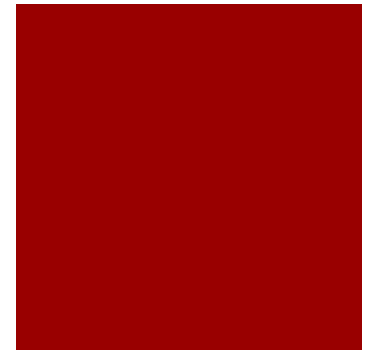




*“International Co-operation for
Capacity Building – A Case
Study”*

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A Case Study for Leather Sector and LIDI CB Program in case of Ethiopia.



Importance of Cooperation



- There is no any country in the world who developed by its own effort and knowledge only.
- Cooperation helps for any country, enterprise, institute or any other organization to increase the momentum of development towards the targeted level.
- The areas of cooperation can be different in terms of service and product.
- The need for cooperation for my country and the leather sector was important in order to jump to the next level.

Globalization and need for cooperation.



- Global competition also brings about global cooperation.
- This is highly observed in IT companies.
- Globalization is a change; and understanding and acting for the benefit is very important.
- Globalization and change is like a wind. The understanding of the people is different. Some people construct a wall to protect the wind blow and some people construct a wind mill to get benefit from it.
- To win global competition it will need global cooperation .
- Since globalization is imperative, cooperation between firms is more important. With this understanding we selected Indian Institutes for cooperation.

Needs of Capacity building leather sector in Ethiopia Case

- Ethiopia follows a democratic developmental state policy
- In that policy we believe that the engine for growth is the private sector.
- The involvement of government in the economy where the market is failed to feel the development gap is there.
- As a whole development strategy, the country prepared a plan of five year.
- Every manufacturing sector prepares its own five year plan like India.
- The leather and leather product sector prepared its own plan in GTP I to reach at the target of 500 million USD among these 65% is from footwear Export.

Needs of Capacity building leather sector in Ethiopia Case



- The plan was prepared in 2010/11 to achieve the target.
- Based on the target plan the sector review was done.
- During the review it is assessed that the productivity of the factories was low, the tanneries were producing semi finished leather, the system of production is insufficient, the role of FDI was not at the level , there is no any strong Institute to lead and consult the leather sector and generally the growth and sustainability of the sector was in danger and dependent on some specific customers.
- Based on these facts we plan to go for two capacity building programs, That is benchmarking for tanneries and shoe factories and Twinning for Leather Industry Development Institute.

Needs of Capacity building leather sector in Ethiopia Case



- The Needs for Capacity Building of the leather sector become clear that:
 - The Leather sector needs change to higher value addition
 - The productivity of the factories needs to be grow
 - The attitude of the workers needs to be changed
 - The export earning of the country from the sector has to grow
 - R&D, Consultancy, Education and Training and other managerial and technical consultancy capacity of Leather Industry Development capacity needs to be upgraded and transformed to the level of internationally recognized institute.

Needs of Capacity building leather sector in Ethiopia Case



- Why The leather and Leather Products are selected as a priority by The government?
 - Because of capital scarcity the GOE selected few industries by considering the comparative and competitive advantages.
 - These Industries are Meat and Dairy, leather and leather products, Textile and garment, agro processing and construction industries.
 - The selection criteria of manufacturing industries is clear. The main contribution of Our GDP is agriculture so the supply base of the industry needs to be from agriculture, It has to be export oriented and labor intensive to get a job and hard currency, the creation of interest for the FDI.
 - Because of such reasons the leather and leather sector selected as priority industry for the country and it is also decided to build the capacity.

The Capacity Building Programs For the sector



- How The International copartners are selected?
 - The First try with selection was with individual experts by a piece meal approach and this trial was not effective.
 - The second trial was by approaching companies from European countries and that was also not successful
 - In September 2009 I was assigned as the Director General of LIDI by the government and the government give this assignment to LIDI to select international co partners for the two programs, Benchmarking and twinning and we propose two institutes CLRI and FDDI for the programs with detail project proposal.
 - The proposal was accepted by the government.
 - Why we select this two institutes and specially CLRI to lead the program?
 - Because CLRI has vast experience in the leather sector and reliable for its service, I know personally how the senior staffs are very committed for their professional career, the most important is they can understand us and near to our culture. And This was very important.

The Capacity Building Programs For the sector



- Benchmarking was the first capacity building program for the 11 tanneries and 8 shoe factories
- The experts from the two institutes was deployed and a remarkable achievement was registered in the program.
- The tanneries can transform them selves to the proper manufacture of crust and finished leather and the export revenue is increased.
- The shoe factories were capable enough to mange and produce for the international market.
- If we were not aligned ourselves with internationally recognized institutes these could not happened in the short period of time.

The Capacity Building Programs For the sector



■ Benchmarking Program

- This particular program was run for one year and for 30 experts were deployed for the tanneries and 26 for shoe factories.
- The productivity level of the industries was improved.
- The attitude of the workers also improved
- The Foreign direct investors simply understood how the government is committed and decided to come for the Investment both for the tannery and Shoe factory
- The leader ship from both side that is from the Ethiopian and Indian side was fantastic.

The Capacity Building Programs For LIDI, Twinning



■ Twinning Programs

- This program was designed to build the capacity of the Leather Industry Development Institute on a holistic approach.
- The Government of Ethiopia again develop a confidence because of what has achieved in the benchmarking program.
- The TOR was prepared and sent to CLRI to be assessed.
- The TOR was assessed by the institute for discussion.
- The Capacity building of the institute is a very tough work and needs a great follow up and also necessary what does it mean by capacity building program for the institute.

The Capacity Building Programs of LIDI, Twinning

■ Understanding of Some Principles of Capacity building

- 1. Capacity Building is a process:** CB is not a 'bolt on' extra, nor is there a simple 'tool kit' to make it happen. However there are a range of tools which, if appropriately applied, can make a significant difference. Effective CB is the result of the interplay between individual, organisational, network and institutional factors.
- 2. Strengthen Existing Process:** Define and act upon development needs
- 3. Ensuring full local ownership**
- 4. Role of external expertise has to be cleared**

The Capacity Building Programs For LIDI, Twinning



- 5. A different way of working:** requires involving Organisational Development and change management specialists as full members of the team.
- 6. Skill and resources:** Capacity needs for skills and resources need to be regularly assessed and this activity forms an early and essential activity for any capacity building intervention.
- 7. Group Development:** Just as most people are reluctant to admit to weaknesses, most teams, especially their leaders, are convinced that they work well. The reality is often different. Generally groups, particularly those with multi-cultural memberships, develop through four stages:



- Group Development stages :

1. **Forming:** Establishing the ground rules
2. **Norming:** Developing shared values
3. **Storming:** Dealing with conflict/misunderstandings as values are debated
4. **Performing:** Efficiently and effectively carrying out the groups objectives.

The Capacity Building Programs For LIDI, Twinning



- The development through these stages is never linear. Norming and storming in particular can be a lengthy and circular process.
- It is an axiom of group development that most groups prefer to avoid the difficult bits of norming and storming and claim that they have moved effortlessly to the 'performing' stage.
- However, unless the difficulties or tensions (about resources, responsibilities, leadership) are addressed the group will operate at a sub-optimal level because the level of trust and confidence necessary to perform well will be missing

The Capacity Building Programs For LIDI, Twinning



- **The Capacity building process of LIDI follows the required steps based on Kolbs cycle**

1: Capacity assessment: this step is primarily concerned with identifying the main strengths and weaknesses of the research and institutional framework at the individual, organizational and institutional levels.

2: Strategise and plan: this step involves planning the detailed activities required to deliver the programme outcomes; costs and timescales and monitoring and evaluation arrangements which will include organisational mapping and establishing a capacity baseline. Steps one and two would normally be undertaken and reported on during the inception stage.

The Capacity Building Programs For LIDI, Twinning



3: Implementation: this section sets out the key roles of the partners in supporting CB processes and highlights some examples of actions at each of the three levels-individual, organisational and institutional-which can contribute to effective CB.

4: Monitoring and evaluation: this section sets out the key principles to be followed in monitoring and evaluation, as well as some examples of indicators which may be used to judge the effectiveness of CB.

The Capacity Building Program for LIDI, Twinning.

1. Capacity Assessment of LIDI:

The capacity of LIDI was assessed by CLRI senior who contributes and struggles a lot during assessment. This activity includes Individual, organizational and institutional assessment.



The Capacity Building Program for LIDI, Twinning.

2. **Strategise and Plan:**

Based on the assessment finding the strategic plan prepared to address the issue of CB of LIDI. The broader aim of this twinning program is to equip, prepare and transform LIDI from where it is, to the best globally known institution so that it will have the capability to provide world standard services for the Ethiopian leather industry at all levels of its value chain



The Capacity Building Program for LIDI, Twinning.

3. Implementation: was done based on the following objectives

- Restructure of organizational (LIDI's) structure and management system
- To design and prepare course contents for levels 1 to 4 in leather technology, leather goods, garments and footwear
- To Provide the technical training in delivering training, product making, testing, consulting, research making, forecasting, etc
- To undertake Joint consultancy and applied research
- Leadership training
- To create tripartite linkage among University, Industry and research



The Capacity Building Program for LIDI, Twinning.

4. Monitoring and Evaluation:

This was done on daily, weekly, monthly and quarterly basis by respective department, the Institute management, Operational committee and Steering committee. According to the feedback activities were carried out.



Capacity Building for LIDI, Twinning

Opportunities for the project success are:

1. Commitments of Leadership from both side.
2. Understanding of the benefits of the project.
3. Personal and Institutional effort from the two sisterly institutes.



Final Results of the twinning Program

1. More than 90% of the program target is achieved.
2. Research development spirit is created and mind set is changed.
3. Sustainability is secured by implementing the programs of Higher Education and TVET programs.
4. Long term relations with CLRI and FDDI is established.
5. The program is taken as a good example by other institutes.



Final Results of Twinning

- More than 120 short term trainings, 32 staffs of LIDI graduated in different fields of the sector at Masters level, 6 staffs of LIDI are on studying of doctoral programs.
- Three research papers are Published internationally which was null before.
- About 18 research programs are going now in LIDI
- Research and testing lab, PDCs, workshops are established
- Good infrastructure for IT and Video conference systems are established.



Conclusion Remarks



- In order to have fast development the capacity development through international cooperation is key and vital.
- The development of one country is the opportunities for the others.
- The wealth creation of China and India is a chance of development for the others. It will increase the world trade. But if the countries remained at poor stage no one can be benefited and the value and wealth creation is through international cooperation.
- HOPE will create a hope for developing countries.
- Let CLRI be a pioneer and international institute through international cooperation for mutual benefits.

Message to Indian Friends and CLRI Staffs

- Haile Gebreselasse is the well known athlete for Ethiopia, Africa and World. He broke records for about 27 times.
- He devoted for the profession and works day and night to develop his capacity.
- But he can't break all 27 records of the world if he runs alone.
- My message is Let us run together to achieve our goals and to be the champs of the world in the leather sector.



Thank You
for Your Attention!

