

## SENATE HEARING

Good morning Chairperson and committee and thank you for the opportunity to participate in today's public hearing. I represent Business for Development, an Australian NGO that believes one of the key drivers for poverty reduction is through inclusive economic growth and working in partnership with businesses like Base Titanium and Cotton On Group to include the poor in the value chain.

We focus in particular on working with the mining sector in developing countries, like Kenya. Mining companies have a vested interest in developing non-mine dependent economies. It means good community relations, social license to operate and ensures that when the mine closes there's a viable economy to support the local population.

Australia's mining sector is one of the leading investors in Africa with over 600 projects in 38 countries. Through careful planning and implementation, each one of these mining companies can create economic empowerment and work towards the SDGs, through focusing on initiatives that address the aspirations of the poor for jobs and higher incomes.

Base Titanium is an exemplary example of a company that is achieving this. As a result they are creating trade. Trade with Cotton On, trade with local markets and trade with international markets.

Trade keeps goods, services, and capital flowing. Whether it be ending hunger and poverty, providing decent work and economic growth, innovation and infrastructure, trade is a common thread woven throughout the SDGs' targets.

It is through understanding the value chain and developing strong partnerships, trade is developed. By fostering the development of inclusive agribusiness opportunities, mining companies supported by African & Australian governments and civil society can work together to drive inclusive growth.

To support these types of activities in the African region, the committee is encouraged to consider the following recommendations that can be adopted by DFAT and Austrade.

## **1. Funding**

Funding can be leveraged to complement investments made from the private sector while also achieving the Australian Aid program goals. Developing new supply chains takes time they must be nurtured and supported until mature. Funding can provides partners with the tools to increase incomes and improve quality.

## **2. Encourage cooperation**

By its very nature, successful inclusive business and trade requires its participants to reach across sectors, regions, boundaries, and to engage in the kind of collaborative, multi-stakeholder partnerships that are encouraged under SDG 17.

Brokerage of these partnerships is key to success as you can see from the partnership with Cotton On and Base Titanium. This is developing something that is new and untested. It's risky, but with commitment and cooperation it is achievable.

## **3. Circulate knowledge**

Review DFAT's, ACIARs and other departments vast development knowledge and look at how we can distribute, share, and exchange knowledge, ideas, innovations, and technologies that have the power to transform lives.

## **4. Promote Inclusive Business and Shared Value models particularly with the mining and agriculture sector, and encourage them to work together.**

Finally, I wanted to highlight the outcome of some of this work. Today I am wearing a t-shirt made from cotton, from the Kwale project that's supported by Base Titanium and Cotton On Group. It's a prime example of what can be made sustainably, demonstrating that all organisations can look down their value chain and include the poor. Governments like ours have the opportunity to support and empower those businesses to achieve this end.