative framework. The African leather sector will benefit tremendously as the two organizations join forces to harness their technical capacities to boost the competitiveness of the sector. Through digital capacity building and access to markets across the continent and globally, the number of SMEs and jobs created will increase significantly.

Leather and Leather products are among the most widely traded agro-based commodities in the world. The sector has the longest value chain and fully integrated in to millions of African households. In Sub-sharan Africa, in the leather sector, SMEs represent more than 95% of enterprises and the sector is male dominated with gender balance of Male 66.7% to 86.6% and Females 13.4%. to 33.3% at different stages of the value chain.

Africa Continent’s Hides & Skins, Leather and Leather Products import and Export values, in 2018, were, respectively, 5.45 and 2.55 billion USD of which the share of intra traded value is only 9.44%. The estimated potential of the sector is up to 40 billion USD. The AeTrade Group keenly wishes to support ALLPI’s strategic plan to boost intra-African trade and enhance Africa’s share in the global market. Therefore, the Ae Trade Group and ALLPI will jointly develop relevant training materials for the digital platform that is customized for this sector. ALLPI being the first mover, will promote awareness to all SMEs about the benefits of trading on the Ae Trade platform, which will be disseminated through the success stories that will be published through different, digital media. Other sectors such as Agriculture, Distribution and Logistics, Finance, Tourism, and all sectors will be included based on the value chain approach.

We are excited about this partnership that we are developing with the AeTrade Group. It is based on the clear complementarity of our products and services, as well providing us an opportunity to expand our geographic reach, to become a leading continental leader in Africa’s

economic transformation. Working together with COMESA Business Council, and other COMESA institutions we look forward to harnessing the AeTrade platform and other related services for the benefit of our stakeholders. We believe that the lessons learnt as we implement the planned activities will provide useful lessons for other sectoral institutions that wish to benefit from the digital economy.

The Commissioner of Trade and Industry congratulated the two institutions to work on concrete plans to boost intra-African trade as the African Union is working towards attaining the targets set by the Heads of State and Government to double intra-African trade between 2012 and 2022 in accordance with the Action Plan on Boosting Intra-African Trade. Intra-African trade currently stands between 15-17% depending on the source of data.

This partnership that is being established today marks the beginning of the AfCFTA market development which will create 600,000 SMEs and 22 million jobs in Africa across all sectors.

#### About the African Leather and Leather Products Institute

Africa Leather and Leather Products Institute (ALLPI), then COMESA – Leather and Leather Products Institute (COMESA/LLPI) is an intergovernmental organization, with the endorsement of its Charter by 17 COMESA Heads of State. The Institute was officially designated as ALLPI in November 2017, through the decision of the COMESA Council of Ministers which has thus empowered it to extend its services to all African Countries. ALLPI's main Mandate is to support the development of the leather sector in Africa. Over the years the Institute has created strong strategic linkages with Public and Private Sector Institutions and Academia in member countries. In addition to this, ALLPI has signed several Memoranda of Understanding (MoUs) with global institutions, in its pursuit to improve the competitiveness of the leather sector in Africa in line with global dynamics.

#### *ABOUT AeTrade Group*

The African e-Trade Group is a social enterprise initiated by a group of African, multi-stakeholder and multi-talented professionals and entrepreneurs. The A-eTrade Group works to empower the African digital economy. This work focuses on a trading platform and capabilities that boost -African trade and African exports.

The A-eTrade Group builds alliances and partnerships between the public and private sectors, to develop new technology projects that offer opportunities and benefits for African entrepreneurs, especially the youth and women.

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