

LEATHER AND FOOTWEAR

The next big export frontier for Bangladesh

When Bangladesh's export story is mentioned, garments usually dominate the headline. Yet beneath that louder narrative, another sector has been steadily gaining international attention. The leather and footwear industry, once known mainly for exporting raw hide, is now quietly positioning itself as one of Bangladesh's most promising export frontiers. Industry insiders say the shift is real, and it is evident in the stories of those who left comfortable lives abroad to return and build something from scratch.

As of 2025, the industry is ranked among the top global players. Bangladesh is the 18th largest exporter in the global footwear market. Last fiscal year (FY2024-25) saw a surge in footwear exports, and earnings rose more than 34 per cent. Numbers rarely lie. They point to a sector that is waking up properly, not by accident, but because the ingredients are finally starting to align.

However, statistics alone do not capture why this sector feels different now. You understand it better when you hear someone like Sara Hossain speak.

Hossain is the Corporate Director of Craftsman Footwear and Accessories, someone who had every reason to stay in Canada after living there for 18 years. A stable

job, a predictable life, a child settled in school — a routine that worked without friction. Yet, none of it felt like it was building anything. When her father floated the idea of a shoe factory, she hesitated. But took the chance.

She arrived knowing nothing about making shoes. She learnt by walking the factory floor with her father and realising how many hands touch one pair before it reaches a shelf.

"We have no idea how many people are involved in making just a pair of shoes. There is so much that goes into making them comfortable and look good," she says.

Her creativity found a home in this repetitive craft. She also noticed almost immediately that Bangladeshis are incredibly trend sensitive. Yet, the local shelves still look the same. Designing for a market that wants variety but has very few people producing it felt like a chance worth fighting for. As she observed, "People follow global trends, but locally we still see the same designs in stores."

That sense of possibility is one of Bangladesh's biggest advantages. Labour costs remain competitive. Raw materials are available at home. Buyers from Europe and North America are already watching because the pricing and quality have improved.



The government recognises the sector as a priority for investment under the Bangladesh Investment Development Authority (BIDA) and has created incentives to support it.

Still, the road is anything but smooth. There are deep challenges the country must acknowledge. Many tanneries and leather units operate far below capacity.

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Md Saddam Hossain, Quality Assurance Officer, Craftsman

Beyond garments, Bangladesh's leather and footwear industry is emerging as a strong export sector, ranking 18th globally, with footwear exports rising over 34 per cent in FY2024-25, driven by competitive labour, local raw materials, and growing international interest.

Entrepreneurs are blending creativity with craft, focusing on comfort, quality, and trend-sensitive designs, while balancing manual finishing with partial automation to maintain uniqueness and premium appeal.

Major challenges include low design capacity, skill shortages, reliance on foreign processing, high financing costs, and a credibility gap abroad, as Bangladesh is still associated mainly with raw leather rather than finished luxury products.

Local sourcing covers most needs, but processing and export hurdles—like port delays and buyer expectations for premium quality at low prices—limit scaling, highlighting the need for better infrastructure and supply chain efficiency.

With proper investment, policy support, skill development, and national commitment to value-added production, the sector has the potential to become a major growth driver, leveraging existing labour, resources, and market demand.

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