

## WELCOME

Welcome to our first newsletter of 2020 in what are exceptional times. With the impact of COVID-19 pandemic being felt around the world, SFA has had to review our planned activities and focus on key activities that will ensure that we can continue to promote, through our cashmere standard, sustainable rangeland stewardship and animal welfare.

Our Clean Fibre Processing Code of Practice is live and our Chain of Custody pilot for sustainable cashmere has just started. All this is taking place within the constraints of COVID-19 and we are grateful for the support that our members, within the supply chain, are providing to this pilot at this difficult time.

To ensure that SFA can continue to support action that leads to sustainable cashmere we will be reviewing how SFA can contribute to supporting the required remedial action once the impact of COVID-19 on the cashmere market has been assessed. Further details elsewhere in this newsletter.

Stay well and keep safe!

**Charles Hubbard**, SFA CHAIRMAN

## SFA AND ICCAW TO COLLABORATE IN CHINA

The SFA has signed a memorandum of understanding with ICCAW (International Cooperation Committee on Animal Welfare) to collaborate in jointly developing and implementing a code of practice in animal welfare and environmental sustainability of cashmere production, in China. The SFA and ICCAW will work together to set out robust and practical farm auditing procedures to be put in place, and will consult with Chinese and International partners. The SFA is delighted with this collaboration, which will strengthen the credibility of a SFA Code of Practice for China. A collaborative commitment is needed to transform the animal welfare system in Inner Mongolia. So far we've had a positive response from members to our plans for China.



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## Whats Next?

We are planning an **Animal Welfare Consultation** meeting on the proposed date of **4th June 2020** via webinar. Please contact us to register to attend this meeting on [admin@sustainablefibre.org](mailto:admin@sustainablefibre.org).

*A warm welcome to our newest SFA Members!*





## THE CHAIN OF CUSTODY PILOT HAS STARTED!

The bags have been stamped, the labels have been printed and for the first time, we are about to trace cashmere fibre from the herders through the entire supply chain to the shop floor.

Four of the participating companies have been announced; Khanbogd has been certified in the SFA Clean Fibre Processing Code of Practice and will be scouring and dehairing fibre going through 3 of the pathways. Gobi and Johnsons of Elgin are two vertically integrated companies taking part, and in the third pathway, the fibre will be taken to a spinner before the cashmere arrives at the weavers, Alex Begg. The fourth, Chinese pathway will be confirmed next week.



## Stories from the Field



### Traceability from herder community level

This cashmere season, SFA herding communities have been preparing their fibre by colour and quality. Herding communities in the Ovorkhangai and South Gobi regions have just received their SFA Transaction Certificates and are the first step in our chain of custody pilot.

Herder community leader Altai, from a SFA herder organisation in Ovorkhangai region, said *“this year will be tough for our herders and the immediate difficulties of Covid is only at the start - the drop in the price of cashmere will have a huge impact on our herders’ livelihoods throughout the year”*.

The support for herder communities by a number of organisations such as AVSF, TBC, Green Gold, UNDP, EBRD and Gobi in land management and animal welfare, has had a significant contribution on their strength and ability to work as a collective.

As a result, the national processing factories are pleased with the quality of the cashmere preparation at the soum level and welcomed the cooperation between the herders and the cooperatives.

### Clean Fibre Processing Code of Practice

The Clean Fibre Code of Practice now has eleven cashmere processing plants undergoing assessment against the code. It is a minimum requirement of The Clean Fibre CoP that SFA certified processing plants do not use hazardous substances including AEPOs.

The code of practice also monitors and encourages environmentally responsible practices such as water, energy use and ensures respectful and secure working environments for workers. Most of the processing plants are at the self-assessment level, having received the necessary training, however, Khanbogd is the first processing plant to be SFA-certified having completed external assessment.



## SFA RECENT MEMBERS WEBINAR

Our recent members' meeting webinar on 28th of April was attended with over 40 participants and the meeting set out how we were going to help members respond to the impact of the pandemic and an overview of COVID Action plan. A feature of the webinar was the ability of members to hear from Mongolia and China and how the current status of the cashmere market is affecting herding communities and the steps being taken by SFA and other organisations in the country.

## GOOD HERDING PODCASTS

This month the SFA Mongolia team has released the first podcast in a series on good herding practices, during cashmere season. This is just one in a series of new ways that the SFA in Mongolia are engaging with herders, which includes videos, a TV series with Khan Bank and hand-books. All of these will be expanded in response to COVID restrictions.



## MORE HERDERS JOIN SFA

More than 20 new herding communities have expressed an interest in following the SFA Codes of Practice for Rangeland Stewardship and Animal Husbandry this year. These communities are currently being supported by distance learning so that they understand the requirements of each Code of Practice and are able to begin their self-assessment. Depending on Mongolian travel restrictions, the first independent assessments could take place in Autumn.



### The SFA Register

The SFA is about to launch the SFA Register, a list of traders, herders and processing plants who have committed to working to SFA's Codes of Conduct.

The register will provide contact details and whether the cashmere producers are SFA certified and their current level of compliance - bronze, silver or gold.

The aim of the register is to bring some visibility of our producers to the market and build trust within the cashmere sector.

## 21ST CENTURY HERDER– Vocational Education

The SFA is developing a course curriculum in collaboration with the Mongolian Ministry of Education and Vocational Education Authorities, which will be rolled out nationally and be offered as a 1 or 2.5 year course. The course draws on best practices in modern agriculture and applies this to the Mongolian pastoral context and will provide herders with the opportunity to gain a nationally recognised qualification in agricultural livestock management. The course will also build awareness, across the nation, of SFA's work in sustainably produced cashmere.

The SFA is training 8 tutors who will be teaching sustainable cashmere practices to herding communities as well as teaching on this national vocational course.



# COVID Action Plan - Cashmere Sector Sustainability

As current lockdown extends, manufacturers, brands and retailers are being severely impacted and experiencing business losses with the herders being the hardest hit.

Our response to the impact of COVID-19 is to put together an action plan, led by SFA Chair, Chas Hubbard. The action plan will address an immediate response to herders, and new measures that can be put in place to support recovery and a transition towards a sustainable and equitable supply chain.

## Next steps – Action Plan-COVID19



## SFA'S RESPONSE TO THE CRISIS

**A Working Group** is being set up to develop the action plan and identify the types of activities to support vulnerable herders and the supply chain, to build a better future for the cashmere sector.

Initial thoughts see the action plan being approximately 12-18 months duration, although it is envisaged that some activities will become mainstream to the SFA.

The scope of the action plan is expected to be broad and we will be coordinating with other agencies, operating in response to COVID-19. We are already in early dialogue with UNDP to ensure an efficient and effective response plan.

The development of our action plan will be based on the analysis of COVID-19 impacts and needs of the supply chain to ensure inclusive response to drive:

- Our immediate response
- What we can do to support recovery
- How can this event shape the transformation to a equitable and sustainable cashmere sector?

Our approach will ensure that our actions are backed-up by supporting evidence collected from the supply chain. Assessing the impacts of the COVID-19, involves interviews and questionnaires across the supply chain of cashmere from herders to brands and retailers.

All planned activities will aim to:

- Reduce herders vulnerability to livelihood risks
- Drive change to provide the conditions where sustainable fibre production is the norm
- Increase investment into supply chain sustainability through stakeholder collaboration

For this to happen, our members need to be part of the solution and it is important that they support the implementation of the plan.

We invite you to help shape this action plan by joining our working group. Please contact Chas Hubbard directly on [chas.hubbard@sustainablefibre.org](mailto:chas.hubbard@sustainablefibre.org) to register your interest.

## Contact Us

Contact us for more information about our codes of practice, projects, membership details and how you can support the work we do at [admin@sustainablefibre.org](mailto:admin@sustainablefibre.org).

Visit our website at [www.sustainablefibre.org](http://www.sustainablefibre.org) to see our work in action and details of SFA joint initiatives.