PROUDLY MADE IN AFRICA

A Stitch In Time

Discussion paper

Conall O'Caoimh.- November 2016

Executive Summary

Fashion brands and retailers increasingly look on Africa as holding promise as a new source for ready to wear garments, shoes and fashion accessories. That potential is very much yet to be fulfilled. Retailers and brands that engage early will both benefit from it and ensure the promise is realised.

Factories locate there firstly because of the tariff-free access to the US and EU markets which give the products advantages ranging from 12% to 32% over Chinese items. Combined with low labour costs and the availability of locally grown cotton this strengthens the business case.

A number of factories have specialised in offering a fully transparent and traceable supply chain that offers brands protection of their reputation and rich stories to engage their customers. So the region offers buyers value at a range of levels.

The industry creates tens of thousands of much needed skilled and semi-skilled jobs in the region and is seen by some governments as an important part of their development plans. When based on locally produced fibre and leather its benefit is spread to many additional people including smallholder farmers who grow cotton and tend livestock for hides. Working conditions and factory safety have not so far presented the problems associated with some Asian sources.

The benefit from the growth of the industry flows not only to direct participant in the value chains, but also to UK residents. The data shows that as sub-Sahara African economies have achieved accelerated growth in the last decade, they consume a growing value of UK produced goods and services. This adds up to almost three billion pound per year stimulus to UK jobs.

Brexit presents both challenges and threats to UK engagement with this young industry. Many uncertainties prevail and they may disincentivise both sides of the value chain from connecting. But the opportunity also presents itself for the UK government to reduce the uncertainty and in a post-Brexit scenario to shape policies that will incentivise UK retailers and brands to engage actively with the industry in a way that will advance UK development policy.

The paper makes a number of specific recommendations in the context of Brexit:

- The UK government could significantly reduce uncertainty for traders by committing now that when entering the UK products from sub-Sahara African countries shall face no worse conditions than at present.
- Negotiating new trade agreements with sub-Sahara African countries should be a priority for the Department of International Development.
- The UK should use its post-Brexit trade policy independence to negotiate trade deals that are non-reciprocal for all sub-Sahara African countries.

A New Fashion Source

This interest in Africa as a sourcing region was led by many giant US brands sourcing garments in Lesotho, Ethiopia, Kenya, Ghana and Cameroon among other countries. Levis, Gap, JC Penny, Wrangler, Walmart, CostCo and many US retailers and brands source large volumes of garments. PVH has opened a sourcing office in Addis Ababa and invited expressions of interest from regional companies. Asda, Primark and German retailers Tchibo and Kik also source in the region.

Numerous British and European brands have brought African made fashion items to market. Mass brands such as Tesco, Clarks, IKEA, Adidas and Primark are sourcing in the region as well as designer brands such as Stella McCartney and Vivienne Westwood. Edun, ASOS, Sixteen47 and Body Shop are among many others buying in this emerging source.

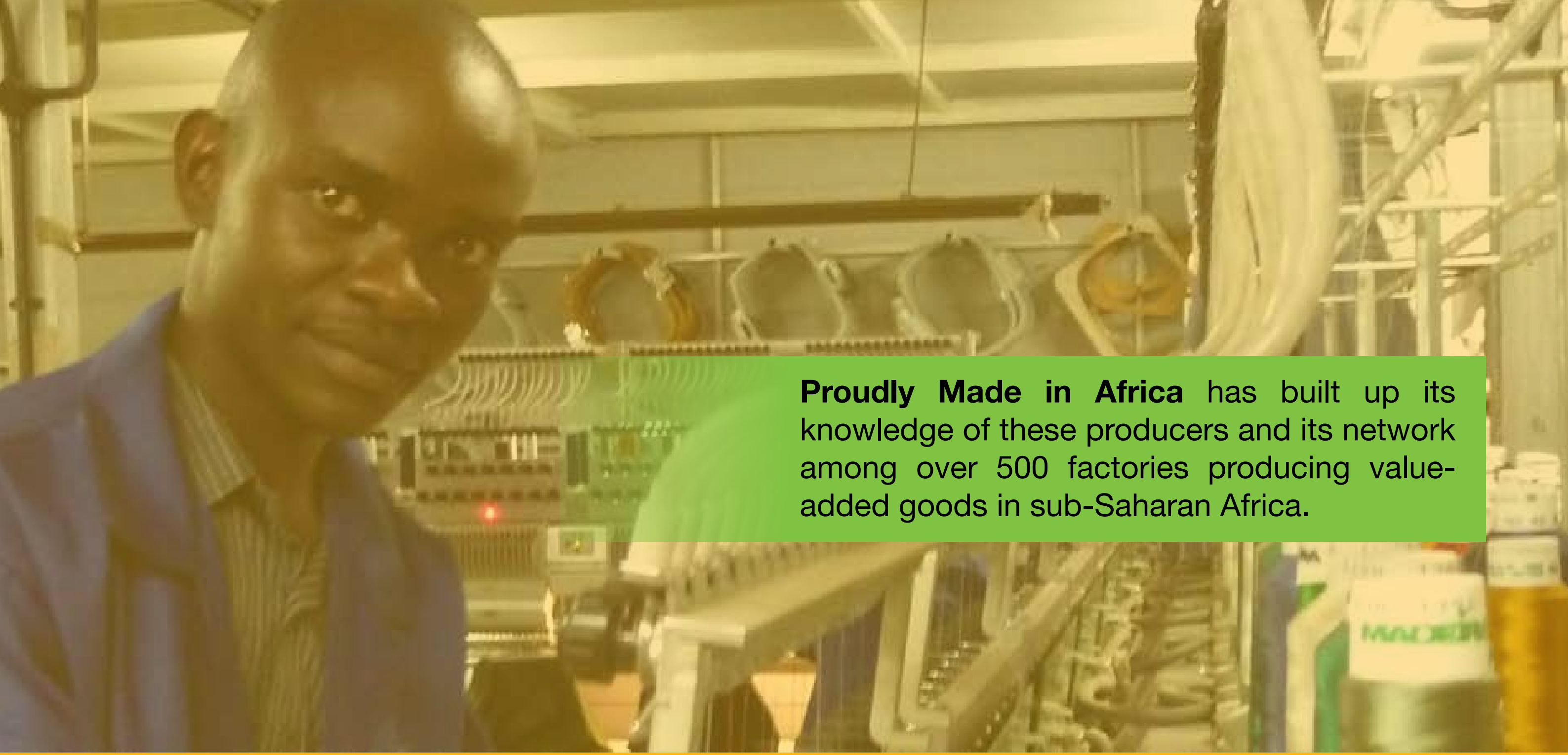
Swedish retailer H&M has been among the European leaders in sourcing from East Africa with a sourcing office in Addis Ababa. It has set a target to achieve one million garments per month in the region. German retailer Otto Group invested initially in increasing standards in the cotton growing on farms, and more recently in sourcing finished garments based on that sustainable fibre.

> **“PVH has been manufacturing in Africa for some time, but the retail giant is now moving into the continent vertically, and overseeing all aspects of production from growing the cotton all the way through to the finished product.[2]**

The trend continues with higher profile trade events and bigger retailers engaging. In 2017 the trade fair giant Messe Frankfurt will host its first African Apparel Sourcing event.

Change has also been taking place in other product categories with retailers such as M&S, Sainsbury’s and Waitrose stocking products such as teabags, roasted coffee or chocolate fully made at source in the African country of origin. UK company Blue Skies has invested at scale in Ghana with a processed fruit factory that supplies UK and European supermarkets on a daily basis. Market indications are that consumers appreciate the distinctiveness and authenticity of such products, as seen by the rapid growth of brands such as Madecasse chocolate or Soul Rebels shoes.

[1] *Africa en Vogue*, Solidaridad Berenschot, 2014.
[2] Donaldson Tara (2014), *Sourcing in Africa*, Sourcing Journal [Online], Available http://sourcingblog.magiconline.com/content/sourcing-africa



Proudly Made in Africa has built up its knowledge of these producers and its network among over 500 factories producing value-added goods in sub-Saharan Africa.

Spreading the risk

The growth has been stimulated by a combination of factors with global push and local pull forces at play. Many brands feel vulnerable to their high dependence upon Asian supply chains. Numerous brand reputations have been damaged by poor adherence to labour and safety standards in the factories on which they have depended. Many brands rely on a small number of countries, and are aware that were conditions in them to change, their supply would be uncertain.

The cost base of several Asian producers has been rising continually. China in particular is seeing annual wage rises in the order of 12%[3], while at the same time its currency is rising making its exports more expensive. China and other East Asian countries will continue for the foreseeable future as the major sources for most large brands, as productivity is also high. Yet, buyers know it is sensible to spread their risk.

> **The “next China,” if you will, does not exist and … there is no single market likely to absorb that much of the business anytime soon. However, there are attractive candidates in other parts of the world that might help an apparel company improve the balance in its sourcing footprint.**
> **McKinsey & Co.[4]**

Meanwhile, the productive capacity in African countries has been rising, stimulated in particular by tariff free access for fashion items, firstly to the USA under the African Growth and Opportunities Act (AGOA[5]). AGOA gives the African product an advantage of 16% - 32% in the US market. Most countries in the region have tariff

free access to the EU. For the Least Developed Countries (LDCs) this is under the Everything But Arms Initiative (EBA).[6] For the more developed countries such as Kenya or Ghana zero percent tariff access has been negotiated under the Economic Partnership Agreements (EPAs). Both schemes give the African garments a 12% benefit over Chinese items, and a 17% advantage in footwear.

Local governments have played a major role in providing political stability, favourable policy environments, growing economies and better-educated work forces. Another key factor is the large and increasing population. By 2035 the African continent is expected to equal the population of China. Ethiopia, for example, has 102 million people, but is expected by 2055 to reach 200 million . So there is a ready supply of workers to this labour intensive industry.

Scale of orders is another crucial element in making African fashion industry a good fit for UK retailers. Many African manufacturers operate **minimum order quantities** that are well suited to UK retailers – compared to the giant scale orders placed by retailers such as Wal-Mart. This makes entry easier, and facilitates management of risk.

There is a thriving African fashion scene in many countries supplied by scores of small producers and based on the creativity of local designers. It supplies both the emerging middle classes and many of these designers export internationally, though in small quantities. Leather goods makers such as Lulea by Chesneau or Maasai Colour, or the Ugandan 'African Shirt Company', provide examples of such companies who produce luxury product and that raise the bar for the sector.
Brands and retailers have recognised that the emerging offer **represents value** to their businesses.

[3] http://www.economist.com/news/briefing/21646180-rising-chinese-wages-will-only-strengthen-asias-hold-manufacturing-tightening-grip
[4] McKinsey & Co, (2015) *Sourcing in a volatile world: The East Africa Opportunity*
[5] The African Growth and Opportunities Act – a US law offering many African countries tariff free access to US markets.
[6] Everything but Arms (EBA) is an initiative of the European Union under which all imports to the EU from the Least Developed Countries are duty-free and quota-free, with the exception of armaments.
[7] http://www.worldometers.info/world-population/ethiopia-population/ and http://worldpopulationreview.com/countries/ethiopia-population/

An Emerging Industry

Investment in garment factories in East Africa has largely been driven by Chinese, Taiwanese, Indian and Turkish companies. They locate in African countries to take advantage of AGOA, and later EBA, and so escape the tariffs their home country products face entering the US and other markets.

One of the leading large scale investments is by MAA Garments in Mekele, Ethiopia which employs 1,600 people and supplies to many large retailers including Tesco and Asda. Another is the Chinese shoe manufacturer Huajian in Dukem, Ethiopia supplies a range of brands including Tom's shoes. Kanoria have recently opened the first zero-effluent denim mill in the region. Others have followed such as C&M Garments in Rwanda and several at Athi River near Nairobi. The main stimulus has been tariff free access to the US market under AGOA.

The countries in sub-Saharan Africa with the largest garment and footwear industries are Kenya, Lesotho and Ethiopia, followed by Tanzania and Ghana. Though the EU imports most from Ethiopia, the largest industries are in Kenya and Lesotho, whose focus is on exports to the USA. Offshore there are considerably more developed industries in Madagascar and Mauritius, from which UK and EU buyers already source significant values of fashion products.

Earlier investments, typified in Lesotho but present in several countries, focused on CMT factories that have little connection to the local economy. Wage sensitive foreign-owned factories located there and brought in everything from fabric and trims to designs and skilled personnel.

African policy makers have learned from this experience and promoted a more connected industry based on local fibre and development of supporting industries. Clever use of energy policy[8] and tax incentives has ensured a more rooted industry, e.g. processing local cotton into fabric to supply the factories requires higher levels of investment and investors remain longer in the country. Other countries such as Rwanda offer investors reliable supplies of power and water, good road links and land.[9]

Ethiopia has been a leader in addressing the infrastructural and institutional challenges. With a population circa 100 million people, the government sees the industry as crucial to employment creation. State policy supports cheap energy to the garment sector and so investment has followed in spinning and weaving and these supply local garment making factories. A new electric train line was recently opened connecting Addis Ababa to Djibouti. The presence of a strong leather sector also enhances the attraction for supporting industries.

> **Ethiopia has certain advantages in terms of costs, whereas Kenya's garment industry has reached higher productivity levels. In all, either one has the potential to gain share in the global apparel-sourcing market.** *McKinsey & Co.*[10]

A number of **UK companies** with long involvement in the region are increasing their investments. The cotton trading company Plexus has engaged in a partnership with a vertically integrated mill-to-garment company in Uganda, now supplying garments to German retailer Otto. The British leather goods company Pittards invested in a tannery in Ethiopia in 2009 focused on export of quality hides. In 2010 they moved up the value chain and in invested in a new factory to produce fashion gloves and leather workwear in Addis Ababa. Many high quality niche producers have UK investment or leadership such as Wildlife Works who supply Puma or Soko who supply ASOS.

> **Too many people still underestimate the potential of Africa, finding it hard to get past images of the famine-struck Ethiopia of the 1980s. … I see us doubling or trebling in Ethiopia in the next five years…. It's not easy, …but if we don't see the opportunity and … make it happen, then by the time we respond we could have missed it.**
> *Reg Hankey, CEO Pittards*[11]

There was already present in many countries an industry supplying largely local and regional markets. At its peak about 1980 the industry in Kenya comprised 200,000 people from farming to garment making in the vertically integrated industry.[12] This industry suffered greatly from the import of second hand garments and the loss of tariff protection allowing in cheaper Chinese imports. Factories closed followed by reductions in cotton mills and farming. But some elements of that industry have survived and moved with the technology and export orientation, including a few who attracted investment partners.

Sub-Saharan Africa produced **6.5% of world cotton** in 2014-15.[13] Yet, most factories in the region import fabric as the bulk of the cotton is still exported as raw fibre. There is evidence that the presence of garment factories is stimulating the growing of cotton fibre in the region, though the uplift in supply is still slow, and in places has been tainted by land-grabbing by investors. Despite these cases, much of the new planting is under one or other form of certification, and inclusive of smallholder growers.

[8] E.g. In 2014 Kenya halved the price of electricity per unit for garment manufacturers.
[9] Chinese Manufacturers look to Rwanda, Financial Times, 6-5-2016
[10] McKinsey & Co, (2015) *Sourcing in a volatile world: The East Africa Opportunity*
[11] Economist [The] (2015), *Growth Crossings: How emerging-market supply chains are reshaping trade*, [Online], Available http://growthcrossings.economist.com/report/cultivating-sources-africas-changing-role-in-global-supply-chains/supply-chains-to-address-1-africas-21st-century-challenge/
[12] *The Kenyan Textile and Fashion Industry: The role of fashion designers and small tailors in the fibre to fashion value chain, Hivos,* 2016
[13] http://www.indexmundi.com/agriculture/?commodity=cotton

Challenges have not gone away

While economic growth in many African countries has been progressing at record pace, still very many challenges remain. Most countries are low cost for wages and raw materials, however the deficits in infrastructure and institutions mean productivity continues to be curtailed. The region does not meet the profile of a low-cost source.

Largely the sector lacks vertical integration, though this is occurring in places. Often supporting industries are weak or absent. As a result factories operate as CMT[14] with the import of fabric and trims, or soles for shoes. In many places the industry is largely disconnected from the local economy – frequently while locally grown cotton is exported raw. Very many of supervisor or technical grade staff are immigrant workers from Asian countries. Further, the finished products are often not sold on the local market as a result of the tax concession on imported inputs for the industry. Each of these are characteristics of a young industry, which no doubt will transition in time.

While Africa is very close geographically to European markets, it will be a time before it benefits strongly in the trend for 'proximity sourcing' as long lead times and poor infrastructure and logistics undermine its natural advantage.

These factors explain why the orders placed by European companies have repeatedly been small in scale and often experimental. Many orders have been for African themed garments and fashion items that related to consumer trends, but remained at small quantities. This product could demand sufficient premium in the market to overcome the cost. So orders are repeated, but not at scale.

US buyers on the other hand often place much larger orders, but for **'basics'** with imported fabric and trims, these sell at low cost and have little connection to the wider local economy in the African country. The factories have grown most in categories where the AGOA tariff free access gives the factory higher levels of preference over Chinese competitors. For example, Ken Atlantic in Cameroon has built a substantial business by focusing on the hospital work clothing sector where Chinese imports face a 27% tax, but the African product can enter at zero percent.

[14] 'Cut, Manufacture and Trim' – i.e. the buyer supplies all materials and designs and the local company provides solely the labour and production management.

Transparent fibre to fashion in Africa

Significant investment has been made both by development agencies and the industry to introduce **compliance systems at farm level** and connect this to local factories. Organic, *Fair Trade* and sustainable cotton systems such as *Cotton Made in Africa* (CMIA) and the *Better Cotton Initiative* (BCI) are now present in many countries leading to a new business proposition.

CMIA compliant fibre is processed to finished garments in Uganda and Kenya. *Global Organic Textile Standard (GOTS)* certified cotton grown in Tanzania is processed to finished garments in both Tanzania and Kenya. BCI and CMIA cotton grown in Malawian and Mozambican farms is processed to denim fabric and final fashion products in Lesotho. Likewise in Ethiopia.
Supports to **compliance at factory level** by agencies such as Better Work, WRAP, the Ethical Trading Initiative or Partner Africa has ensured many factories fulfill international standards for labour rights and safety. Factories are typically modern buildings on a single level and reduced risk of structural faults. Workers in many countries are organized, and export processing zones incentives in countries such as Kenya do not give exemption from labour legislation.

Such factories offer a new business proposition to retailers. For the first time at scale in Africa these garment factories offer cotton garments where the buyer has transparency of the complete value-chain from fibre to fashion item, and with compliance systems operating at farm and factory. Short local value-chains deliver transparency at a reduced cost, and with lower carbon footprint.

These chains **minimise the risks** that buyers have had to bear in other parts of the world. The cost of ensuring transparency has been far higher where production was spread across a few countries or regions. When locally grown fibre or leather are processed close to the farms and converted to fashion items in factories that have been audited for responsible practices, then retailers can offer their customers a product that distinguishes itself from others.

Sustainable cotton fibre is processed at scale to ready-to-wear garments in Lesotho, Kenya, Uganda, Tanzania, Ethiopia, Ghana and Cameroon. These chains offer a rare opportunity for local transparent processing of fibre to fashion.

Telling Stories

Consumers demand more of the brands they support. They want to know that the companies to whom they are loyal are doing good and are respectful of the environment. Labour responsibility is taken as a given. The media are very fast to move where they see any shortfall in standards.
Where a supply chain is transparent and secure there are multiple opportunities to tell consumers about the people and the process behind the fashion items. In either case consumers will tell their friends. So the proposition of a transparent fashion item made at source in Africa offers the brand tangible value.

Realising the Promise

When brands and retailers source from these sustainable chains they gain on several levels. They spread their risk. They create new supply options. They engage their customers with authentic products and distinguish themselves in the marketplace. Further, by entering early, they shape and influence the region ensuring it better meets their requirements.

Such brands also help the African garment sector to grow. Their **orders are the best stimulus** to ensure the industry continues to develop and realise its promise for them. By sourcing from transparent and sustainable chains they shape the direction of the emerging African industry that is still free from the negative associations of many other sourcing countries. Based on local cotton and leather the industry ensures widespread benefit to farmers as well as factory workers. Though garments represented less than 1% of Kenyan GDP in 2014, the sector contributed 7% to national export earnings.[15]

The sustainability codes being introduced at farm and factory promote rights and in so doing protect the brands reputation. The parallel investments by national and international agencies in infrastructure, skills and institutions all enhance productivity in the industry.

By offering their customers sustainable products, brands can ensure that the African industry becomes the positive force for change and sustainable development that each of those countries so strongly needs. The industry will have played its part in achieving the UN Sustainable Development Goals.

The initial scale opportunities are firstly in basics and items whose market demand is more predictable and will withstand longer lead times. Alongside this there is a thriving network of specialist smaller producers offering niche products distinct in production process and design.

As factories grow in experience of international orders, and as their infrastructure, institutions and support industries develop, productivity and capacity for more complex products will continue to increase. Supporting factories in this process offers a narrative of transformation for brands to engage their customers, as Otto have done in their recent TV advertisement about their commitment to ***Cotton Made in Africa.***

Sharing the Benefit

The uplift available is not solely to the brands and their African stakeholders. It also promotes growth and jobs at home.

Data from Eurostat show that the UK is encountering consistent increases in the export of goods to sub-Sahara Africa, with an annual surplus in the UK's favour of one billion Euro in each of the last five years. As the African countries grow they buy more British products. Further, data from the UK Office of National Statistics shows that UK exports of services to Sub-Sahara Africa are rising even faster. The UK now sells over three billion pounds worth of services to these economies each year.[16]

This all creates jobs for people in the UK, and in turn boosts the market at home for retailers and brands.

[15] Hivos, Ibid.

[16] Source: The UK Office of National Statistics: www.ons.gov.uk/economy/nationalaccounts/balanceofpayments/datasets/9geographicalbreakdownofthecurrentaccountthepinkbook2016

Missing an Opportunity

UK retailers risk falling behind by not availing of an opportunity with which their EU counterparts are engaging, and which US companies have embraced.
Based on Eurostat data garment imports by the EU28 countries from sub-Saharan Africa have grown more than threefold in the last decade to over €40 million per year, yet UK imports have remained **largely static** at under €4 million per year.[17] During the decade the UK fell from representing 27% of EU imports from the region to just 9%.

However, European fashion imports from sub-Saharan Africa remain at very low values relative to their US counterparts. US imports of garments and footwear from 30 sub-Sahara African countries totaled $790 million in 2015.[18] These were highly concentrated in Kenya and Lesotho (representing 95%), with Ethiopia and Tanzania following at a considerable distance.[19]

In a report by McKinsey & Co (2015), US buyers surveyed expressed three times more intention of purchasing in Africa than their European counterparts – both among value-oriented buyers and premium brands. Still, the region's potential remains untapped with just about $1 billion of garment exports from the combined sub-Saharan economies in 2013. That represents just 0.5% of world garment exports.[20]

Germany, at €28 million in 2015, imports seven times more garments and footwear from the combined Kenya, Ethiopia, Tanzania and Lesotho compared to the UK. Italy is the second largest EU importer from this group of countries.

The Swedish retailer H&M is known to source significant quantities of garments in Ethiopia, but it would seem from the Eurostat database that this enters the EU via another country.

The categories of fashion items the UK imports from sub-Saharan Africa are broadly similar to those of other European countries: knits are the largest segment, (both jersey and t-shirts). In garments of woven fabric, shirts and blouses are the largest sub-category.

By far the largest supplier into Europe from sub-Saharan Africa is Ethiopia, from where the UK represents just 5% of total EU fashion imports. For the US, the lead sources are Kenya and Lesotho.
The UK purchases more footwear in sub-Saharan Africa (Kenya and Ethiopia) than Germany, but the quantities are still small at just over half a million Euro in 2015.

[17] PMIA extract from Eurostat database
[18] Sub-Sahara African countries excluding north Africa, South Africa, Mauritius and Madagascar.
[19] PMIA extract from World Bank - UN 'World Integrated Trade Solution' Database (WITS).
[20] McKinsey & Co, Ibid, Based on sub-Sahara Africa, excluding South Africa, North Africa, Mauritius and Madagascar.

Brexit: Challenge and Opportunity

Brexit introduces both uncertainty and opportunities for the nascent fashion industry in African countries.

Exchange rate fluctuations create insecurity for trade. Deals made at one time usually have to be delivered even if the value of Sterling has shifted in either direction. Some suppliers in the Proudly Made in Africa network are already reporting that they are encountering this extra cost. In the medium term a weaker Sterling pound will make African fashion items more expensive in the UK market. It will do likewise for their Asian competitors, but may reduce the size of the market for both.

It cannot yet be known what **tariff** regime will come into force post Brexit. At present the African fashion industry benefits from **zero tariffs and zero quotas** on sales into the EU including the UK. That gives factories in Africa a 12% advantage over Chinese ready to wear garments and a 17% advantage in footwear. This policy was deliberately designed to promote development in some of the poorest countries in the world, but it is now at risk in the post-Brexit context.

On what terms will African-made garments enter the UK after Brexit? It will depend on a number of factors, most of all what trade agreement the UK will have with the EU. The current arrangements for zero percent tariff access will only stay in place for African fashion producers if the UK remains a part of the single market. But this is far from assured at this early stage in the process. It is more likely that the UK will need to agree new terms with the African garment and leather goods producing countries.

That all takes time. It will be at least two years before the UK-EU relationship is clarified, and from that will cascade a number of other trade relationships. It would be unfair that African countries be left till later in the queue – as **the period of unknowing** would extend for additional years. This creates uncertainty for African producers who may be deterred from seeking to build trade relationships with the UK, and in turn discourages investment.

As a first measure, the UK government should give assurances that the African industry will at least **have no worse terms** of access to the UK market than at present. It is necessary that this **tariff free market access be maintained**. This preference makes the crucial difference in the African supply chains engaging international buyers. Without it the promise is broken.

But Brexit also represents an **opportunity** for the UK to shape its trade rules in a way that promotes development in Africa – and in turn will build the market for UK exports to those countries.

In trade negotiations with developing countries there is a delicate balance to be struck between promoting ones ‘aggressive interests’ and promoting development. The short-term pursuit of market access into African countries may be counterproductive if it retards their growth. In that case those countries would not advance in a way that reduces poverty for their citizens. That in turn would reduce their capacity to purchase goods and services from the UK.

The World Trade Organisation’s ‘Generalised System of Preferences’ offers a legal route though which the UK can grant to developing countries **non-reciprocal access** to the British market. It is this provision that the US uses to underpin the benefits it offers to 39 African countries under AGOA.

A Stitch In Time

Post-Brexit the UK will have additional independence to shape its trade policy. It will have an opportunity to ensure trade policy is coherent with development policy and actively promotes growth in Africa. There are a number of practical measures which the UK government could take now that will increase the stability and flow of investment into the young African fashion industry.

- The UK government should immediately commit that products made in African countries shall face no worse market access conditions entering the UK than they do at present.
- The poor are always left till last, but the UK has an opportunity to ensure African countries are not undermined by carrying uncertainty for an undue period. Agreeing trade terms with Lesser and Least Developing Countries should be a development priority in the Brexit process. The Commonwealth may offer an institutional framework in which that could be expedited.
- Ensuring new UK trade agreements with African countries are non-reciprocal, will be a valuable step towards ensuring that young industries can grow to maturity – and in turn that those economies grow as markets for the UK.

These measures will ensure the garment and footwear industries in African countries can grow and fulfill their potential contribution to sustainable development for their peoples. But they will also benefit the UK in the medium term. Their growth ensures stability in the interests of all and the evidence shows their maturity as markets will stimulate jobs for UK exporters of goods and services.

Case Study

Transparent Fibre to Fashion in Practice

The 5,400 small farmers of the Western Uganda Cotton Company (WUCC) were supported by the Aid by Trade Foundation to grow cotton sustainably according to the CMIA code. This cotton is then processed in Uganda into yarn and fabric at the new Fine Spinners Uganda (FSU) factory. The Kampala based factory, representing a Kenyan investment of $40 million, is fully integrated producing both knits and woven fabrics, through to finished ready-to-wear garments.

> **We don't believe in a USP. We believe in a UVP, a unique value proposition. This value proposition is that we are giving our customers a traceable and sustainable cotton story.**
> *Jas Bedi, CEO, Fine Spinners Uganda*[1]

A number of other factories in the region source either yarn or fabric from Fine Spinners in Uganda and offer other ranges of garments. The much smaller Kiboko in Nairobi sources fabric from FSU and specialises in ethical children's wear which **Proudly Made in Africa** has been happy to connect to buyers in Europe.

International buyers have been quick to recognise the value of a fully transparent chain and so German retailer Otto and Danish brand Jack & Jones now source directly from Fine Spinners in this transparent fibre-to-fashion chain.

Now the interests of the 5,400 Ugandan farmers growing the cotton are better protected, and their cotton has full value-added before going to international markets. This creates jobs and livelihoods for other Ugandans. Both Otto and Jack & Jones benefit from the assurance that their reputations are protected when sourcing from this fully traceable value chain.

> **By partnering with Fine Spinners Ltd. we … take care that all our CmiA labelled products can be completely traced back within our textile value chain from the final product in the store down to the South-Western CmiA growing region in Uganda.**
> *Dorte Rye-Olsen, JACK & JONES*[2]

[1] Jas Bedi interviewed by The Report Company, http://www.the-report.com/reports/uganda/pearl-of-africa-shines/interview-with-jasvinder-bedi-executive-director-of-fine-spinners/
[2] www.cottonmadeinafrica.org/en/press/1121-jack-jones-first-cotton-made-in-africa-retail-partner-in-denmark

Proudly Made in Africa

Proudly Made in Africa (PMIA) is an Ireland-based NGO with offices in Dublin and London. PMIA assists African producers of manufactured and processed goods to build markets for their products in EU countries.

Our mission is to generate employment opportunities for African communities through building the capacity of African producers to market their products internationally and to change the bias that stops consumers engaging with African products so that Europe relates to Africa through trade not aid.

Our vision is an international marketplace for African-made value-added goods so that it is normal for African countries to add value to their products before export and normal for European buyers to source consumer ready products from Africa, not just raw commodities.

Value Added in Africa - UK

49-51 East Road, Old Street
London, N1 6AH

Value Added in Africa - Ireland

133, Capel Street
Dublin D01 C8W9

Value Added in Africa is a registered charity that seeks to support sustainable livelihoods in Africa through value added trade.

CHY 18389

Layout & Design by www.manjemedia.com