ABSTRACT

Leather industry is among the major sectors contributing to the Gross Domestic Product (GDP) and export earnings of the country. Being a labour intensive industry its contribution to the employment generation has also been very significant, particularly holding out huge potential for weaker sections of the society including women. At the same time this industry is grouped with highly polluting industries as regards the environmental concerns. The industry has been in sharper public and judicial scrutiny in recent times for its omissions and commissions with reference to the environmental regulations.

A large number of tanneries had to be shut down in the year 1995 consequent to the landmark judgement delivered by supreme court of India upholding the polluter pays principle. Considering the fact that the industry is among the top five sectors contributing to the foreign exchange kitty and in the light of the huge employment opportunities that the sector holds out, the governments both at the centre and the states concerned came forward to lend the support required to tide over the crisis. The command and control regime was tempered with economic incentive instruments and technology support.

The global concern for environmental protection and insistence on ecolabels by importing countries also led the leather industry to upgrade the technology adopted and to reduce the pollution load. National
Institutions such as Central Leather Research Institute (CLRI), National Environmental Engineering Research Institute (NEERI) and Council for Leather Exports (CLE) played key role in helping the industry cope with these developments. The UNDP sponsored National Leather Development Programme (NLDP) and the UNIDO sponsored Regional programme for pollution control in the tanning industry in South-East Asia were two major initiatives which provided valuable inputs to the industry in the hour of crisis to meet the environmental challenge.

The present study aims at a critical assessment of the various environmental issues facing the industry and the different options available to the industry to meet these challenges. The wide range of the management issues, rendered even more complex by factors such as locational issues, differing levels of technology adoption and the various shades in the perceptions of the environmental issues among those in charge of management of the individual units, have been studied in depth.

The solutions offered also are wide in range. The focus is as much on reducing the pollution load as on end of pipe treatment. As most of the tanneries are located in clusters, the concept of Common Effluent Treatment Plant (CETP) gained acceptance and a number of such CETPs have been set up with financial support of the central and state governments. The management of these CETPs, however, poses a very large number of technical, financial and administrative issues, which have been studied in detail. The present study has identified these issues and also attempts possible solutions. The technology upgradation and improved processes that help in reducing the pollution load have also been
evaluated in the present study and those, which are proved to be advantageous, have been recommended for adoption.

The study leads to a blueprint for sustainable growth of the leather industry. In an industry where traditional management practices and conventional technical applications abound, the comprehensive presentation of the various environmental issues, the recommended management practices and technology upgradations may be of immediate relevance to the industry and to the regulators.