

AUSTRALIAN HIGH COMMISSIONER TO KENYA

PARTNERSHIP SET TO IMPROVE LIVELIHOODS FOR 1,500 COTTON FARMERS IN KENYA

Over the next two years, 1,500 farmers will benefit from sustainable cotton production with the Australian Government's Business Partnerships Platform committing over AUD\$300,000 to sustainable cotton farming in Kwale, Kenya.

The commitment builds on the success of a sustainable cotton project pilot that was initiated in 2014 by a group of Australian businesses including resource company, Base Titanium, global retailer, the Cotton On Group and not-for-profit organisation, Business for Development. The Australian Government commitment will be delivered through the aid program's private sector-linked Business Partnerships Platform. This will be matched by AUD\$1.4 million from Base Titanium and funding from Cotton On Group.

The Australian Government's Department of Foreign Affairs and Trade recently met with Base Titanium and Business for Development in Kenya to formally launch the Business Partnerships Platform project. The project aims to enhance the post mine agricultural economy and develop a scalable model for the sustainable cotton industry in Kenya promoting inclusivity, stability, economic growth and poverty reduction.

Since 2014, Base Titanium and the Cotton On Group have co-funded the setup of new farms in the region in addition to the training and mentoring of farmers, allowing them to produce commercial quality cotton that is then purchased by the Cotton On Group and exported into its global supply chain. This has been implemented by Business for Development.

Over the past two years, more than 300 farmers have joined the project, with the Government's contribution set to support another 1,500.

With many rural-based Kenyans living on household incomes of less than USD2.00 a day, the long-term goal of the project is to support 10,000 smallholder cotton farmers by 2020.

Australian High Commissioner to Kenya, John Feakes welcomed the partnership as an effective means for linking smallholder farmers to global end markets to deliver long term social and economic gain.

"The partnership will work with Base Titanium, Cotton On Group and Business for Development, Australian companies committed to improving economic development as a key driver of poverty reduction in Kwale. The project will provide the opportunity for local communities in Kwale to directly participate in the local economy through the production and sale of their cotton, establish community-owned businesses, while creating direct employment opportunities," Mr Feakes said.

The partnership brings together Base Resources, an Australian-listed ASX and AIM global resource company in Africa, and Cotton On Group, one of Australia's fastest growing fashion retailers globally. Business for Development will coordinate the local activities with their expertise in developing propoor value chains.



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"Our focus is to improve the lives of people in Kenya across the agricultural sector and leave an enduring and positive legacy beyond the mine life of the Kwale Project that will last for generations," said Colin Forbes, General Manager – Environment & Community Affairs, Base Titanium, Kwale Project.

"As a company, we are committed to improving the sustainability and traceability of our supply chain by rolling out initiatives such as Kenya Cotton to support these communities at a grassroots level," says Jacqui Hennessy, General manager of Risk & Compliance, Cotton On Group.

For more information on this partnership, visit: <u>http://www.thebpp.com.au</u>

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