

Sri Lankan Leather Industry; Constraints in Expanding Access to the Global Market

WICKRAMAGE D.N.^{1*} and GUNARATHNA G.D.S.C.²

^{1,2}Department of Integrated Design, Faculty of Architecture, University of Moratuwa, Sri Lanka.

¹dulshiwickramage@gmail.com, ²soba.gunarathna@gmail.com

Abstract - The Sri Lankan leather industry, while possessing considerable growth potential, currently operates as a niche sector primarily producing footwear and leather goods, with small to medium-sized enterprises concentrated around Colombo. Originating from traditional vegetable tanning practices, the industry has evolved but remains underdeveloped compared to sectors like textiles and apparel. Incremental growth due to private investments and policy easing has been achieved, yet the industry faces substantial constraints. Key stagnating factors include limited availability and quality of domestic hides, reliance on costly imported raw materials, outdated production technology, low production efficiency, inadequate labour skills, and environmental compliance issues. Cultural and religious practices further shape production, creating bottlenecks and impacting access to international markets. This study examines these challenges in detail, aiming to analyse the current state of the industry, identify elements hindering market growth, and propose actionable strategies for improvement. To provide a strong analysis, this research employs a qualitative, multi-method approach, collecting data through three stages of interviews, participant observations, and case studies. The study involves a range of stakeholders: individual leather craftsmen, representatives from government and non-government organisations, and industry experts. Each interview stage serves a specific purpose: the first investigates grassroots-level challenges faced by individual craftsmen, such as access to quality raw materials and skill development; the second examines organisational difficulties like labour skill shortages and technology inefficiencies within larger entities; and the third stage includes discussions with experts from the Export Development Board (EDB) and Industrial Development Board (IDB), focusing on cultural and policy-driven constraints. Participants were selected through a snowball sampling method, facilitating deeper insights into interconnected challenges within the industry. The triangulation data collecting method was applied to validate findings by cross-referencing data from diverse sources.

The study presents three distinct case studies to illustrate specific factors impacting the industry. Case Study One examines the operational challenges of individual leather craftsmen, including limited access to high-quality hides and insufficient technical skills. Case Study Two investigates operational and labour skill gaps in larger organisations, emphasising deficiencies in

technological knowledge, outdated machinery, and low production efficiency, which raise costs and limit competitiveness. Case Study Three offers a broader perspective through expert consultations, addressing cultural and religious practices that affect raw material availability and hinder production scaling. These problems are discussed in the case studies. The findings reveal four primary stagnating factors: limited access to quality raw materials, insufficient labour skills, restricted technology adoption, and cultural influences. Raw material scarcity results from limited animal supply and quality issues, increasing costs and supply delays. Production inefficiencies arise from outdated equipment, ineffective workflows, and limited technical expertise, extending production times and reducing international competitiveness. Technological limitations exacerbate these issues, as many tanneries lack the financial and technical means to adopt advanced processing methods needed for global standards. Additionally, cultural and religious factors affect production and sourcing, as religious festivals and ethical considerations impact animal slaughter rates and seasonal raw material availability, disrupting production schedules. Thematic analysis reveals that these interconnected constraints significantly hinder the industry's responsiveness to global market demands. Recommendations include specialised training programs to enhance skills, investments in modern machinery, and collaborative efforts among stakeholders to address cultural limitations and improve production efficiency. By expanding resources and technical capacity, the Sri Lankan leather industry could position itself more competitively within the global market, focusing on sustainability and ethical practices to align with evolving consumer demands.

This research contributes to the understanding of the constraints facing the Sri Lankan leather industry and offers actionable insights for policymakers and industry stakeholders, emphasising policy reform, skill enhancement, and sustainable growth. Future research should assess the effectiveness of these recommendations and explore alternative materials, such as vegan leather, aligning with ethical fashion trends and offering Sri Lanka potential pathways to redefine its leather industry on the international stage.

Keywords: Sri Lankan leather industry, footwear and leather goods production, production constraints, cultural and religious influences.

Figure 1
This is a sample of the Sri Lankan Local leather craftsmanship and technology



Figure 2
This image sample for the social and cultural Influence for Sri Lankan leather Industry.



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