



Building safer and greener tanneries

Lessons from Savar

Contents

Executive summary	3
Key findings	3
Background	4
The challenge	5
The intervention	6
This learning paper	6
Endline assessment methodology	7
Environmental assessment	7
Social assessment	7
Considerations	8
Strengthening environmental social management systems	9
Leather Working Group environmental requirements	9
Environmental performance from a community perspective	12
Occupational health and safety	13
Workplace committees	14
Gender-sensitive workplaces	16
Decent work	17
Shared challenges, shared opportunities	18
Recommendations for strengthening the sector	20
Tanneries	20
Trade unions	22
Business associations	22
Leather Development Forum	23
Government and regulators	23



This is a project output funded by the Sustainable Manufacturing and Environmental Pollution (SMEP) Programme. The project Improving Environmental and Social Conditions in the Savar Tannery Estate, implemented by the Ethical Trading Initiative (ETI), ETI Bangladesh, the Bangladesh Labour Foundation (BLF), and Mondiaal FNV, has been awarded a UK International Development grant to improve working conditions and environmental performance in the leather sector. The grant has been made via the SMEP Programme.

The SMEP Programme is funded by UK International Development and is implemented in partnership with UN Trade and Development (UNCTAD) who provide technical support. UK International Development have appointed a Project Management Agent (PMA) to manage programme delivery. The PMA comprises a consortium partnership between Pegasys and SouthSouthNorth.

The views expressed and information contained in this document (including any maps and their respective borders) are not necessarily those of, or endorsed by, the UK government, UNCTAD or the entities managing the delivery of SMEP, which can accept no responsibility or liability for such views, completeness, or accuracy of the information or any reliance placed on them.

Mondiaal FNV's contribution is made through the Trade Union Co-financing Programme, supported by the Dutch Government.

Executive summary

People working and living around the Savar Tannery Estate in Bangladesh face serious social and environmental human rights impacts that if not addressed will continue to limit the potential of tanneries and the Bangladesh leather sector as whole.

This learning paper shares key endline findings from the 'Improving environmental and social conditions in the Savar Tannery Estate' project, undertaken by the Ethical Trading Initiative (ETI), ETI Bangladesh, the Bangladesh Labour Foundation (BLF) and Mondiaal FNV as part of the UK government-funded Sustainable Manufacturing and Environmental Pollution (SMEP) Programme. Over a 23-month period, the project supported tailored technical advisory services, training and capacity building to tanneries, workers and trade union representatives, alongside stakeholder engagement to promote dialogue and joint action around environmental infrastructure, compliance issues and risk-informed HREDD. This paper identifies the factors that can drive change, focusing on working conditions, occupational health and safety (OHS), and environmental management.

Key findings

- ▶ Tanneries who participated in the project improved their basic environmental and social management practices such as documentation, housekeeping, use of personal protective equipment (PPE) by workers, and workplace OHS awareness, with SMEP training and advisory support. However, most lack the advanced systems needed for sustained compliance, traceability, and continuous improvement.
- ▶ The largest gains came where training was reinforced by active trade unions, workplace committees, repeated dialogue between worker representatives and management, and management engagement. This shows that lasting change requires stronger governance, worker voice, and social dialogue alongside technical upgrades.
- ▶ Even where individual tanneries improved, broader structural constraints – especially waste management systems and the Central Effluent Treatment Plant performance, limited access to finance, and weak traceability systems – continue to prevent many tanneries from meeting international standards and accessing international markets.

Addressing the environmental impacts of tanneries across the Savar Estate depends not only on management systems to ensure technical compliance with certification and environmental standards. Sustainable change goes hand in hand with progress on decent work, enhanced capacity of managers and workers to engage in workplace dialogue and governance, and greater collaboration between stakeholders to make the necessary investments for the Bangladesh leather sector to be competitive on international markets.



Background

Bangladesh's leather sector remains one of the country's most important export industries after the ready-made garment (RMG) sector and has significant potential to contribute to economic growth, employment and international trade.¹ The 2017 relocation of the country's tanneries to the newly built Tannery Industrial Estate in Savar aimed to reduce pollution and strengthen the sector's international competitiveness through a shared Central Effluent Treatment Plant (CETP) and upgraded infrastructure.² However, long-standing environmental and social challenges continued to undermine the sector's sustainability, working conditions, and international competitiveness.

In 2024, the Ethical Trading Initiative (ETI), ETI Bangladesh, the Bangladesh Labour Foundation (BLF) and Mondiaal FNV launched the 'Improving environmental and social conditions in the Savar Tannery Estate' project, a consortium initiative under the Sustainable Manufacturing and Environmental Pollution (SMEP) Programme. Funded by the UK Government and implemented in partnership with the UN Conference on Trade and Development (UNCTAD), the project aimed to enhance workplace conditions, promoting sustainable practices, and to help the industry meet international standards.

Typical tanneries in the Savar Estate

While some tanneries are owned and operated by staff with professional business backgrounds, many tanneries on the Savar Estate remain small family-run enterprises, operating with informal systems.

¹ ETI, [From Pollution to Progress: Lessons from the SMEP Programme in the Savar Tannery Industrial Estate Bangladesh](#) (ETI, October 2025), [accessed 9 June 2026].

² Jahir Rayhan, [Tanners eying 1cr animal hides this Eid, say move to export raw, wet blue hides 'suicidal'](#) (The Business Standard, 2025), [accessed 9 June 2026].

The challenge

Findings from the baseline assessment,³ which evaluated the environmental performance of 13 participating tanneries⁴ alongside responses from a comprehensive knowledge, attitude and practice (KAP) survey, highlight widespread informality in employment, weak OHS systems, poor environmental management practices, limited awareness amongst workers and management of workers' rights, and severe pollution affecting surrounding communities. The assessment revealed that tanneries often lack the incentive and financial capacity to make the investments needed to address these shortcomings. And without strong demand from buyers or access to premium markets that reward environmentally and socially responsible leather production, operations have little prospect of recovering these costs through higher product prices.

The baseline assessment also indicated that access to international markets is unobtainable for many tanneries as they face significant structural barriers in meeting international environmental and social standards, including the leading industry standards set by the Leather Working Group (LWG). In addition, awareness and understanding of human rights and environmental due diligence (HREDD) principles, and of the mandatory HREDD legislation with which many international buyers must comply and increasingly expect their suppliers to meet, remain limited among tanneries and other stakeholders – including local trade unions.



³ ETI, [From Pollution to Progress: Lessons from the SMEP Programme in the Savar Tannery Industrial Estate, Bangladesh](#) (ETI, October 2025), [accessed 11 June 2026].

⁴ Of 142 tanneries operating in the Savar Tannery Industrial Estate as at June 2025. Performance was evaluated against industry standards set by the Leather Working Group (LWG).

The intervention

Over a 23-month period, the consortium project (hereafter 'the SMEP intervention') worked with 39 participating tanneries to strengthen their environmental and social management capacity and progress towards meeting international social standards and specific LWG certification requirements. Recognising that the challenges identified could not be addressed by individual tanneries or a single project alone, the SMEP intervention engaged key sector and industry stakeholders to promote dialogue and joint action around environmental infrastructure, compliance issues and risk-informed HREDD.

The SMEP intervention employed a multi-pronged strategy, comprised of three components:

Component 1 **Strengthening environmental and social management systems (ESMS) within participating tanneries to improve environmental compliance, operational efficiency and risk management.** Support included environmental assessments, tailored technical advisory services to support tanneries develop and implement ESMS action plans, and capacity building for managers and workers on OHS, environmental management and cleaner production practices. Workplace structures such as Climate Champions, safety committees and anti-harassment committees were established to build worker and management awareness, directly engage workers in the workplace management of OHS (including gender-based violence and sexual harassment), and promote a culture of training and continuous learning.

Component 2 **Promoting human rights and environmental due diligence (HREDD) to strengthen tannery readiness for emerging international environmental and human rights requirements.** The SMEP project supported participating tanneries to identify compliance gaps and improve alignment with international standards and certification expectations. It developed and introduced a HREDD framework and toolkit through a consultative process involving tannery owners, business associations, labour representatives, trade unions, and government stakeholders to encourage broader sector ownership and uptake.

Component 3 **Sectoral advocacy and stakeholder engagement focused on fostering collaboration among key actors across the leather supply chain to support environmental improvements sector wide.** Through consultations and dialogue platforms, the consortium brought together brands, buyers, business associations, financial institutions and government stakeholders to discuss environmental risks, investment priorities and pathways for sustainable sector development. This engagement also helped to build interest among public and private financial institutions in supporting future environmental upgrades and sustainable infrastructure investments within the tannery sector.

This learning paper

This learning paper summarises key insights and lessons drawn from the endline assessments of SMEP's environmental and social management interventions at tannery level under Component 1. Learnings and reflections on Component 2 and Component 3 are based on observations by the consortium and discussions with stakeholders as part of training and engagement events.

Endline assessment methodology

The endline assessment employed a similar mixed-methods approach to that used for the baseline assessment, including both an environmental assessment and a social assessment.

Environmental assessment

The environmental assessment used quantitative and qualitative methods to assess progress against environmental management indicators across all 39 participating tanneries. It combined baseline–endline comparisons with desk reviews, tannery visits, key informant interviews (KIIs), tannery site inspections and environmental measurements. Data collection covered water and energy use, wastewater management, waste handling, chemical management, housekeeping and environmental documentation to develop an overall picture of progress across the Savar Tannery Estate towards alignment with industry standards set by the Leather Working Group (LWG).

A subset of 11 focus tanneries was selected for a deeper 12-month monitoring process because of their stronger data management capacity and willingness to engage in more intensive data collection.

Social assessment

The social assessment combined a knowledge, attitude and practice (KAP) survey with focus group discussions (FGDs) with workplace committee members, trade union representatives and community members, and KIIs with tannery management and sector stakeholders.

The KAP survey assessed changes in workers' knowledge, attitudes and practices, including differences between SMEP-trained and non-trained workers, and provided insight into management practices, workplace committees and reported workplace improvements. In total, 388 workers participated, with representation of women and men broadly comparable to the baseline. FGDs with workplace committee members and community members explored experiences, perceptions, implementation challenges and behavioural changes linked to SMEP interventions. Eleven KIIs captured institutional perspectives on programme implementation, governance, compliance, environmental management and sustainability challenges.

Social endline assessment sample

▼ KAP survey	▼ Endline	▼ Baseline
Tanneries covered	39	13
Survey respondents	388 respondents: 67 female (17.3%), 321 male (82.7%)	238 respondents: 43 female (18.1%), 195 male (81.9%)
Workforce represented	1,983 workers across 39 tanneries	1,057 workers across 13 tanneries
Training status	177 trained (45.6%); 211 untrained (54.4%)	Not applicable

Considerations

The findings in these learning papers should be interpreted in light of limitations. First, the 23-month implementation period was relatively short for measuring longer-term environmental and social impacts. Many of the investments and operational changes required to improve environmental performance, particularly those involving infrastructure upgrades, process modifications and compliance systems, often require several years before measurable improvements are reflected in environmental indicators. The same is true for social indicators where translating increased awareness to measurable behaviour change at scale requires time and sustained efforts.

Second, the project was implemented during a period of significant political uncertainty in Bangladesh. Activities commenced amid political unrest that culminated in the fall of the elected government in August 2024 and continued through the subsequent interim administration leading up to national elections in February 2026 and the peaceful transition of power. This context affected the operating environment for both public and private sector stakeholders and influenced the pace of engagement, decision making and investment across the sector.



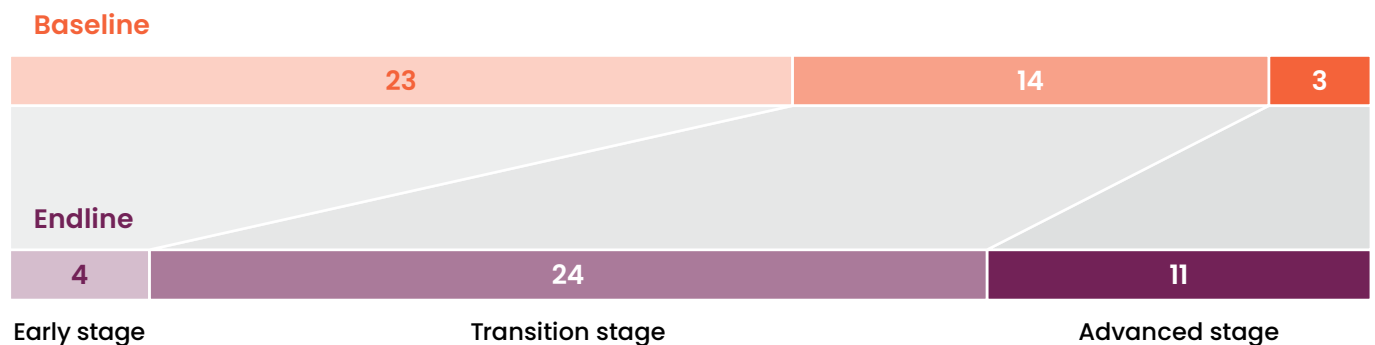
Strengthening environmental social management systems

Leather Working Group environmental requirements

The SMEP intervention supported tanneries to improve their LWG readiness through training and support to develop ESMS action plans and regular follow-up.

Most tanneries made improvements in maintaining environmental documentation, ESMS development, housekeeping, chemical handling, use of personal protective equipment (PPE), wastewater pre-treatment and basic monitoring practices. Many tanneries also introduced standard operating procedures (SOPs), improved record keeping and strengthened worker awareness of environmental and OHS risks.

Tannery programme in environment management



However, most tanneries remained within a transition phase, wherein basic environmental systems and compliance structures had been introduced, but more advanced monitoring, traceability, and continuous improvement systems still require further development and investment.

Overall EMS and compliance with LWG standards

Early stage	Transition stage	Advanced state
▶ No environmental management systems	▶ Basic standard operating procedures introduced	▶ Structured environmental management systems in place
▶ No monitoring systems	▶ Partial monitoring (eg water, energy)	▶ Data-driven decision making
▶ Reactive compliance	▶ Improved housekeeping	▶ Improved compliance across indicators
▶ Low awareness	▶ Growing awareness among management	▶ Better process control

Most tanneries still rely heavily on manual systems and compliance focused approaches rather than data-driven environmental management and continuous improvement systems.

Significant gaps remain in traceability systems, process-level water and energy monitoring, in-house environmental testing, hazardous gas detection and digital data management.

Progress under water management

Baseline: ● Participating tanneries **Endline:** ● 11 pilot tanneries ● Other tanneries

Comprehensive source measurement



Water recovery/optimised recipes



Waste quality testing (pH/TDS)



Water-to-production benchmarking



Water meters available in process



Minimise water wastage



Targeted technical support and closer monitoring can help accelerate ESMS implementation and environmental compliance readiness when combined with tannery capacity and willingness to engage in systematic monitoring.

The 11 selected pilot tanneries generally demonstrated stronger performance across most indicators. However, these tanneries were also selected because of their comparatively stronger starting capacity and willingness to engage in systematic monitoring.

Targeted technical support and closer monitoring can help accelerate ESMS implementation and environmental compliance readiness when combined with tannery capacity and willingness to engage in systematic monitoring.

The 11 selected pilot tanneries generally demonstrated stronger performance across most indicators. However, these tanneries were also selected because of their comparatively stronger starting capacity and willingness to engage in systematic monitoring.

Progress of selected pilot tanneries



Traceability improvements should be approached incrementally rather than through immediate large-scale digital transformation

Traceability is a cornerstone of both LWG certification and HREDD to provide buyers with the means to assure the environmental and social impacts of animal husbandry and slaughter and identify the origins of the tanned hides. However, this remained one of the weakest areas relative to LWG expectations; most tanneries continue to rely on manual production records and invoice tracking. Even among the 11 pilot tanneries, only 3 demonstrated more advanced traceability practices by endline.

Cost, capacity and infrastructure constraints limited digitalisation.

Digital systems remain costly for smaller tanneries and rented facilities, and uptake was constrained by weak technical capacity, limited IT infrastructure and low buyer pressure. Where software-based systems were introduced, tanneries showed stronger operational control and compliance readiness.

Start with practical, low-cost traceability measures.

Standardised records, lot coding, supplier declarations and centralised filing can strengthen traceability before more advanced digital systems are introduced. Future support should prioritise the use of scalable models that fit medium-sized tanneries and can grow as capacity, finance and buyer demand increase.

Wider infrastructure constraints, especially CETP performance, still affect tanneries' progress.

Many Savar tanneries depend on the shared CETP for wastewater treatment, and its inconsistent performance limits their ability to demonstrate full environmental compliance, even where tannery-level improvements have been made. However, as with digital traceability systems, individual or cluster-level ETPs would require external financing.



Environmental performance from a community perspective

Environmental performance cannot be viewed solely through the lens of compliance with certification requirements.

While SMEP intervention activities did not target community members and at the time of the endline assessment, the SMEP intervention is unlikely to have had a noticeable effect for communities experiences – first because the intervention worked with just under a third of all tanneries operating in the Savar Tannery Estate and second because environmental impacts can be long-lasting and take time to remediate, experiences of surrounding communities interviewed in the endline assessment highlight the wider social, health and livelihood impacts of the tannery estate and demonstrate the importance of incorporating community perspectives into future environmental improvement efforts.

66% of interviewed community participants believed that tannery operations have significant impacts on their daily lives.

Community members linked tannery operations to declining water quality, reduced agricultural productivity, air pollution, unpleasant odours, and increased health concerns. One participant reflected that “earlier we used to drink river water, now it is not usable even for washing,” illustrating the extent to which communities are experiencing environmental changes in everyday life.

Adverse impacts are not experienced equally by the community.

Environmental risks intersect with existing social and economic vulnerabilities, affecting different groups in different ways. Women, older people, and households dependent on agriculture often bear a disproportionate share of environmental and livelihood impacts, while the economic benefits associated with the tannery estate have been unevenly distributed. Some community members have benefited from increased land values and rental income, whereas others have experienced declining livelihood opportunities linked to environmental degradation.

Community engagement should be treated as a core part of responsible environmental governance in the Savar Tannery Estate.

Environmental sustainability and social licence to operate are closely linked. Environmental improvements are more credible and sustainable when affected communities are engaged in dialogue, monitoring and problem-solving. Their perspectives offer valuable insight beyond tannery boundaries and can reveal impacts not captured through compliance assessments alone. Future initiatives should strengthen regular communication between tanneries, estate management, local authorities, and surrounding communities to build trust, increase transparency, and address concerns jointly.

Occupational health and safety

Improvements in workers' understanding of workplace safety and their role in creating safer and more respectful working environments were driven not only by formal training but also by repeated workplace dialogue, practical demonstrations, peer learning and the growing visibility of workplace governance structures.

Knowledge of OHS improved substantially over the implementation period. Workers who received SMEP training consistently demonstrated higher levels of awareness than non-trained workers in the endline assessment. For example, 78% of trained workers demonstrated awareness of OHS practices compared to 57% of non-trained workers, while 91% of trained workers recognised their role in ensuring workplace safety compared to 71% of non-trained workers. Further, the proportion of workers acknowledging that they have a role to play in ensuring workplace safety increased from 63% to 82%, reflecting a growing sense of personal responsibility and agency.

Workers also demonstrated stronger awareness of workplace hazards such as hazardous machinery, and accident response procedures. These improvements in awareness were accompanied by behavioural changes, including increased use of PPE. The proportion of surveyed workers reporting that they never use PPE fell by 87%, from 23% to 3%, while surveyed workers reported the use of chemical-resistant gloves increased by almost 200%, from 29% to 56%.

Reported increases in the use of chemical-resistant gloves and other forms of PPE were larger among women than men. Women showed strong improvements in recognising workplace hazards and accident response measures and were more likely than men to report positive changes in PPE use during the previous six months. Women also demonstrated strong awareness of certain safety committee functions, particularly related to emergency preparedness and problem-solving.

Climate Champions set the trend for PPE

SMEP training explored the link between the climate crisis, pollution, and workers' own experiences. For example, training explored the personal and environmental risks associated with chemicals used during the tanning process, which pose a hazard to them individually and to their communities through poor wastewater management. As a result, workers who live in the surrounding areas were able to identify the impact of environmental degradation on their communities. The training also supported workers in exploring how environmental changes due to climate change, such as heat stress, affected their ability to work and earn money.

The SMEP project selected 137 participants, managers and workers, to act as Climate Champions. With additional training and support, these Climate Champions became designated resource persons who were able to cascade knowledge and training to their peers.

As leaders and role models, these Climate Champions received their own set of PPE to wear and promote in the tanneries. Provision of PPE to Climate Champions was not intended to supplant employer responsibility to provide adequate PPE free of charge to workers, but rather to set a positive example and encourage their peers to request PPE from management.



Workplace committees

Safety committees

With accompanying health and safety training from SMEP, safety committees increasingly served as platforms through which workers discussed workplace hazards, PPE requirements, emergency response procedures and accident prevention measures with their peers and managers.

SMEP supported the creation of 18 additional safety committees among the 39 participating tanneries, taking the total from 14 to 32. Qualitative findings suggest that committee activities contributed to the normalisation of safety discussions and encouraged workers to raise concerns and share knowledge with their peers. Workers who were aware of the safety committees reported the following benefits: better preparedness in emergency situations (36%, which was higher among women workers as previously noted), improved social dialogue (27%) and empowering workers (26%).

However, awareness of committee structures with the surveyed workforce remained uneven, with a majority of workers still unclear about committee mandates and functions. This suggests that although committee structures have become more visible, further efforts are needed to strengthen their accessibility, visibility and effectiveness.

Understanding environmental rights as labour rights.

Where they were present, tannery-level trade unions supported the development of ESMS action plans, building on workers' growing awareness of the environmental and health impacts of tannery operations. These plans included actions relating to water use, chemical storage, solar panels and PPE.

The impact of SMEP can be felt at the sector level, with trade unions and employer associations agreeing to work towards a pollution-free leather industry. The collective bargaining agreement (CBA) negotiated at the start 2026 includes terms that require tanneries to comply with environmental regulations, address the limitations of the CETP, form safety committees, ensure decent working conditions and improve the overall working environment.

Anti-harassment committees

At the outset of the intervention, only 2 of the 39 participating tanneries had functioning anti-harassment committees in place. Through training, advisory support, and practical guidance on legal compliance requirements, the project supported the creation of 15 additional anti-harassment committees, bringing the total number to 31.

Where committees were established and supported, workers demonstrated improved understanding of sexual harassment and reporting mechanisms.

Following the intervention, workers across all participating tanneries, including those without anti-harassment committees, are better able to recognise behaviours such as inappropriate touching, offensive gestures, abusive language and unwanted communications as forms of workplace harassment. The greatest improvements were observed among workers who participated in SMEP training, which was provided to tanneries with anti-harassment committees. Among trained workers, 65% were able to correctly identify two or more actions constituting sexual harassment, compared with 23% of non-trained workers.

Similarly, trained workers demonstrated substantially stronger awareness of the role and composition of anti-harassment committees; among non-trained respondents, not a single participant was able to identify an anti-harassment committee as the responsible body or who the committee members were, compared with 55% of trained respondents. Qualitative findings suggest that these differences reflect the introduction of formal reporting systems, complaint boxes, awareness activities, committee meetings and structured investigation procedures that previously had very limited visibility within tanneries.

Focus group and KII participants reported that workers have become more confident in discussing and reporting workplace concerns and concerns are being handled fairly and transparently.

Where anti-harassment committees are in place, committee members report that workers are more likely to raise complaints. Awareness has also begun to extend beyond direct training participants through workplace discussions and committee activities. However, progress has been uneven.

Management ownership remains a critical determinant as to whether anti-harassment committees become active and effective mechanisms for addressing workplace concerns.

In some cases, anti-harassment committees exist formally but remain inactive due to irregular meetings, weak follow-up systems or limited engagement from management. Despite the legal requirement in Bangladesh for larger workplaces to establish anti-harassment committees, progress was constrained in some tanneries by limited management commitment and the perception that such committees were less relevant in a sector where women represent a relatively small proportion of the permanent workforce.

Gender-sensitive workplaces

A combination of SMEP activities that included direct training to workers, dissemination of information communication education materials and ongoing support to anti-harassment committee members helped increase the confidence of women workers to raise concerns and participate more actively in workplace discussions.

Across all 39 tanneries, more than a quarter (28%) of female respondents reported that they had observed positive changes relating to the prevention of gender-based violence and sexual harassment prevention over the previous six months.

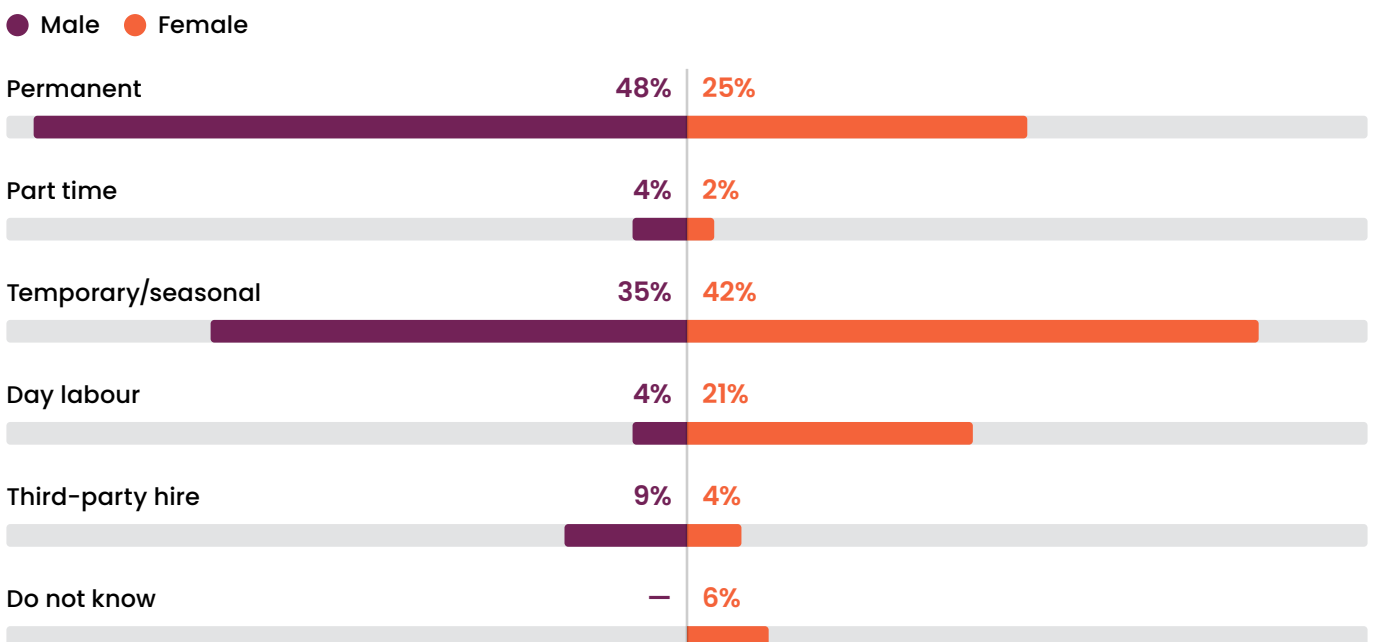
By attending the [SMEP] programmes, I learned how to speak, how to protest, how to demand women’s rights, and how to raise issues properly. Previously, women workers were afraid to speak. Now I tell them: learn from me, one day you will stand where I stand.

Trade union member and Anti-Harassment Committee President

While awareness of sexual harassment improved significantly, gains in broader understanding of gender-based violence (GBV) were more modest. Among SMEP-trained workers, 35% could identify two or more actions constituting GBV, compared to 29% of non-trained workers.

Overall, greater workplace inclusion and improvements to women’s employment conditions will involve deeper shifts in workplace culture, requiring a specific programme of interventions – and time for changes to take effect. The endline survey revealed that female respondents continued to be employed more precarious and non-permanent roles limiting their access to stable employment benefits, representation structures (trade unions) and workplace decision-making processes.

Gender distribution of employment type



Decent work

While pay and hours dimensions of decent work were not a primary focus of SMEP interventions, they represent important structural constraints that increasingly fall within the expectations of international buyers and social standards.

Progress in decent work will require sustained commitment from factory management and sector stakeholders to address the underlying drivers of worker vulnerability, gendered employment patterns and economic insecurity.

Broader decent work deficits that remain unaddressed include long working hours, insecure employment arrangements, limited maternity benefits, and weak welfare systems as repeatedly identified by trade union representatives. As aforementioned with respect to women's employment patterns, these employment conditions affect the effectiveness of worker representation mechanisms. High levels of temporary employment and workforce instability reduce participation in trade unions and workplace committees.

SMEP has helped to lay the foundations for a stronger workplace culture of safety, greater awareness of worker rights and protections, and has increased the visibility of workplace governance mechanisms (workplace committees). However, sustaining and deepening these gains will depend on tannery management taking ownership of a HREDD framework that reinforces that importance workplace committees play in managing OHS risks and changing systemic employment practices as a pre-condition to accessing premium markets with premium products for premium prices.



Shared challenges, shared opportunities

SMEP engaged strategically with stakeholders in parallel to its activities with the tanneries themselves, rather than solely pursuing a top-down or bottom-up approach. In doing so, the project generated the momentum for tannery management and workers to tackle environmental and social challenges.

Momentum to address systemic challenges is growing once again in the Bangladesh tannery sector, 10 years on from its relocation to the Savar Tannery Estate. Just months after its election, the government announced in May 2026 that limitations of the CETP will be addressed and individual tanneries will be able to establish their own ETPs.⁵ Heeding calls made at the SMEP-convened Multistakeholder Dialogue on Building a Sustainable Future of Tannery Sector in Bangladesh in November 2025, a roadmap to inform the government's plans is currently under consultation with sector stakeholders.

According to a 2025 report by the United Nations Development Programme, “the biggest opportunities for Bangladesh’s leather sector lie in enhancing export market access, developing workforce quality, and adopting sustainable practices”.⁶ Operating in legislative and regulatory environments that enforce their responsibilities for the human rights and environmental impacts of their supply chains, **many buyers are unlikely to source leather from tanneries that do not have LWG certification and are unable work with them to manage adverse HREDD impacts.**

Therefore, to access many international markets including those of Europe and North America, tanneries will likely need to make investments to develop advanced environmental social management systems, and in some cases establish their own ETPs. But to secure orders, they will need to address decent work deficits and working conditions more broadly to respect labour rights and mitigate adverse human rights impacts.

⁵ [Govt to fix Savar CETP’s deficiencies, back tanneries’ own ETPs: Commerce minister](#) (The Daily Star, 16 May 2026), [accessed 11 June 2026].

⁶ S Y Saadat and A Mahub, [Investing in Bangladesh’s Leather Industry: Challenges and Solutions](#) (UNDP, 2025), [accessed 4 June 2026].

SMEP successfully elevated tannery level discussions to a national one by making a strategic business case for an integrated social and economic framework. This initiative pushed discussions of occupational safety, environmental compliance, worker participation and social dialogue, beyond individual factories to engage industry actors, regulatory stakeholders and platforms such as the National Action Plan Working Committee and the Leather Development Forum.

As an institution that includes a full range of public and private stakeholders, the Leather Development Forum is ideally placed to advocate for the importance of HREDD and its integration into any national roadmap for the advancement of the sector.

LDF members include business associations, government, trade unions, NGOs, including consortium partners the Bangladesh Labour Foundation and ETI Bangladesh, academia and development partners. This diverse group is not only able to holistically assess and understand the shared business, human rights and environmental challenges tanneries faces, but also has the potential to take collaborative action as the sector develops. As such, LDF participated in the design of the SMEP HREDD framework, along with global stakeholders, and the sector toolkit, and has integrated HREDD into its priorities.

SMEP’s experience has shown that improving environmental performance, strengthening labour standards and enhancing market competitiveness are mutually reinforcing objectives. And progress in any one area depends on progress in the others. As Bangladesh’s leather sector charts its future course, the challenge – and opportunity – will be to embed these priorities within a shared vision for sector development.



Recommendations for strengthening the sector

Drawing on the lessons from the SMEP Savar Tannery Estate project, we identify actions that multiple different stakeholders can take to support a more sustainable, inclusive and resilient tannery industry. We recommend that all stakeholders continue to engage in the Leather Development Forum to enable ongoing coordination between tanneries, business associations, trade unions, government, donors, and civil society. And ensure workers and communities surrounding tanneries, as affected rights holders, are actively included in the design of interventions and environmental governance, recognising that they bear a significant share of pollution-related impacts, and these should be prevented, mitigated and remediated under responsible business conduct.

Recommendations for tanneries

Long-term progress will depend on embedding OHS, environmental management and worker protection into routine tannery operations through formal procedures, risk assessments, incident reporting, corrective action, working increasingly with safety committees and anti-harassment committees, while maintaining management oversight and accountability.

Tanneries should use ESMS action plans as practical tools for prioritising actions, tracking progress and guiding investment toward LWG alignment and stronger environmental and social performance.

Strengthen management systems, governance, and risk control

- ▶ Institutionalise regular worker–management dialogue, ideally through workplace committees on safety (including environmental issues) and anti-harassment committees (and/or grievance committees, where the latter are not yet active).
- ▶ Strengthen monitoring, accountability and communication through supervisors, notice boards, clear response mechanisms and accessible grievance mechanisms, which include safety committees and anti-harassment committees.
- ▶ Align risk identification and mitigation with HREDD expectations and embed these into routine management oversight.
- ▶ Establish and enforce anti-harassment policies and other core worker protection procedures.

Build training, supervision, and implementation capacity

- ▶ Provide structured induction and refresher training for workers and managers on OHS, hazards, PPE, and the roles of workplace committees. Climate champions can support delivery, while tanneries should build in-house training capacity so learning becomes routine rather than being one-off.

Improve PPE, safety infrastructure, and emergency preparedness

- ▶ Introduce PPE budgeting and procurement systems to ensure a consistent supply of task-specific PPE.
- ▶ Strengthen supervision, reminders, and practical demonstrations to improve correct and consistent PPE use. For example, explore “toolbox talks” – regular, short, informal talks that review specific OHS topics, hazards or PPE that are often conducted as start-of-shift meetings in construction and other hazardous industries.
- ▶ Upgrade machine guarding, signage, emergency equipment, first aid systems, gas detection and dumping yards to improve workplace safety and overall working conditions.
- ▶ Implement safe systems of work and regular inspections for higher-risk tasks.
- ▶ Prioritise fire safety and emergency preparedness through drills, equipment maintenance and clear evacuation procedures.

Strengthen women’s participation, worker voice and safe reporting

- ▶ Increase women’s participation in workplace committees and provide targeted leadership development.
- ▶ Improve grievance handling, maternity and welfare provisions and address barriers affecting temporary and seasonal female workers.
- ▶ Create safe and effective channels for workers, via anti-harassment committee, to raise concerns, contribute solutions and engage management on workplace risks.

Improve environmental performance, compliance, and community accountability

Priorities include stronger wastewater management, resource efficiency, practical traceability and regular engagement with communities affected by pollution.

- ▶ Invest in rainwater harvesting, storage tanks, water meters, eco-friendly chemicals, recycling machinery and improved wastewater treatment systems, including individual or cluster-wise ETPs where appropriate.
- ▶ Ensure proper pre-treatment of effluent and strengthen wastewater management practices so that tanneries can reduce pollution and better align with environmental requirements.
- ▶ Promote resource optimisation across production processes to reduce waste, improve efficiency and lower environmental impacts.
- ▶ Start with practical traceability systems standardised record formats, lot coding systems, supplier declarations and centralised filing practices; move on to using software-based systems and centralised data management.
- ▶ Work with peer tanneries, business associations and trade unions to strengthen shared approaches to inspection, monitoring and compliance.
- ▶ Establish regular social dialogue with local communities, including through accessible grievance channels and transparent communication. Pay particular attention to the engagement with and participation of women, older people and households whose health and livelihoods are most affected by environmental degradation (eg fishing, small garden and agricultural plots).
- ▶ Improve transparency through clearer disclosure, reporting, grievance and remedy mechanisms, including more accessible processes for affected workers and communities

Recommendations for trade unions

- ▶ Integrate climate, environmental risk and HREDD issues into collective bargaining and worker representation so that environmental improvements and labour rights are advanced together.
- ▶ Strengthen advocacy on decent work, fair treatment, job security and just transition measures as the sector adopts new technologies and stricter environmental requirements.
- ▶ Expand training and awareness on climate and environmental literacy, safe chemical handling and occupational safety.
- ▶ Advance women workers' rights through stronger provisions on maternity protection, childcare, separate facilities, safe reporting and fair access to jobs and advancement.
- ▶ Build union capacity for social dialogue, public advocacy, community engagement and constructive negotiation with employers and government. For example, escalate rights violations to government as a last resort.

Recommendations for business associations

- ▶ Take a more active role in supporting member tanneries with practical, sector-wide solutions for compliance, certification and export competitiveness.
- ▶ Promote standardised policies, procedures (eg wage documentation, employment records) and compliance tracking systems, including inspections, audits and corrective action monitoring.
- ▶ Encourage minimum standards for membership so that member tanneries demonstrate commitment to national legal requirements and continuous improvement. For example, hold factories accountable on Department of Inspection for Factories and Establishments (DIFE) and ESMS checklists.
- ▶ Create platforms for peer learning so tanneries can share challenges, lessons and practical pathways to improvement.
- ▶ Support regular policy review and advocate incentive-based approaches that reward sustainability performance.



Recommendations for the Leather Development Forum

- ▶ Use the Leather Development Forum’s convening role to bring together tanneries, business associations, trade unions, local buyers, government agencies and development partners around shared sector priorities.
- ▶ Promote stronger alignment on OHS, HREDD, LWG and export readiness through coordinated dialogue, practical guidance and sector-wide problem-solving.
- ▶ Support a more systematic governance structure for the Forum so that responsibilities, decision making and follow-up are clearer and more effective.
- ▶ Improve coordination among key actors in the Savar Tannery Estate, including Bangladesh Small and Cottage Industries Corporation (BSCIC), CETP-related stakeholders, tannery representatives and worker organisations.
- ▶ Help shape and champion a national sector roadmap that links environmental compliance, HREDD and decent work with competitiveness and market access.
- ▶ Facilitate engagement with buyers and international stakeholders to strengthen market linkages and clarify expectations for responsible sourcing.

Recommendations for government and regulators

- ▶ Develop a unified sector roadmap aligned with existing policy frameworks, including the National Action Plan, environmental social and governance priorities, and HREDD expectations, for example integrate wage improvements into initiatives to align worker wellbeing with sector development and sustainability goals
- ▶ Strengthen enforcement of environmental and labour requirements through coordinated action by relevant agencies, including monitoring of safe chemical handling, wastewater management and workplace safety.
- ▶ Assess the financial viability of required sector investments against export opportunities to inform realistic policy design and prioritisation.
- ▶ Support investment in CETP improvement, individual or cluster-based ETP solutions, and sector-wide ESMS standardisation.
- ▶ Work with tanneries to support them to access existing green loans and expand financial support mechanisms, including low-interest loans, flexible and green finance, subsidies and tax incentives, particularly for tanneries needing to invest in environmental and social upgrades.
- ▶ Provide tanneries with advisory support, such as a “one-stop shop”, on documentation, certification readiness, audits and practical compliance improvement.
- ▶ Update and align relevant policy frameworks, including the Leather Policy, environmental rules and OHS requirements, so that they support coherent sector reform.
- ▶ Promote social dialogue, which culminates with collective bargaining, at tannery and sector levels so that workers and management can contribute to practical, durable solutions via safety committees, anti-harassment committees and trade unions.