

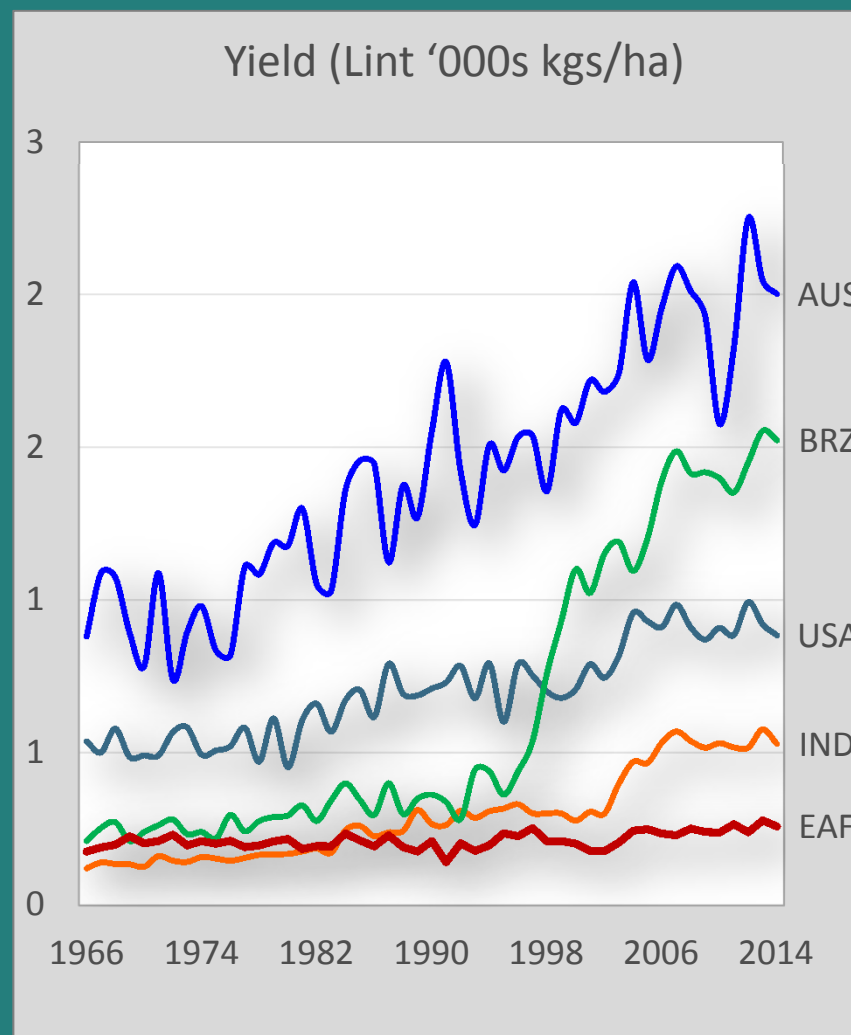
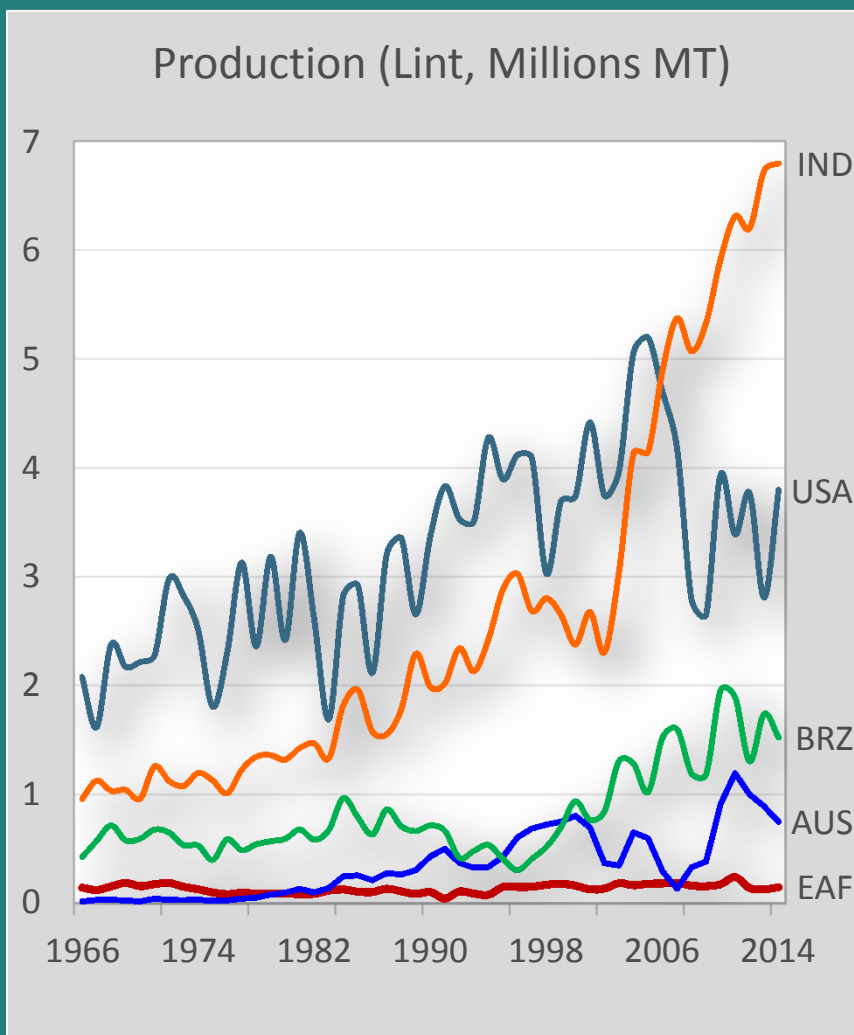
# A Way Forward for the African Cotton & Textile Industry



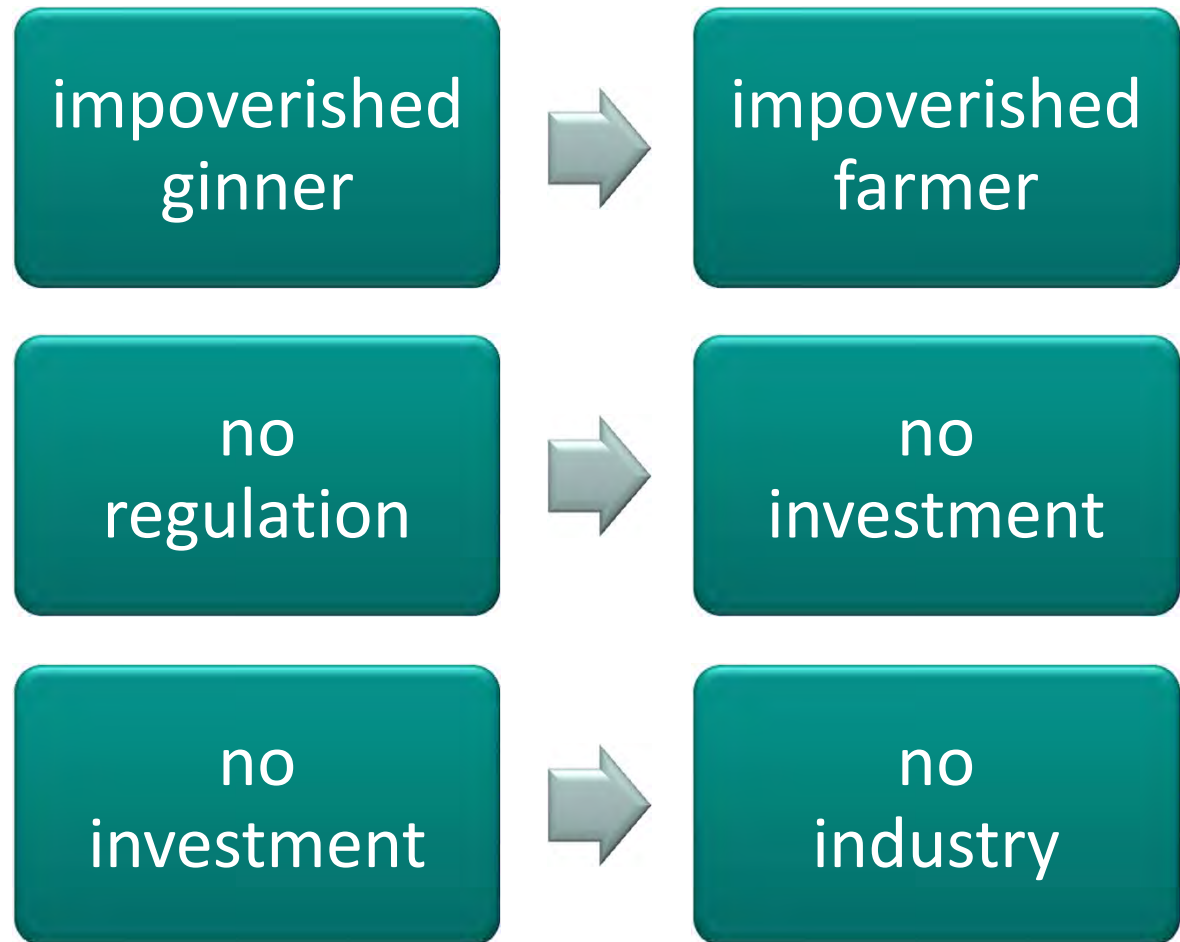
Fritz Grobien, Plexus Cotton Limited  
Origin Africa, Kenya, November 2014



# Crop Comparison: EAF vs ROW



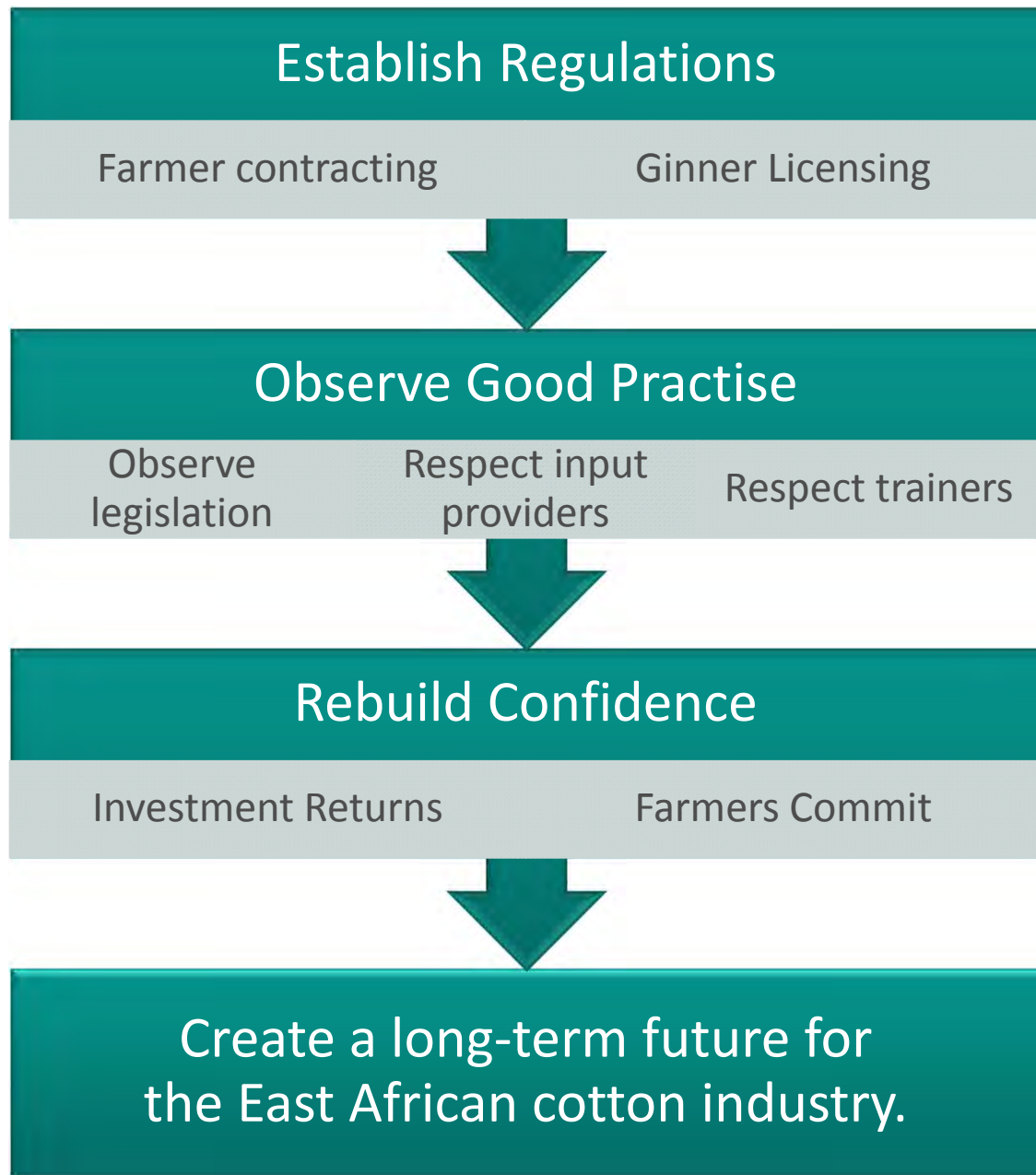
# The Facts



We are all left with nothing



What  
has to  
happen  
now?



# “Glocalisation”



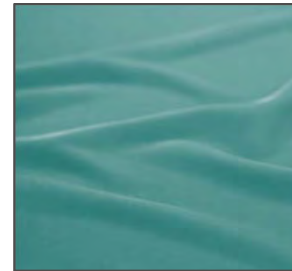
# Capturing Value



Fibre  
1 kg  
\$1.60  
0.5 people



Yarn  
0.75 kg  
\$3.40  
0.75 people



Fabric  
3.35 mtr  
\$8.50  
2 people

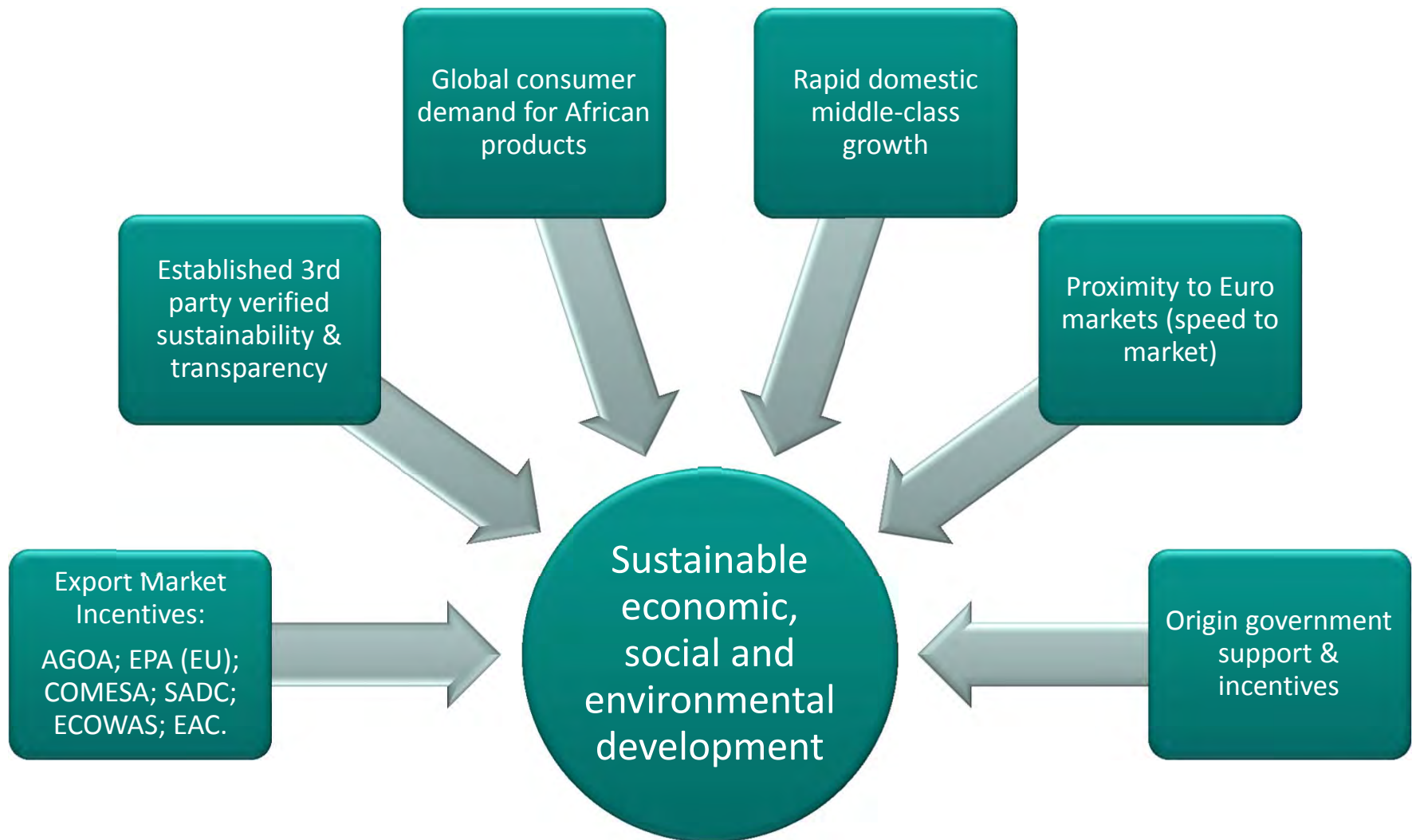


Garment  
2 trousers  
\$15.50  
4 people



Value Addition x 10

# Towards a Sustainable African Textile Supply Chain.





# Levi Strauss adds ethical cred to street cred by rewarding responsible suppliers

SHARON DONNAN / WORLD TRADE EDITOR

Calling all hipsters: you may just have a new reason to feel better about your shabby jeans.

In a bid to bolster its ethical credentials and meet the demands of increasingly savvy millennial consumers, Levi Strauss & Co is offering a new financial incentive to suppliers as far away as Bangladesh and China to meet environmental, labour and safety standards.

The San Francisco-based jeans maker said yesterday that it would begin providing lower-cost working capital to thousands of its 550 suppliers that do best on those measures.

The financing - being arranged with the International Finance Corporation,

the World Bank's private sector arm - will operate on a global scale. As suppliers improve environmental performance and work conditions they will be rewarded with lower interest rates on working capital via a special IFC facility.

The project sprung out of conversations started at the IFC following the 2013 Rana Plaza factory collapse in Bangladesh, which left more than 1,100 people dead and prompted new scrutiny of fashion brands' supply chains.

Through the IFC, Levi Strauss suppliers will have access to cheaper capital than they would otherwise in their home countries. But Old Shmidt, who heads the IFC's global retail practices, said that those suppliers that did best on labour and other standards would

receive a further discount of up to 50 basis points on the interest charged.

The initiative comes when consumers are becoming increasingly interested in the conditions in which their clothes are made.

Michael Kolbert, Levi Strauss's vice-president of sustainability, said that the company told contractors about the scheme last week and had already received expressions of interest.

Rebel Williams, ethical trade manager for Oxfam, said that offering incentives to suppliers to improve their practices was a good idea. But whether the scheme worked would depend on how Levi Strauss and the IFC monitored suppliers. "The devil will be in the process rather than in the incentive," she said.

Financial Times,  
November 5<sup>th</sup> 2014





**PLEXUS**  
COTTON