

Project #109: Leather Manufacturing - calf and cowhide leather



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Description of the project



Treatment and valorization of cow and calf hides and Modern Tannery to produce high quality leathers - Process involving washing, cleaning and chemical depilation of the hide as well as tanning / retanning / finishing

HS Codes: 4107 - 4101 - 4104



Highlights

- Opportunity to position itself in an industrial and modern way and in particular on certain types of leather still imported with a growing downstream demand mainly from shoe processors.



Complexity of the product²

Complexity Index (PCI)¹
 Harvard Economic Complexity

-3.33 2.56

-2,26



Main inputs required

- Raw skins
- Chemical products (cleaning, depilation, stabilization)
- Dyeing



Main investment advantages

Grant

- ISTITMAR SME or VSE program, depending on the Board of Directors
- Industrial Development and Investment Fund (FPI)

Potential land

- PI Ain Cheggag
- PI Casa City Shoes
- PI Sidi Bouothmane

Training assistance

- IDMAJ" Program
- TAEHIL" Program

Funding

- Mezzanine SME
- Green Invest

Branch

Leather

Sub-sub-sector

Tannery



Financial indicators (estimated³)

Potential investment

~30 - 60 Mn MAD (excluding land)

Potential turnover

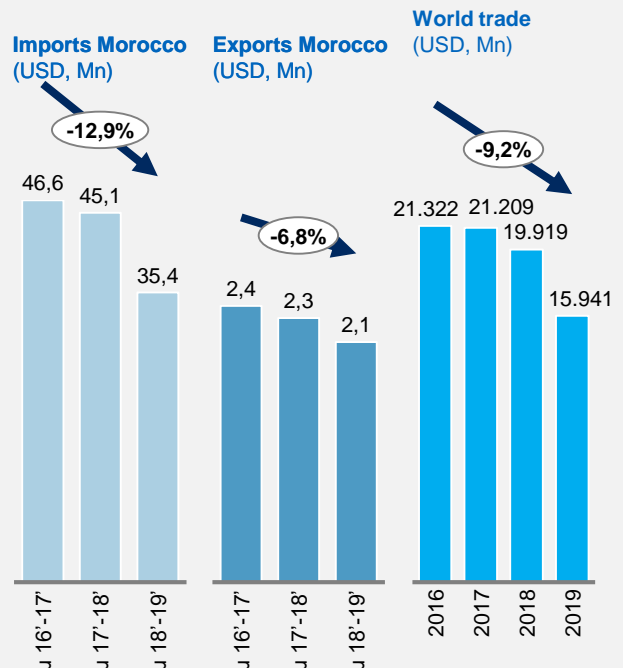
~60 - 120 Mn MAD

Potential IRR

~25% - 30%



Market growth and size²



1. Product Complexity Index: Diversity and sophistication of the know-how required to produce a product. The ICP is calculated based on the number of countries producing the product and the economic complexity of those countries. The most complex products, those that only a few countries can produce, have the highest ICP (e.g. electronics, chemicals) vs. the least complex products (e.g. raw materials, agricultural products).

2. HS code: 'Economic complexity: 4107 - 4101 - 4104 / Office des Changes (Moroccan Imports & Exports) + Trademap (World export values): 4107 - 4101 - 4104

3. Estimated figures from the perspectives of Moroccan experts and industrialists in these sectors. The financial indicators are provided for purely directional and informational purposes and do not constitute a form of commitment or guarantee.