#### MEMORANDUM OF UNDERSTANDING

for a partnership between

# Department of Foreign Affairs and Trade

and

# **Australian Fashion Chamber Limited**

#### Introduction

1. This Memorandum of Understanding (the Memorandum) expresses the understandings and common interests of the Department of Foreign Affairs and Trade (DFAT) and the Australian Fashion Chamber Limited (AFC) (hereinafter collectively referred to as "the Partners") to identify areas where the Partners can work together to strengthen, promote and develop Australian fashion and design, including achieving effective and sustainable development outcomes in the Indo-Pacific Region; enhancing global recognition of Australian fashion; nurturing future fashion leaders; and leveraging business development, trade and investment opportunities.

## **Purpose**

2. The Partners' overarching goal is to maximise the economic, cultural and development opportunities of Australian fashion. The Partners will work together to progress priority areas of collaboration, as outlined in **Schedule A**. In doing so, the Partners will share their respective strengths, networks, experiences, technologies, methodologies, and resources (including staff, in kind and monetary) in order to deliver on these priority areas.

# **Partnership Principles**

- 3. This Memorandum is guided by the following partnership principles:
  - a) **Trust**: the Partners are committed to working together to take into account their respective interests, motivation, cultures, values and priorities;
  - b) **Inclusivity**: the Partners are committed to advancing positive development benefits and will cooperate to ensure that the most vulnerable groups in the community such as people with a disability, women and children, are able to access and benefit equally from development cooperation activities, identified through this Memorandum;
  - c) **Leverage**: the Partners are committed to working together to leverage the respective resources of DFAT and AFC to improve economic and development effectiveness to maximize benefits;
  - d) **Additionality:** the Partners jointly decide that their respective support and funding for any development cooperation activities identified through this Memorandum will not replace what would otherwise be respectively undertaken as part of its standard business operations; and
  - e) **Promotion of gender equality:** the Partners are committed to ensuring that women and men benefit equally from activities arising under this Memorandum.

## **Responsibility of the Partners**

- 4. The Partners will continue to maintain their separate and unique missions, mandates and accountabilities. Each Partner will be fully and solely responsible for any and all expenses it incurs in relation to this Memorandum.
- 5. This Memorandum does not:
  - a) create an exclusive working relationship between the Partners;
  - b) supersede or interfere in any way with any arrangements or contracts entered into between or by the Partners, either prior to or subsequent to the signing of this Memorandum; or
  - c) create any obligations on either Partner to provide funds, nor does it constitute a legally binding commitment by either Partner or create any rights in any third party.

## **Implementation of specific activities**

- 6. In order to give effect to this Memorandum, the Partners may enter into separate arrangements, in writing, for the purposes of carrying out specific activities.
- 7. Any separate arrangement(s) made pursuant to this Memorandum will refer as appropriate to this Memorandum, unless otherwise mutually decided upon by the Partners.

# **Transparency**

- 8. The Partners are committed to transparency and acknowledge that this Memorandum will be a public document.
- 9. Either Partner may publish information regarding any development cooperation activities identified through this Memorandum, whether delivered in partnership or funded jointly with each other. The Partner seeking to publish the information will consult with the other Partner and will provide the other Partner with a reasonable opportunity to review and to provide comments on the proposed information to be published. The Partner will consider the other Partner's comments prior to publishing the information.

# Fraud and Anti-Corruption

- 10. DFAT and the AFC are committed to preventing and detecting fraud and corruption, including bribery. AFC is responsible for preventing and detecting fraud and corruption with respect to any activities under this Memorandum.
- 11. The AFC will, within its own governance and policy framework, notify DFAT of any fraud and corruption detected and undertake relevant investigative and funds recovery action.

#### **Child protection**

12. Australia is a State Party to the United Nations Convention on the Rights of the Child. The Partners will not engage in any practice inconsistent with the rights set forth in the Convention on the Rights of the Child and will ensure that children will be protected from all forms of abuse in connection with cooperation activities implemented under this Memorandum.

# **Prevention of Financing for Terrorism and Sanctions**

13. The Partners will cooperate to ensure that any funding provided for a cooperation activity is not used, directly or indirectly, to provide support to individuals or entities associated with

terrorism. The Partners will ensure that none of the funds are used, directly or indirectly, in contravention of decisions of the United Nations Security Council involving sanctions.

#### **Amendments**

14. This Memorandum and its schedule(s) may be amended at any time by mutual consent in writing in the form of an exchange of letters between the Partners.

# **Entry Into Effect and Duration**

- 15. This Memorandum will take effect on signature by the Partners and will remain in effect for three (3) years from this date, unless an extension or termination is mutually decided upon in writing by the Partners.
- 16. Either Partner may terminate this Memorandum by giving the other Partner at least three months' written notice of its intention to terminate.
- 17. The termination of this Memorandum will not affect any arrangement(s) between the Partners for specific development cooperation activities or bilateral programs that have been identified through this Memorandum and that exist on the date of termination, unless stated otherwise in such arrangements or the Partners otherwise decide.

Department of Foreign Affairs and Trade	Australian Fashion Chamber Limited	
By:	By:	
(Signature)	(Signature)	
Name: The Hon Julie Bishop MP	Name: Ms Edwina McCann	
Title: Minister for Foreign Affairs	Title: Chair	
Date:	Date:	

# SCHEDULE A: Priority areas for DFAT-Australian Fashion Chamber Partnership

The proposals detailed below are suggested areas of collaboration:

- 1. <u>Connect Australian designers internationally</u>: Support opportunities that promote and enhance the international reputation and reach of the Australian fashion industry.
  - DFAT will assist with leveraging partnerships and networks to promote business development opportunities for Australian fashion internationally.
  - The AFC and DFAT to increase the recognition of Australia as a fashion destination, across the spectrum of the fashion industry, including through hosting and participating in overseas events and fashion trade shows/weeks.
  - DFAT will, where possible and suitable, provide access for the AFC to Australian Government properties overseas including embassies, chanceries and residences.
  - DFAT will promote the AFC to the Foundations, Councils and Institutes to explore partnership opportunities and grants funding.
  - DFAT will consider profiling the Australian fashion industry in relevant annual focus country programs.
  - DFAT to explore opportunities to collaborate with AFC on fashion industry focussed International Media Visits and/or International Cultural Visits (inward and/or outward).
  - DFAT and the AFC to expand networking opportunities through sharing contacts and visit details.
  - DFAT and the AFC to share research, facts and statistics on the fashion industry, as appropriate.
  - DFAT, the AFC and Austrade to collaborate where possible on social media campaigns and digital macro data.
- 2. <u>Promote private sector engagement</u>: Work collaboratively and coherently through existing platforms to leverage private sector engagement, increase trade capacity and attract investment.

- DFAT to explore options to leverage Australia's investment in existing
  programs that aim to increase private sector engagement and contribute to
  economic growth in our partner countries. Programs such as the Market
  Development Facility (Fiji, Timor-Leste, Pakistan), Cambodia Agricultural
  Value Chain Program (CAVAC), the Pacific Private Sector Development
  Initiative, and the Pacific Horticultural and Agricultural Market Access
  program in the Pacific.
- 3. <u>Nurture fashion talent</u>: Support emerging fashion designers and future fashion leaders and initiatives to enhance vocational, commercial and entrepreneurial skills and competencies.
  - DFAT to support the AFC's Designers Abroad initiative (including
    potential assistance for an AFC showroom at Paris Fashion Week) and
    other overseas visits by the AFC members through our diplomatic network,
    in particular to enhance posts' public diplomacy and economic diplomacy
    activities.
  - Where possible, DFAT to connect the AFC to a range of existing Whole of Government funding mechanisms, such as
    - DFAT's Short Courses (from eligible developing countries)
    - DFAT's Australia Awards Fellowship (based on existing relationships with overseas counterparts)
    - Grants programs managed by DFAT's Foundations, Councils and Institutes (FCIs)
    - Austrade's Export Market Development Grants (EMDG)
    - Department of Industry and Science's suite of funding programs
  - The AFC to collaborate with relevant universities and education providers (for example Whitehouse, UTS & RMIT) to advocate for fashion and design education and training opportunities including scholarships, internships, mobility and mentoring programs managed by DFAT.
  - The AFC to work with education and training organisations to foster alumni engagement.
- 4. <u>Promote economic opportunities</u>: Where mutual priorities exist, support the increase of economically viable and ethical garment manufacturing and/or textile craft in the Indo-Pacific region.
  - DFAT and the AFC to collaborate on exploring existing DFAT programs that aim to build ethical, sustainable and transparent supply chains such as the \$4.5 million 'Fairtrade for Aid Partnership in the Indo-Pacific' with Fairtrade Australia and New Zealand.

- DFAT to ensure the AFC have access to Fairtrade training on ethical manufacturing and sourcing (with a focus on Fairtrade cotton) utilising DFAT's existing 'Fairtrade for Aid Partnership in the Indo-Pacific' with Fairtrade Australia and New Zealand.
- DFAT and the AFC to consider opportunities to encourage the Australian fashion industry to source textile, clothing and footwear products and manufacturing from developing countries in the Indo-Pacific region.
- The AFC to explore collaboration with the innovationXchange on new approaches, products, services and international partnerships.
- 5. <u>Promote gender equality</u>: Where there is natural alignment, support access and provide opportunities to engage in programs that work towards sustainable economic empowerment for women in developing countries in the Indo-Pacific region.
  - DFAT and the AFC to explore existing programs that provide the potential for Australian fashion industry to engage with suppliers, manufacturers and wholesalers to support the empowerment of women and gender equality.

# 6. Further areas to explore:

- Promote Indigenous fashion locally and internationally
- Austrade to assist with identifying Free Trade Agreement (FTA) opportunities and potential access to trade and investment roadshows. Investigate the opportunities created by FTAs Japan/Korea/China.
- Austrade to assist with export grants and business development support for SMEs
- Opportunities to develop relationships that support Australian designers through exposure to retail and distribution opportunities in emerging and established markets in the region.
- Trade missions that build on the capabilities of designers that are a good fit for those markets i.e. the AFC have already sent members to Indonesia and India.

# 7. Governance Structure:

Level	Meeting Objectives	Attendees	Frequency
Executive	<ul> <li>Establish overall strategic direction of AFC/DFAT relationship</li> <li>Agree on key objectives and strategies</li> <li>Manage key stakeholder engagement</li> </ul>	Minister for Foreign Affairs (Chair), the AFC Board and Industry representatives	Annually
Operational	<ul> <li>Manage key priorities</li> <li>Resolve issues</li> <li>Provide resources and expertise to support priorities</li> </ul>	DFAT, the AFC and Industry representatives	Quarterly