



KP INDUSTRIES AND HYDROPONIC FARMING

What Problem Are We Solving For?

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As Knowledge Pele, we believe in sustainable, thriving communities that are able to harness all their resources, be it land, the natural environment, location or people, to achieve social progress. Through community-centred research, we have designed and implemented programmes that develop a community's human capital to take advantage of employment or entrepreneurial opportunities. However, as people develop their capabilities, there must be corresponding opportunities that will retain as much of this talent within the communities people call home. While people leaving to find better opportunities in larger cities should not be discouraged, an en masse exit of talent does leave the community poorer.

KP Industries represents Knowledge Pele's next step in its development process which solves this above-mentioned missing piece. We do this by developing, funding and managing industrial and social infrastructure that will be placed in the heart of these communities, creating anchors from which all economic activities flow. These assets will create local jobs, wealth and encourage enterprise development.

The work of industrialising communities has begun in earnest through the development of a portfolio of commercial-scale hydroponic farms, the first of which will be in Touwsrivier in the Western Cape. Hydroponic farming is a form of controlled environment agriculture which requires no soil preparation, uses up to 75-95% less water than conventional farming, requires less land and produces up to 17 times more yield than conventional farming. The Touwsrivier Commercial Hydroponic Farm will directly employ at least 20 members of the community and will use a number of hydroponic systems in order to grow a variety of crops such as strawberries, basil, baby spinach and lettuce. This produce will be sold to a large retailer under an offtake agreement.

The hydroponic farming technology provides us with a high degree of certainty of crop supply of the highest quality. The offtake agreement with a reputable retailer gives us certainty of market for our produce. Combined, these three certainties of supply, quality and market allow us to present a project that has attractive commercial benefits that are intertwined with social benefits.

KP Industries aims to build 25 commercial-scale hydroponic farms in 25 township, peri-urban and rural communities across South Africa. This will create at least 1 000 community-based jobs. One hydroponic farm creating at least 40 jobs means there are at least 40 more households able to afford better quality food, healthcare and education in each community. Additional household income in these communities creates a market for small businesses to provide goods and services which means small business owners are able to take care of their own household needs. Growing small businesses are able to employ at least one additional member of the community who too can take care of their household needs. Such communities are able to attract further social and private investments that will enhance the community.

One farm in one community has the ability to create endless economic and social development possibilities. This is our why.